

September 3, 2022

**BSE Limited**  
Floor 25, P. J. Towers  
Dalal Street, Fort  
Mumbai - 400 001

**National Stock Exchange of India Limited**  
Exchange Plaza  
Bandra Kurla Complex  
Bandra (E), Mumbai - 400 051

Scrip Code: **543271**

Symbol: **JUBLINGREA**

Dear Sirs,

**Sub: Notice of the 3<sup>rd</sup> Annual General Meeting scheduled to be held on September 26, 2022 and Annual Report for the Financial Year 2021-22**

Pursuant to the provisions of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 (the 'SEBI Listing Regulations'), we wish to inform the following:

1. The Third Annual General Meeting ('AGM') of the Members of Jubilant Ingrevia Limited will be held on **Monday, September 26, 2022 at 03:00 p.m. (IST)** through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM') in accordance with the circular dated April 8, 2020, April 13, 2020, May 5, 2020 January 13, 2021, December 8, 2021 , December 14, 2021 and May 5, 2022 issued by the Ministry of Corporate Affairs and circular dated May 12, 2020, January 15, 2021 read with circular dated May 13, 2022 issued by the Securities and Exchange Board of India.
2. Pursuant to the said Circulars, AGM notice and Annual Report for the Financial Year 2021-22 have been sent to all the members of the Company whose email addresses are registered with the Company / Depository Participant(s).
3. The Company has provided the facility to vote by electronic means (remote e-voting as well as e-voting at the AGM) on all the resolutions set out in the AGM Notice to the members, who are holding shares on the Cut-off date i.e. Monday, September 19, 2022. **The remote e-voting will commence at 9:00 a.m. (IST) on Friday, September 23, 2022 and end at 5:00 p.m. (IST) on Sunday, September 25, 2022.**

Detailed instructions for registering email addresses(s) and voting/ attendance at the AGM are given in the AGM Notice.

A Jubilant Bhartia Company

OUR VALUES



**Jubilant Ingrevia Limited**

1-A, Sector 16-A,  
Noida-201 301, UP, India  
Tel: +91 120 4361000  
Fax: +91 120 4234895-96  
www.jubilantingrevia.com

Regd Office:  
Bhartiagram, Gajraula  
Distt. Amroha - 244 223  
Uttar Pradesh, India  
CIN : L24299UP2019PLC122657



4. We also enclose the following documents for your record:

- i. Notice convening the 3rd AGM of the Company; and
- ii. Annual Report of the Company for the Financial Year 2021-22

The above documents are also available on the Company's website [www.jubilantingrevia.com](http://www.jubilantingrevia.com) at the following links:

- [Notice](#)
- [Annual Report](#)

5. Further, reference to our letter dated August 5, 2022 intimating the record date for dividend of Rs. 2.50 (Two Rupees Fifty Paise only) per equity share of Re. 1 each for the year ended March 31, 2022 recommended by the Board of Directors, we wish to inform that the dividend is subject to approval of the shareholders at the ensuing AGM. **The dividend, if approved by the shareholders at the ensuing AGM, will be paid/ dispatched on or before October 24, 2022.**

We request you to take the same on record.

Thanking you,

Yours faithfully,  
For Jubilant Ingrevia Limited

Deepanjali Gulati  
Company Secretary

Encl: as above

A Jubilant Bhartia Company

OUR VALUES



**Jubilant Ingrevia Limited**

1-A, Sector 16-A,  
Noida-201 301, UP, India  
Tel: +91 120 4361000  
Fax: +91 120 4234895-96  
[www.jubilantingrevia.com](http://www.jubilantingrevia.com)

Regd Office:  
Bhartiagram, Gajraula  
Distt. Amroha - 244 223  
Uttar Pradesh, India  
CIN : L24299UP2019PLC122657

**JUBILANT INGREVIA LIMITED****(CIN: L24299UP2019PLC122657)**Registered Office: Bhartiagram,  
Gajraula, District Amroha - 244 223,  
Uttar Pradesh, IndiaEmail: [investors.ingrevia@jubl.com](mailto:investors.ingrevia@jubl.com)Website: [www.jubilantingrevia.com](http://www.jubilantingrevia.com)

Phone: +91-5924-267437

**NOTICE**

**NOTICE** is hereby given that the 3<sup>rd</sup> Annual General Meeting ('AGM') of the Members of Jubilant Ingrevia Limited (the 'Company') will be held on Monday, September 26, 2022 at 3:00 P.M. (IST) through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') for which purpose the Registered Office of the Company situated at Bhartiagram, Gajraula, District Amroha - 244 223, Uttar Pradesh, India shall be deemed to be the venue for the Meeting and the proceedings of AGM shall be deemed to be made thereat, to transact the following business:

**ORDINARY BUSINESS**

- To receive, consider and adopt:
  - the audited standalone financial statements of the Company for the financial year ended March 31, 2022 together with the reports of the Board of Directors and the Auditors thereon; and
  - the audited consolidated financial statements of the Company for the financial year ended March 31, 2022 together with the report of the Auditors thereon.
- To declare final dividend of ₹2.50 per equity share, for the financial year ended March 31, 2022.
- To appoint a Director in place of Mr. Shyam S. Bhartia [DIN: 00010484] who retires by rotation and, being eligible, offers himself for re-appointment.
- To appoint a Director in place of Mr. Priyavrat Bhartia [DIN: 00020603] who retires by rotation and, being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS****5. Ratification of Cost Auditor's Remuneration**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s J. K. Kabra & Co., Cost Accountants (Firm Reg. No.: 000009) appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records maintained by the Company for the financial year 2022-23, amounting to ₹4,75,000 p.a. (Rupees Four Lac Seventy-Five Thousand only per annum) plus applicable taxes and reimbursement of out of pocket expenses, if any, incurred in relation to the audit be and is hereby confirmed, approved and ratified".

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**By Order of the Board**  
For Jubilant Ingrevia Limited

Place: Noida  
Date: August 5, 2022

**Deepanjali Gulati**  
Company Secretary

**NOTES:**

- The explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the 'Act'), in respect of the special business to be transacted at the 3<sup>rd</sup> AGM is annexed hereto.
- Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings, in respect of the Directors seeking appointment/ re-appointment at the AGM, forms integral part of the AGM Notice.
- In view of the current extraordinary circumstances due to COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 (dated April 8, 2020), Circular No.17/2020 (dated April 13, 2020) Circular No. 20/2020 (dated May 5, 2020), Circular No. 02/2021 (dated January 13, 2021), Circular No. 19/2021 (dated December 8, 2021), Circular No. 21/2021 (dated December 14, 2021) and Circular No.2/2022 (dated May 5, 2022) (Collectively referred to as 'MCA Circulars'), issued by the Ministry of Corporate Affairs ('MCA') physical attendance of the Members to the AGM venue is not required and AGM be held through VC or OAVM.
- Pursuant to the Circular No. 14/2020 dated April 8, 2020, issued by the MCA, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC and participate thereat and cast their votes through e-Voting.
- In compliance with MCA Circular No. 20/2020 dated May 5, 2020, MCA Circular No. 2/2022 dated May 5, 2022 and SEBI Circular No. SEBI/HO/ CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022 the financial statements including Directors' Report, Auditor's report or other documents required to be attached therewith (together referred to as 'Annual Report 2021-22') and AGM Notice are being sent in electronic mode to Members whose e-mail address is registered with the

- Company or the Depository Participant(s) as on August 24, 2022 and to all other persons so entitled.
6. In line with the MCA Circulars, the Notice calling the AGM has been uploaded on the website of the Company at [www.jubilantingrevia.com](http://www.jubilantingrevia.com). The AGM Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of National Securities Depository Limited ('NSDL') (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  7. Since this AGM shall be held without the physical presence of the Members, the Proxy Form and the Attendance Slip are not annexed to this AGM Notice.
  8. Corporate Members are requested to send a duly certified copy of the Board resolution/ authority letter, authorizing their representative(s) to attend and vote on their behalf at the meeting.
  9. Members attending the AGM through VC / OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
  10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
  11. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the AGM Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
  12. Since the AGM will be held through VC/OAVM without the physical presence of Members at a common venue, the route map is not attached.
  13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Company.
  14. The AGM Notice and Annual Report will be sent to those Members / beneficial owners whose name appear in the Register of Members / list of beneficiaries received from the Depositories as on August 24, 2022.
  15. The dividend, as recommended by the Board of Directors, if declared at the meeting, will be paid within 30 days from the date of declaration to the Members holding equity shares as on the record date i.e. Wednesday, August 24, 2022 on 15,92,81,139 equity shares of the Company. In respect of shares held in dematerialised form, dividend will be paid on the basis of beneficial ownership as per details furnished by the respective depositories for this purpose.
  16. Dividend will be paid, preferably through NECS, wherever such facility is available, under intimation to the members. In case dividend cannot be paid through NECS, it will be paid through dividend warrants/ demand drafts.
 

In cases where the payments to the members holding shares in dematerialized form are made by dividend warrants, particulars of bank account registered with their Depository Participants will be considered by the Company for printing the same on dividend warrant.

For those members who have not provided NECS details/ bank account details, the Company shall print the registered address of the members on the dividend warrant.
  17. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders with effect from April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. The TDS rate may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Income Tax Act, 1961. It is to be noted that final dividend for FY 2021-22 is subject to declaration by the Members in the AGM. Upon declaration, this dividend will be taxable in the hands of the shareholders in FY 2022-23 (Assessment Year 2023-24). Accordingly, all the details and declarations are required to be furnished for FY 2022-23 (Assessment Year 2023-24). The rate of TDS for various categories of shareholders along with required documents are available at the website of the Company at [www.jubilantingrevia.com](http://www.jubilantingrevia.com).
 

Kindly note that the aforesaid documents, duly executed, could be sent to the Company as under:

    - Executed documents can be sent through email at [ingrevia.dividend@jubl.com](mailto:ingrevia.dividend@jubl.com);
    - Executed documents (in original) can be sent directly at the Corporate Office of the Company situated at Plot 1A, Sector 16A, Noida-201301.

The aforesaid executed documents must reach the Company on or before September 19, 2022 in order to enable the Company to determine and deduct appropriate TDS/withholding tax on payment of dividend. It is to be duly noted that the Members sending documents through email are also required to send the executed documents (in original) at its Corporate Office of the Company.
  18. Members holding shares in dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. to their depository participant. These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better service to the Members.
  19. Members holding shares in physical form are requested to intimate changes with respect to their bank account (viz. name and address of the branch of the bank, MICR code of branch, type of account and account number), mandate, nomination, power



- of attorney, change of address, e-mail address, change in name etc. immediately to the Company's Registrar and Share Transfer Agent ('RTA') at [rt@alankit.com](mailto:rt@alankit.com).
20. Those Members who have so far not encashed their final dividend warrants for FY 2021 and interim dividend warrants for FY 2022, may claim or approach the Company's RTA for the payment thereof, as the same will be transferred to Investor Education and Protection Fund established pursuant to Section 125(1) of the Act, if a Member does not claim the dividend amount for a consecutive period of seven years or more.
  21. Pursuant to Section 72 of the Act, read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, member(s) of the Company may nominate a person in whom the shares held by him/ them shall vest in the event of his/ their unfortunate death. Accordingly, members holding shares in physical form, desirous of availing this facility may submit nomination in Form SH-13 to RTA of the Company. In respect of shares held in dematerialised form, the nomination form may be filed with the concerned Depository Participant.
  22. The Company has a dedicated E-mail address [investors.ingrevia@jubl.com](mailto:investors.ingrevia@jubl.com) for members to e-mail their queries or lodge complaints, if any. We will endeavor to reply to your queries at the earliest.
  23. SEBI has mandated that securities of listed companies can be transferred only in dematerialized form effective from April 1, 2019. Members are, therefore, requested to dematerialise their shareholding, if not already done, to avoid inconvenience in future. You may do so by opening an account with a depository participant and complete dematerialisation formalities.
  24. The Company has appointed Alankit Assignments Limited as RTA. All documents, dematerialization requests, dividend and other communications in relation thereto should be addressed directly to the Company's RTA at the following address:
 

**Alankit Assignments Limited**  
 (Unit: Jubilant Ingrevia Limited)  
 205-208 Anar Kali Complex,  
 Jhandewalan Extension,  
 New Delhi - 110 055, India  
 Phone: +91-11-4254 1234  
 E-mail: [rt@alankit.com](mailto:rt@alankit.com)

In all correspondence, please quote your DP ID & Client ID or Folio Number.
  25. Your feedback/comments for further improvement of shareholder services are welcome. You may fill up and submit the Investor Feedback Form online on our website [www.jubilantingrevia.com](http://www.jubilantingrevia.com). This feedback will help the Company in improving Shareholder Service Standards.
  26. Relevant documents referred to in the Annual Report and AGM Notice are available electronically for inspection without any fee by the members from the date of circulation of this AGM Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [investors.ingrevia@jubl.com](mailto:investors.ingrevia@jubl.com).
  27. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act, certificate that the Stock Option Plan and General Employee Benefits Scheme have been implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 and any other documents as may be required shall be available for inspection upon Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.
  28. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-Voting on the date of the AGM will be provided by NSDL.
  29. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Act read with MCA Circulars.
- THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:**
- The remote e-Voting period begins on Friday, September 23, 2022 at 9:00 A.M. and ends on Sunday, September 25, 2022 at 5:00 P.M. The remote e-Voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Monday, September 19, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share(s) in the paid-up equity share capital of the Company as on the cut-off date, being Monday, September 19, 2022.**
- How do I vote electronically using NSDL e-Voting system?**
- The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:
- Step 1: Access to NSDL e-Voting system**
- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**
- In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;">   </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

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

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

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

4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [sanjaygrover7@gmail.com](mailto:sanjaygrover7@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Senior Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

#### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this AGM Notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [investors.ingrevia@jubl.com](mailto:investors.ingrevia@jubl.com) or [rta@alankit.com](mailto:rta@alankit.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to

[investors.ingrevia@jubl.com](mailto:investors.ingrevia@jubl.com) or [rta@alankit.com](mailto:rta@alankit.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.

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

#### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE 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 Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the AGM Notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members 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.

- Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [investors.ingrevia@jubl.com](mailto:investors.ingrevia@jubl.com) or [rta@alankit.com](mailto:rta@alankit.com). The same will be replied by the company suitably.

For ease of conduct, the Company is pleased to provide two-way video conferencing facility to the Members who would like to express their views/ ask questions at the AGM. The Members may register themselves atleast five (5) days in advance as a speaker by sending their request along with questions from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at [investors.ingrevia@jubl.com](mailto:investors.ingrevia@jubl.com). Those members who have registered themselves as a speaker will only be allowed to express their views/ ask questions at the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Members who do not wish to speak during the AGM but have queries regarding financial statements or other matters may send their queries five (5) days before the AGM mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at [investors.ingrevia@jubl.com](mailto:investors.ingrevia@jubl.com). These queries will be replied by the Company suitably by email.

- In case of any queries or grievances relating to e-Voting, you may contact Ms. Pallavi Mhatre, Senior Manager, NSDL, Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400013, India through e-mail at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or on Toll Free No.: 18001020990/ 1800224430 or Mr. J.K. Singla, Deputy General Manager, M/s. Alankit Assignments Limited, 205-208, Anar Kali Complex, Jhandewalan Extension, New Delhi-110 055, India through email at [rta@alankit.com](mailto:rta@alankit.com) or on Telephone No.: 011-42541234.

#### Other Instructions

- Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the AGM Notice is sent through e-mail and holding shares as of the cut-off date i.e. Monday, September 19, 2022 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the AGM Notice and holding shares as of the cut-off date i.e. Monday, September 19, 2022 may follow steps mentioned in the AGM Notice under "Access to NSDL e-Voting system".
- The Board of Directors have appointed Mr. Devesh Kumar Vasisht (CP No. 13700), Partner of M/s Sanjay Grover & Associates, Company Secretaries as 'Scrutinizer' to scrutinize the process of e-Voting during the AGM and remote e-Voting held before the AGM in a fair and transparent manner.
- The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, unblock the votes cast through remote e-Voting and e-Vote cast during AGM and will make, not later

than two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total e-Votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- The results of voting will be declared within two working days from the conclusion of the AGM i.e. on or before September 28, 2022 and the result declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.jubilantingrevia.com](http://www.jubilantingrevia.com) and on the website of NSDL immediately after declaration of result by the Chairman or a person authorised by him and the results shall also be communicated to the Stock Exchanges.
- The recorded transcript of the AGM shall be placed on the Company's website [www.jubilantingrevia.com](http://www.jubilantingrevia.com) in the Investors Section, as soon as possible after conclusion of AGM.
- Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed at the 3<sup>rd</sup> AGM scheduled to be held on September 26, 2022

#### ANNEXURE TO AGM NOTICE

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT

##### ITEM NO. 5

The Board of Directors at its meeting held on May 17, 2022, on the recommendation of the Audit Committee, had re-appointed M/s J. K. Kabra & Co., Cost Accountants, as the Cost Auditors for conducting audit of the cost records of the Company for FY 2022-23, pursuant to the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended. The Company is manufacturing 125+ products out of which 12 products are covered under Cost Audit.

The appointment has been made at a remuneration of ₹4,75,000 p.a. (Rupees Four Lac Seventy-Five Thousand only per annum) plus applicable taxes and reimbursement of out of pocket expenses, if any, incurred in relation to the audit.

Pursuant to the above referred provisions, remuneration to the Cost Auditors needs to be ratified by the members of the Company.

The Board of Directors recommends the resolution at Item No.5 of the AGM Notice for consideration and ratification by members by way of passing an Ordinary Resolution.

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

#### DETAILS IN TERMS OF REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2 ON GENERAL MEETINGS THE FOLLOWING INFORMATION IS FURNISHED ABOUT THE DIRECTOR PROPOSED TO BE RE-APPOINTED:

As per the provisions of Section 152 (6) of the Act, one-third of the two-thirds of the total Non-Independent Directors are liable to retire by rotation at every AGM and on the basis of the dates of appointment of retiring Directors, Mr. Shyam S. Bhartia, Chairman and Mr. Priyavrat Bhartia, Director are liable to retire by rotation and being eligible, offer themselves for re-appointment.

Brief details about the director proposed to be re-appointed are stated below:

<b>Name</b>	<b>Mr. Shyam S. Bhartia</b>	<b>Mr. Priyavrat Bhartia</b>
DIN	00010484	00020603
Date of Birth	November 9, 1952	October 10, 1976
Age	69	45
Date of first appointment on the Board	February 6, 2021	February 6, 2021
Background	<p>Mr. Shyam S. Bhartia is the Chairman &amp; Non-Executive Non- Independent Director of the Company. He holds a Bachelor's degree in Commerce from St. Xavier's College, University of Calcutta. He is a qualified Cost Accountant and a fellow member of the Institute of Cost Accountants of India.</p> <p>A leading industrialist of India, he has a rich industrial experience of over 40 years in the pharmaceuticals and specialty chemicals, food, oil and gas (exploration and production) and aerospace sectors and has been instrumental in developing strategic alliances and affiliations with leading global Companies. He has been associated with various institutions and has served as a member of the Board of Governors, Indian Institute of Technology, Mumbai and Indian Institute of Management, Ahmedabad. He has also been Chairman of the Chemicals Committee of Federation of Indian Chamber of Commerce &amp; Industry ('FICCI'). Earlier, he was on the Board of Air India. He was a member of the Executive Committee of FICCI, Confederation of Indian Industry and the Task Force on Chemicals appointed by the Government of India.</p> <p>His immense contributions have been recognized by various awards. He, along with Mr. Hari S. Bhartia, were felicitated with the Entrepreneur of the Year Award at the prestigious AIMA Managing India Awards 2013, presented by the President of India. He also shared with Mr. Hari S. Bhartia, Ernst &amp; Young Entrepreneur of the Year Award 2010 for Life Sciences &amp; Consumer Products category.</p>	<p>Mr. Priyavrat Bhartia holds a Bachelors' Degree in Economics from Dartmouth College, USA and Masters in Business Administration from Stanford University, USA.</p>
Number of shares held in the Company including shareholding as beneficial owner	As on August 5, 2022-13,99,925 equity shares	As on August 5, 2022-3,085 equity shares
Relationships with other Directors inter-se & KMPs	<p>Mr. Shyam S. Bhartia is brother of Mr. Hari S. Bhartia, Co-Chairman of the Company and father of Mr. Priyavrat Bhartia, Non-Executive Director of the Company.</p> <p>He is not related to any other Director or Key Managerial Personnel of the Company.</p>	<p>Mr. Priyavrat Bhartia is son of Mr. Shyam S. Bhartia, Chairman of the Company.</p> <p>He is not related to any other Director or Key Managerial Personnel of the Company.</p>
Terms and conditions of appointment or re-appointment	Non-Executive director, liable to retire by rotation	Non-Executive director, liable to retire by rotation
No. of meetings of the Board attended during the year	Held: 4 (four) Attended: 4 (four)	Held: 4 (four) Attended: 4 (four)

Qualification(s)	<ul style="list-style-type: none"> <li>• Bachelors' degree in commerce from St. Xavier's College, Calcutta University</li> <li>• Fellow member of the Institute of Cost Accountants of India</li> </ul>	<ul style="list-style-type: none"> <li>• Bachelors' Degree in Economics from Dartmouth College, USA</li> <li>• Master's in Business Administration from Stanford University, USA</li> </ul>
Nature of expertise in specific functional area	Pharmaceuticals and specialty chemicals, food, oil and gas (exploration and production) and aerospace sectors.	Pharmaceuticals and specialty chemicals, food and media.
Experience	Over 40 years of experience in the pharmaceuticals and specialty chemicals, food, oil and gas and aerospace sectors.	Around 25 years of industry experience
Remuneration	Opted not to take any commission or sitting fees from the Company during FY 2021-22.	Opted not to take any commission or sitting fees from the Company during FY 2021-22.
Directorships of other Boards	<ul style="list-style-type: none"> <li>• Jubilant Pharmova Limited</li> <li>• Jubilant Pharma Limited</li> <li>• Jubilant FoodWorks Limited</li> <li>• Jubilant Bhartia Foundation</li> <li>• Chambal Fertilisers and Chemicals Limited</li> <li>• VAM Holdings Limited</li> <li>• Jubilant Capital Private Limited</li> <li>• SPB Trustee Company Private Limited</li> <li>• SSP Trustee Company Private Limited</li> <li>• SS Trustee Company Private Limited</li> <li>• SBS Trustee Company Private Limited</li> <li>• SSBSB Realty Trustee Private Limited</li> <li>• SBSSB Realty Trustee Company Private Limited</li> <li>• Jubilant Enpro Private Limited</li> <li>• SSBPB Investment Holding Private Limited</li> <li>• HSSS Investment Holding Private Limited</li> <li>• TrialStat Solutions Inc.</li> <li>• Jubilant Discovery Services LLC</li> <li>• DP Eurasia N.V.</li> <li>• Jubilant Innovation (USA) Inc.</li> <li>• Jubilant Life Sciences International Pte Limited</li> <li>• Drug Discovery and Development Solutions Limited</li> <li>• Jubilant Pharma UK Limited</li> <li>• Jubilant Biosys Innovative Research Services Pte Limited</li> <li>• Summit Sky Limited</li> <li>• Sun Field Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Jubilant Pharmova Limited</li> <li>• HT Media Limited</li> <li>• Hindustan Media Ventures Limited</li> <li>• The Hindustan Times Limited</li> <li>• Digicontent Limited</li> <li>• Jubilant Industries Limited</li> <li>• Jubilant Agri and Consumer Products Limited</li> <li>• Jubilant Realty Private Limited</li> <li>• Earthstone Holding (Two) Private Limited</li> <li>• SSBPB Investment Holding Private Limited</li> <li>• SPB Trustee Company Private Limited</li> <li>• SSP Trustee Company Private Limited</li> <li>• Jubilant Enpro Private Limited</li> <li>• PSB Trustee Company Private Limited</li> <li>• ARS Trustee Company Private Limited</li> <li>• SB Trusteeship Services Private Limited</li> </ul>
Membership of the Committees of the Board	<ul style="list-style-type: none"> <li>• Nomination, Remuneration and Compensation Committee - Member</li> <li>• Listing Compliance Committee- Chairman</li> <li>• Finance Committee- Chairman</li> </ul>	<ul style="list-style-type: none"> <li>• Risk Management Committee - Member</li> <li>• Sustainability &amp; Corporate Social Responsibility Committee - Member</li> <li>• Finance Committee - Member</li> </ul>

<p>Chairmanships/Memberships of the Committees of other public limited companies as on the date of appointment</p>	<p><b><u>Jubilant Pharmova Limited</u></b></p> <ul style="list-style-type: none"> <li>• Sustainability &amp; CSR Committee - Member</li> <li>• Nomination, Remuneration &amp; Compensation Committee - Member</li> <li>• Stakeholders Relationship Committee - Member</li> <li>• Restructuring Committee - Chairman</li> <li>• Capital Issue Committee - Chairman</li> <li>• Fund Raising Committee - Chairman</li> <li>• Finance Committee - Chairman</li> </ul> <p><b><u>Jubilant FoodWorks Limited</u></b></p> <ul style="list-style-type: none"> <li>• Nomination, Remuneration &amp; Compensation Committee - Member</li> <li>• Sustainability &amp; CSR Committee- Member</li> <li>• Regulatory and Finance Committee – Chairman</li> <li>• Risk Management Committee - Member</li> <li>• Investment Committee - Member</li> </ul> <p><b><u>Chambal fertilisers and Chemicals Limited</u></b></p> <ul style="list-style-type: none"> <li>• Banking and Finance Committee - Chairman</li> <li>• Strategy Committee - Chairman</li> </ul> <p><b><u>VAM Holdings Limited</u></b></p> <ul style="list-style-type: none"> <li>• Stakeholders Relationship Committee - Member</li> </ul>	<p><b><u>Jubilant Pharmova Limited</u></b></p> <ul style="list-style-type: none"> <li>• Sustainability &amp; CSR Committee - Member</li> <li>• Audit Committee - Member</li> <li>• Finance Committee - Member</li> <li>• Fund Raising committee - Member</li> <li>• Capital Issue Committee - Member</li> </ul> <p><b><u>HT Media Limited</u></b></p> <ul style="list-style-type: none"> <li>• Corporate Social Responsibility Committee - Member</li> <li>• Nomination and Remuneration Committee - Member</li> <li>• Risk Management Committee - Member</li> <li>• Stakeholder Relationship Committee - Member</li> <li>• Investment Committee - Member</li> <li>• Banking &amp; Finance Committee - Member</li> </ul> <p><b><u>The Hindustan Times Limited</u></b></p> <ul style="list-style-type: none"> <li>• Audit Committee - Member</li> <li>• Nomination Committee- Member</li> <li>• Corporate Social Responsibility Committee - Member</li> </ul> <p><b><u>Jubilant Industries Limited</u></b></p> <ul style="list-style-type: none"> <li>• Nomination Remuneration and Compensation Committee - Member</li> <li>• Stakeholders Relationship Committee - Member</li> <li>• Sustainability &amp; Corporate Social Responsibility Committee- Chairman</li> <li>• Restructuring Committee – Chairman</li> <li>• Finance Committee – Chairman</li> </ul> <p><b><u>Jubilant Agri and Consumer Products Limited</u></b></p> <ul style="list-style-type: none"> <li>• Restructuring Committee- Chairman</li> <li>• Finance Committee - Chairman</li> <li>• Nomination and Remuneration Committee - Member</li> <li>• Sustainability &amp; Corporate Social Responsibility Committee – Chairman</li> </ul> <p><b><u>Hindustan Media Ventures Limited</u></b></p> <ul style="list-style-type: none"> <li>• Stakeholder Relationship Committee- Member</li> <li>• Investment &amp; Banking Committee – Chairman</li> <li>• Corporate Social Responsibility Committee - Member</li> </ul> <p><b><u>Digicontent Limited</u></b></p> <ul style="list-style-type: none"> <li>• Banking &amp; Finance Committee - Member</li> </ul> <p><b><u>Earthstone Holding (Two) Private Limited</u></b></p> <ul style="list-style-type: none"> <li>• Corporate Social Responsibility Committee - Member</li> </ul>
<p>Listed entities from which Director has resigned in the past three years</p>	<p>Nil</p>	<p>Nil</p>

**By Order of the Board**  
For Jubilant Ingrevia Limited



# Creating Value, Growing Sustainably

Jubilant Ingrevia Limited  
Annual Report 2021-22





# Contents

<b>Who are we?</b>	<b>2</b>	<b>Directors' Report and Annexure</b>	<b>105</b>
<b>Our Vision, Value, Promise</b>	<b>3</b>	<b>Report on Corporate Governance</b>	<b>127</b>
<b>Our Credibility watermark</b>	<b>4</b>	<b>Business Responsibility Report</b>	<b>154</b>
<b>Our end-use applications</b>	<b>5</b>	<b>Standalone Financial Statements</b>	
<b>R&amp;D expertise</b>	<b>6</b>	<b>Independent Auditor's Report</b>	<b>166</b>
<b>Our Global Presence &amp; Position</b>	<b>8</b>	<b>Balance Sheet</b>	<b>178</b>
<b>Business Segments</b>	<b>10</b>	<b>Statement of Profit and Loss</b>	<b>179</b>
<b>Creating Value</b>	<b>20</b>	<b>Statement of Changes in Equity</b>	<b>180</b>
<b>Committed to Sustainability</b>	<b>30</b>	<b>Statement of Cash Flows</b>	<b>181</b>
<b>Message from the Chairmen</b>	<b>36</b>	<b>Notes to the financial statements</b>	<b>182</b>
<b>Key Performance Indicators</b>	<b>40</b>	<b>Consolidated Financial Statements</b>	
<b>Board of Directors</b>	<b>42</b>	<b>Independent Auditor's Report</b>	<b>242</b>
<b>Senior Leadership Team</b>	<b>43</b>	<b>Consolidated Balance Sheet</b>	<b>250</b>
<b>Management Discussion and Analysis</b>	<b>44</b>	<b>Consolidated Statement of Profit and Loss</b>	<b>251</b>
		<b>Consolidated Statement of Changes in Equity</b>	<b>252</b>
		<b>Consolidated Statement of Cash Flows</b>	<b>253</b>
		<b>Notes to the consolidated financial statements</b>	<b>254</b>
		<b>Corporate Information</b>	<b>318</b>

We are with you.  
In your every waking hour.  
Of every living day.

We are in fields; in factories too.  
We are in homes; in hospitals too.  
We are a part of your dining table; and that of your pet.  
We are in the perfume you use; also in its packaging.  
We are in colas, as much as we are in capsules.  
We are in noise makers; and also in pain relievers.

We are more connected with you than you could  
ever imagine.

We are inclusive through our product range.  
We are exclusive in our service commitment.  
We are wealth creators as much as we are Earth protectors.  
We are growth drivers and growth seekers alike.

We are committed to Creating Value & Growing  
Sustainably in equal measure.

Yours Essentially  
**Jubilant Ingrevia Limited**



## About the Company

## Who Are We?

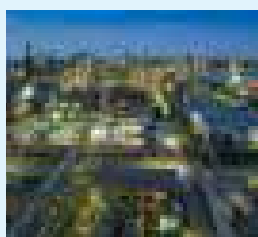
Part of the multi-billion dollar Jubilant Bhartia Group, we are a globally-present, vertically-integrated Life Science products and innovative solutions provider catering to diverse sectors namely pharmaceutical, agrochemical, nutrition, consumer and industrial customers with our customised products and solutions that are cost-effective and conforming to excellent quality standards.

Headquartered in Noida, Uttar Pradesh, India, our globally-certified manufacturing facilities house critical technology platforms used to develop and deliver a broad portfolio of high quality ingredients that find application in a wide range of industries. Our portfolio also extends to custom research

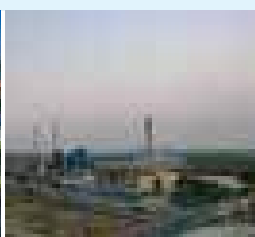
and manufacturing for pharmaceutical and agrochemical customers on an exclusive basis. Our 2,100 employees serve our 1,500+ customers in more than 50 countries across the world.

Spearheaded by Mr Rajesh Srivastava at the helm, business operations are managed by a team of 8 senior leadership members whose patient perseverance have positioned us as the preferred partner for numerous global customers.

We are a Responsible Care certified company, driven by the motive to add value to millions of lives through innovations and cutting-edge technology.



Gajraula,  
Uttar Pradesh, India



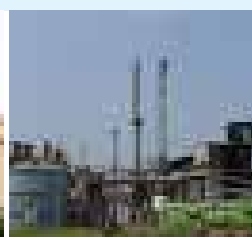
Bharuch,  
Gujarat, India



Nira,  
Maharashtra, India



Savli,  
Gujarat, India



Ambarnath,  
Maharashtra, India

Integrated facility for  
Speciality Chemicals  
& Chemical  
Intermediates

Speciality Chemicals,  
Nutrition & Health  
Ingredients  
& Chemical  
Intermediates facility  
located in SEZ

Chemical  
Intermediates

Animal Nutrition &  
Health Solutions

Speciality Chemicals

50  
Plants

125+  
Products

49,494  
Revenue (₹ million)

5  
Facilities

~2,100+  
People

8,633  
EBITDA (₹ million)

35  
Key Technology  
Platforms

1,500+  
Customers

4,767  
Net Profit (₹ million)

### OUR VISION

- To acquire and maintain global leadership position in chosen areas of businesses
- To continuously create new opportunities for growth in our strategic businesses
- To be among the top 10 most admired companies to work for
- To continuously achieve a return on invested capital of at least 10 points higher than the cost of capital

### OUR PROMISE

*Caring, Sharing, Growing*

We will, with utmost care for the environment and society, continue to enhance value for our customers by providing innovative products and economically efficient solutions; and for our stakeholders through growth, cost effectiveness and wise investment of resources

### OUR VALUES



**INSPIRE  
CONFIDENCE**

We will carefully select, train and develop our people to be creative and empower them to take decisions, so that they respond to all stakeholders with **agility, confidence and teamwork**.



**NURTURE  
INNOVATION**

By sharing our knowledge and learning from each other and from the markets we serve, we will continue to surprise our stakeholders with **innovative** solutions.



**ALWAYS  
STRETCH**

We stretch ourselves to be **cost effective** and efficient in all aspects of our operations and focus on **flawless delivery** to create and provide the best value to our stakeholders.

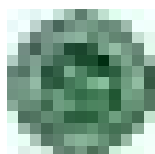


**EXCELLENT  
QUALITY**

With utmost care for the **environment and safety**, we will always strive to excel in the quality of our processes, our products and our services.

# Our Credibility Watermark

## Certifications Across Our Facilities



## Current Status of The Certifications

Certificate	Ambarnath	Bharuch	Gajraula	Nira	Savli
ISO 9001	✓	✓	✓	✓	✓
ISO 14001		✓	✓	✓	✓
ISO 45001		✓	✓	✓	✓
ISO 22000			✓	✓	
FSSC 2200		✓	✓	✓	
FAMI-QS		✓			✓
cGMP			✓		
HALAL		✓	✓	✓	
KOSHER		✓	✓	✓	
ISO 17025			✓		
RC 14001		✓	✓	✓	
ISO 50001		✓	✓		
ISO 27001					
ALACC					
ISO 13485					
RC Logo from ICC	✓	✓	✓	✓	✓
WHO GMP		✓			
NABL			✓		

# Our End-Use Applications

Over the years, we have done one thing very faithfully. We have increased our relevance to people by creating a wide array of chemicals that are further used in products that are consumed every day, in some form or the other.

Our products are used in patented and generic pharmaceutical products. In regulated and semi-regulated markets. By generic players and by innovators. In India and across the globe.

## End usage applications for Pharmaceuticals, Agrochemicals & Nutraceuticals

	Therapeutic category (Used in ~53 APIs)			Our product category (GMP & Non-GMP)			
Off-patented Pharmaceuticals (APIs)	Antipyretic	Analgesic	Antifibrosis	Pyridine, Picolines	Amino Methyl Pyridines	Chloro / Bromo / Fluoro Pyridines	
	Anti inflammatory	Anticoagulant	Anticonstipation	Amino Pyridines	Hydroxy Methyl Pyridine	Piperidine	
	Antibiotics	Anti viral	Anesthetic	Acetic Anhydride	Methyl Ethyl Pyridine	Pyridine Aldehyde	
	Antihistamine	Antidiabetic	Green Solvent	Azacyclonol	Lutidines & Collidines	Ethyl Acetate	
Patented Pharmaceuticals (APIs)	Therapeutic category (Used in ~12 APIs)			Our product category (GMP & Non-GMP)			
	Antimalarial	Antidiabetic	Anti Cancer	Dichloro Pyridine	Halo Azaindole	AminoChloro & Methylpyridine	Bromo Pyridine
	Antiretroviral	Anticoagulant	Breast Cancer	Amino Pyrrole Derivative	Hydroxy Methylpyridine	Amino Piperidine derivative	Sulphur Pyridine derivative
Agrochemicals & Antimicrobials	Used in ~23 Actives						
	Insecticide	Fungicide		Pyridine, Picolines		Acetic & Propionic Anhydride	
Neutra- ceuticals	Herbicide	Antimicrobial		Amino Pyridines		Cyano Pyridines	
				Halo Pyridines		Acetic & Propionic Anhydride	
				Chloro Methyl Pyridines		Pyrithiones Family	
	Neutraceutical ingredients:			Niacin/ Niacinamide (Vitamin B3), Choline Chloride (Vitamin B4), RPS, Picolinates & Hexanicotinate			
	Animal Health Solutions : Liver protection, Better Meat quality, Antistress, Egg quality enhancer, Gut health solutions, Immunity Enhancer			Various Nutritional premixes			



# R&D Expertise

Change is the only constant. This is most relevant in our business space. For as human needs evolve, so do product requirements and speciality chemicals. Hence, innovation is a critical function that ensures that we succeed and sustain our endeavour to scale new heights.

Our R&D set up is a catalyst for developing leading innovative solutions and optimising our production process to increase efficiency. Designed to cater to exacting requirements of global majors in the pharmaceutical, agrochemical nutrition and other sectors, our R&D unit houses cutting-edge technologies and sophisticated equipment. Our expertise extends across the value chain of chemical research, chemistry and process development of Advance Intermediates, Fine Ingredients, Nutritional Products and Contract Research.



## Our R&D Capabilities in A Nutshell:

### Research Development & Technology (RDT)

<b>Key Highlights</b>	<b>3 RDT</b> centers in Noida, Gajraula and Bharuch <b>92 highly qualified scientists</b> (22 PhDs)	
<b>Key Technology Platforms</b>	<b>1000s MT</b>	
	Aromatisation	Oxidation
	Vapour Phase Reactions	Ammonoxidation
	Chlorination / Photo chlorination	Fermentation
		Ketene Technology
<b>Key focus areas for RDT</b>	Optimisation	
	Expansion	
	Academic Collaboration	
	Scientific Advisory Board	
	Centre of Excellence	





**35 Key technology platforms** developed & commercialised to global standards. Some are unique: Ammoxidation, Grignard etc.

**60+ Products** in pipeline for the next four years.

100s MT			MTS	
Sandmeyer	Grignard	Fluorination	Hoffmann	Bu-Li
Bromination	Methylation	Thiol Handling	Re-arrangement	Reaction
Esterification	Quarternisation	Ethylene Oxide Reaction	Methoxylation	Iodination
Hydrogenation	Chichibabin		N-Formylation	Chiral Synthesis
			De-alkylation	

Existing product's processes to remain globally competitive

Focus on Agro, Nutrition CDMO & Antimicrobials-New Product Development

New technologies by academia collaboration/expanding internal infrastructure

Strong Scientific advisory board to support RDT

For Bio catalysis, Flow chemistry, Chemo catalysis, Gas phase Catalytic Chemistry

# We Are Present Across The Globe



Our scale and focus on execution allows us to provide our clients with a superior value-proposition in terms of quality and cost as well as interesting and innovative solutions. We have a global footprint and manage the business in multiple geographic regions. This gives us balanced exposure to developed markets as well as emerging markets with exciting long term growth prospects.

**50**

No. of countries

**1500+**

Global customers

**17,882**

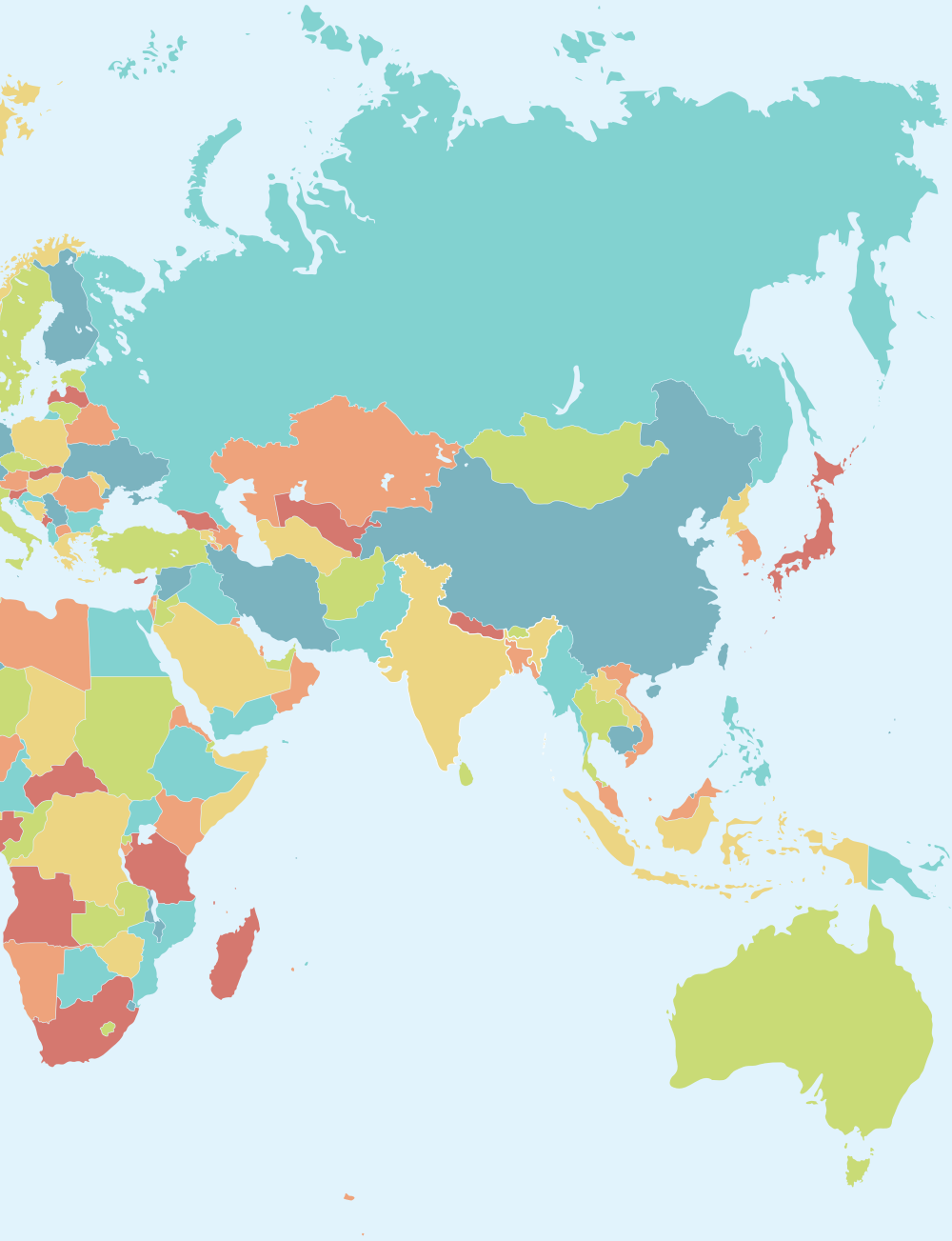
Exports (₹ million)

**26%**

Contribution from regulated markets of North America, Europe &amp; Japan

**36%**

Contribution to Total revenue



# Our global position

#1  
in 17 Pyridine Derivatives

#1  
in Niacinamide

#1  
in bio-based Acetaldehyde

Among Top 2  
in (Pyridine + Beta)

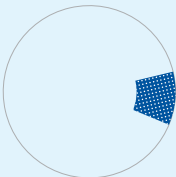
Among Top 2  
in Vitamin B3 (Niacin & Niacinamide)

Among Top 2  
In merchant market of Acetic Anhydride

NORTH AMERICA

15%

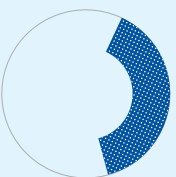
Of export earning



EUROPE & JAPAN

58%

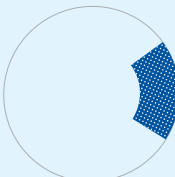
Of export earning



REST OF THE WORLD

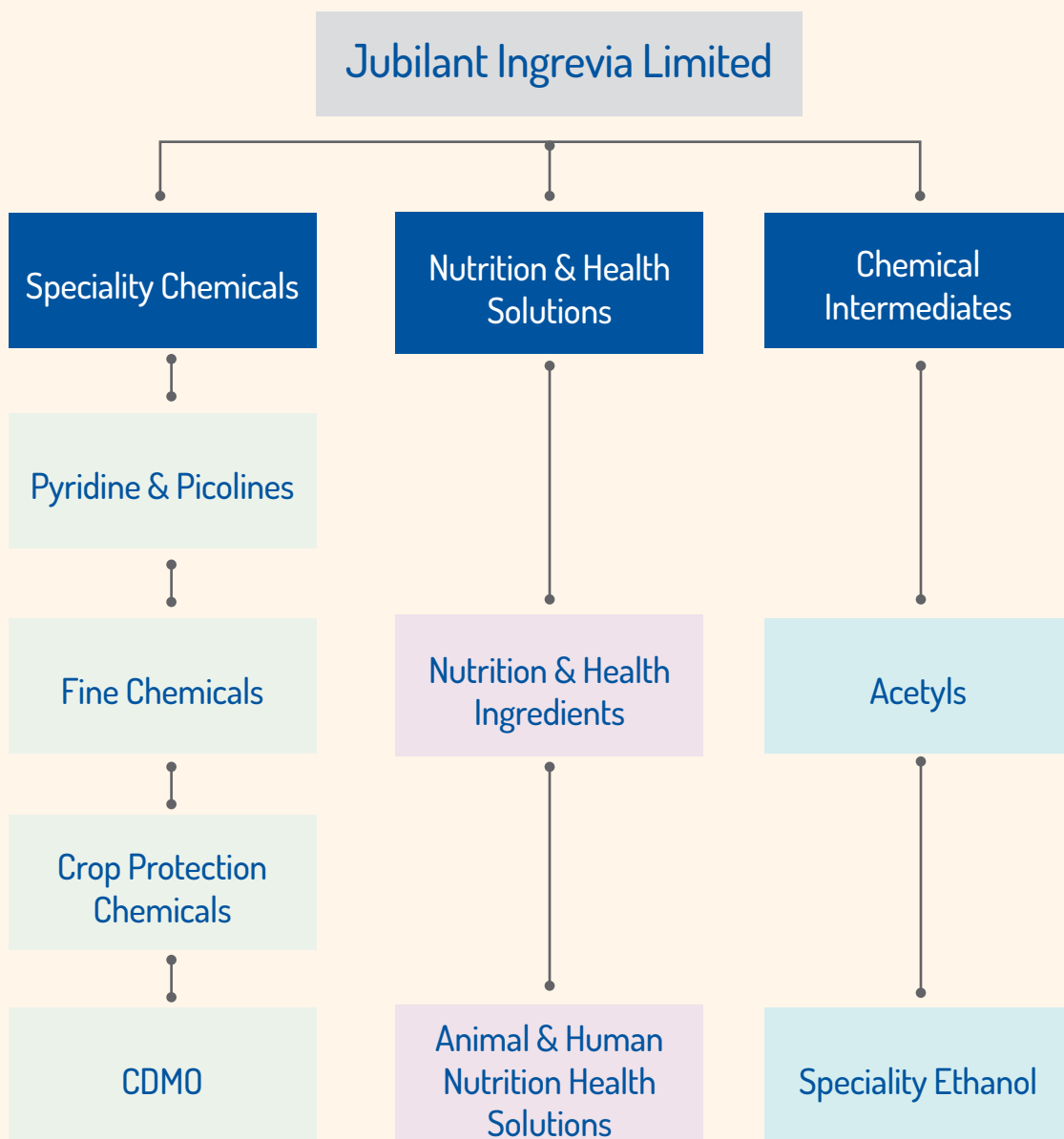
28%

Of export earning



# We have three business segments...

Our business is segregated into three segments namely Speciality Chemicals, Nutrition & Health Solutions and Chemical Intermediates. Each vertical is a profit centre by itself and platforms value-addition for other verticals that are higher up in the value chain.

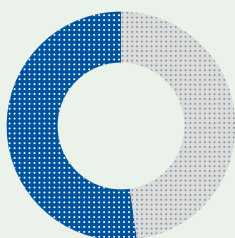




**FY 2020**

Chemical Intermediates: 48%

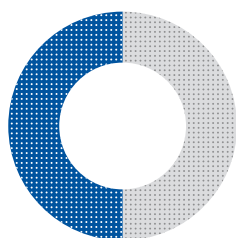
Speciality Chemicals and Nutrition & Health Solutions: 52%



**FY 2021**

Chemical Intermediates: 50%

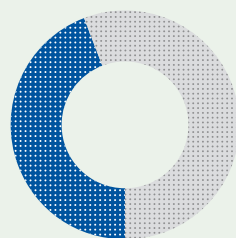
Speciality Chemicals and Nutrition & Health Solutions: 50%



**FY 2022**

Chemical Intermediates: 56%

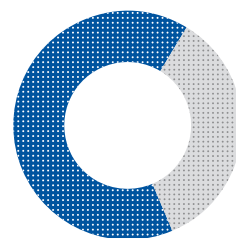
Speciality Chemicals and Nutrition & Health Solutions: 44%



**FY 2027 & Onwards  
(Management outlook)**

Chemical Intermediates: 35%

Speciality Chemicals and Nutrition & Health Solutions: 65%



## Business Segment 1

# Speciality Chemicals

These are high-value chemicals that require distinctive technical expertise for production – hence these are premium products that provide higher margins.

We are global leaders in the Speciality Chemicals. Our product basket comprises of Speciality building blocks including Pyridine and Picolines, Cyanopyridines, Piperidine and value added derivatives of these building blocks, which are in turn used to produce a range of Agrochemicals, Pharmaceuticals, Nutrition, Fine chemicals, Oilfield chemicals, Electronics and Solvents. Our products are being used in diverse industries by global leaders in their business space.

Our Speciality Chemicals vertical comprises of four sub-segments

**Pyridine & Picolines:** Within the the business segment, this business is the flagship as the products are

building blocks for our Crop Protection Chemicals, Fine Chemicals and Nutritional products. We are global leaders in this space. More than 50% of our output is consumed in-house for further value-addition.

**Fine Chemicals:** These include Pyridine, Picoline based valued added products that primarily find application in Pharmaceuticals (Active Pharmaceutical Ingredients), Personal Care and Electronics. We have now also launched our Phase-1 of Diketene Derivatives under the same business.

**Crop Protection Chemicals:** This primarily comprises of Agro Intermediates and Agro Actives consisting of Insecticides, Herbicides & Fungicides. Agro actives have been introduced as a part of our long term growth strategy based on our complete backward integration of Pyridine, Picoline and Diketene derivatives.

We are also offering Microbial Control Solution which comprises of range of safe and highly efficacious Biocides for application in paints, coatings, industrial, cosmetic and personal care industries.

### Custom Development & Manufacturing Organisation

**(CDMO):** We have leveraged our expertise in almost 35 key technology platforms and hands-on experience of 40 years, to position ourselves as a reliable CDMO partner for global Pharmaceutical and Agrochemical companies. Our strong synthetic, organic chemistry and manufacturing capabilities makes us the 'Partner of Choice' for our customers.



# A snapshot of the business segment

**70+**

Products

## End use

Pharmaceuticals,  
Agrochemicals,  
Industrial,  
Consumer  
Nutrition

**#1**

Globally in 17 Pyridine  
Derivatives

**Among 2**

Globally in  
(Pyridine+Beta)

Partner of Choice for

**~470**

Global customers

**13,926**

Revenue, FY 2022  
(₹ million)

**24%**

Growth over FY 2021

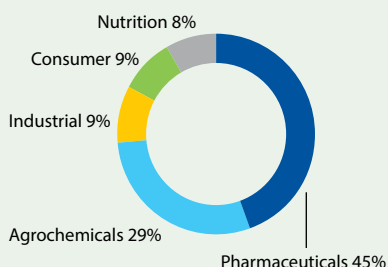
**3,124**

EBITDA, FY 2022  
(₹ million)

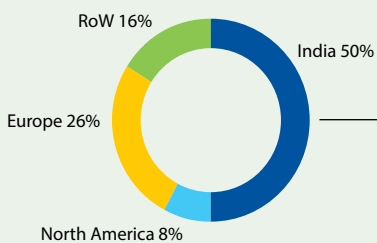
**16%**

Growth over FY 2021

FY 2022 Industry End-Use Split



FY 2022 Geographical Revenue Split



Domestic Sales for International Consumption 17%

Domestic Sales for Domestic Consumption 33%



## Business Segment 2

# Nutrition & Health Solutions

Our product basket comprises of Nutritional Ingredients like Vitamin B3, Vitamin B4, Picolinates and premix formulations for animal and human nutrition. Our key strength in this vertical is our backward integration -our building blocks coming in from the Chemical Intermediates and Speciality Chemicals verticals enable us to develop and deliver

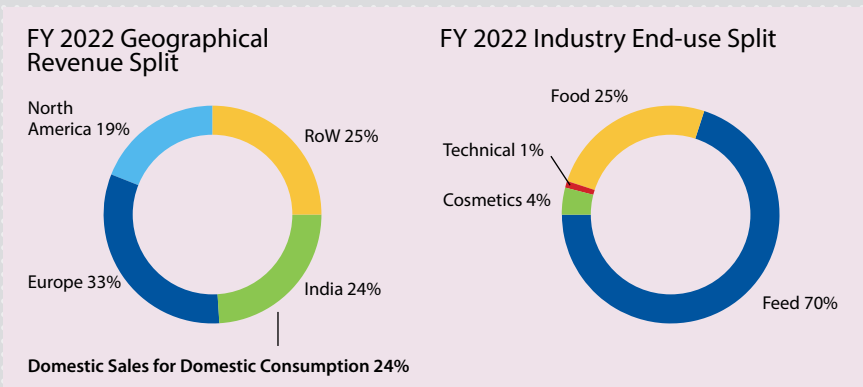
world-class products, positioning us as the 'Partner of Choice' for global clients. Recently we have commenced manufacturing of herbal range of products for animal feed under the brand 'Phytoshield' which is gaining acceptability across the globe.



# A snapshot of the business segment

<p>5 Nutrition Ingredients <b>18+</b> branded solutions</p>	<p><b>End use</b> Food. Animal Feed (Poultry, Dairy, Swine, Aqua), Personal Care &amp; others</p>	<p><b>#1</b> Globally in Niacinamide <b>Among 2</b> Globally in Vitamin B3 (Niacin &amp; Niacinamide) <b>#1</b> in India in Vitamin B4 (feed)</p>
---	---	---

<p>Partner of Choice for <b>~460</b> Global customers</p>	<p><b>7,673</b> Revenue, FY 2022 (₹ million) <b>22%</b> Growth over FY 2021</p>	<p><b>1,642</b> EBITDA, FY 2022 (₹ million) <b>26%</b> Growth over FY 2021</p>
---	---	--



## Business Segment 3

# Chemical Intermediates

As the name suggests, we develop and deliver building block ingredients based on Acetyls and Ketene chemistry platforms, having applications in multiple daily use products for customers across the world and for our Speciality Chemicals business segment.

We have further created two sub-segments – Acetyls and Speciality Ethanol - for sharpening our focus on developing each product into a profit centre for the Company.

**Acetyls:** The Company markets Acetic Anhydride and Ethyl Acetate. Acetic Anhydride is our largest selling product in this segment.

**Speciality Ethanol:** We sell to Oil Marketing Companies (OMCs) for the Ethanol Blending Programme (EBP). We also sell our Pharmaceutical Grade Speciality Ethanol to various Pharmaceuticals customers for niche application.

For our feedstock, we have long-term contracts with our suppliers. This protects us partially from a sudden spike in prices.

### What's common between the following?

Paracetamol

Artificial Sweeteners

Cigarettes

Noodles

Polyamide films of Mobile Phones

**...they cannot be made without Acetic Anhydride.**

**The demand for this product is large... and growing!**

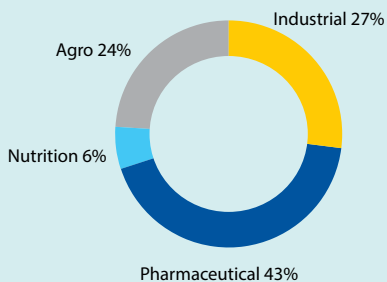


# A snapshot of the business segment

<p><b>9</b> Products</p>	<p><b>End use</b> Pharmaceuticals, Agro, Food &amp; Nutrition, Industrial</p>	<p><b>Among 2</b> Globally in Merchant market of Acetic Anhydride</p> <p><b>#1</b> in India in Acetic Anhydride</p> <p><b>Among 2</b> in India in Ethyle Acetate</p>
------------------------------	---	--

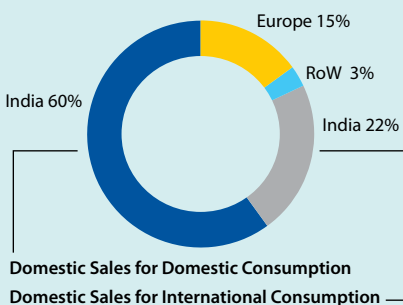
<p>Partner of Choice for <b>~ 570</b> global customers</p>	<p><b>27,895</b> Revenue, FY 2022 (₹ million)</p> <p><b>61%</b> Growth over FY 2021</p>	<p><b>4,169</b> EBITDA, FY 2022 (₹ million)</p> <p><b>77%</b> Growth over FY 2021</p>
--	---	---

FY 2022 End Use Split



Region-wise revenue segmentation

For Segment (FY 2022)



# ...which are designed to be vertically integrated.

Our business model is such that our base vertical forms building blocks for the other value-added verticals. This also ensures that when quality of the base-division is world-class, the output of the high-value verticals is top quality.

Our base business vertical is the Chemical intermediates segment, which as the name suggests provides the Key Starting Material (KSM) for the Speciality Chemical segment which in turn generates products which are feedstock for our Nutrition and Health solution piece.



## Speciality Chemicals

64+ Value-added products for pharmaceutical and agro application

Speciality Chemicals  
(Value Added Products)

Fine Chemicals  
Crop Protection Chemicals

## Nutrition & Health Solutions

48+ Value added and branded products used in diverse applications

Animal and  
Human Nutrition

Vitamin B3  
Vitamin B4

52%

of Pyridine & Picolines volume is used in-house for value-added products in Speciality Chemicals & for Vitamin B3

45%

of overall volume of Chemical Intermediates are in-house consumed

### Speciality Chemicals

Beta Picoline, Gamma Picoline, Alpha Picoline, Pyridine

100% in-house sourcing of Beta Picoline (Key RM) from Speciality Chemicals for Vitamin B3.

**Pyridine** is a bulk product. But what makes pyridine special for us is the chemistry we apply to it, to get additional derivatives.

**Beta Picoline** is the major raw material to produce Niacin & Niacinamide – which is Vitamin B3 and B4.

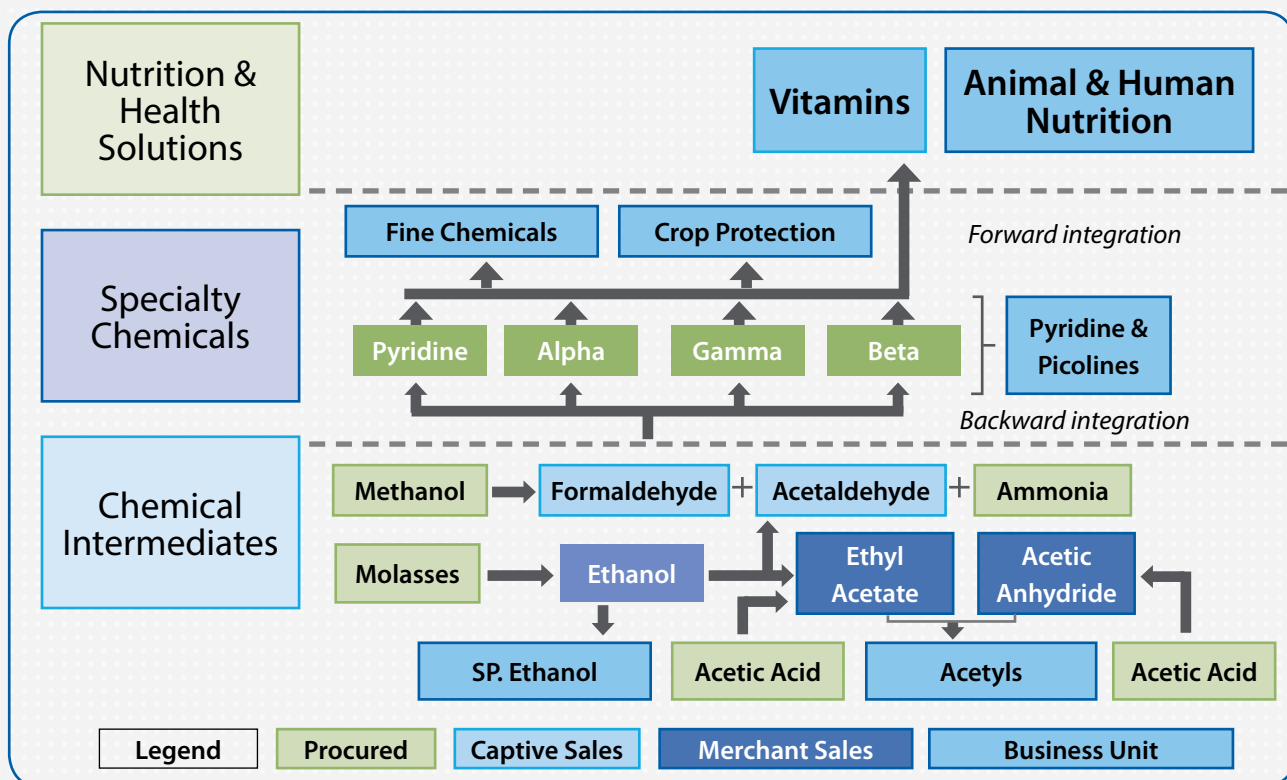
### Chemical Intermediates

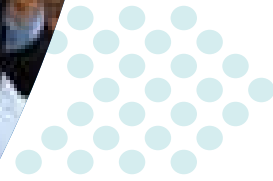
Acetaldehyde, Formaldehyde, Acetic Anhydride, Ethyl Acetate, Ethanol

**Ethanol** is sold to Oil Marketing companies for the Oil Blending Programme and pharmaceutical companies for special applications.

**Acetic Anhydride** is our key revenue driver.

**Acetaldehyde** and **Formaldehyde** are primarily used in-house for Speciality Chemicals





# “Growth is the only evidence of life”

*John Henry Newman*

We believe that there is a yawning gap between existing and living.

When you exist, you go with the tide and sometimes slip by the wayside.

When you live you catalyse the tide. Grow market size. When others continue jostling for market share.

In keeping with this philosophy, we decided to grow in a manner that inspires our team to be part of this global conglomerate and aspires our peers to follow suit.

At Jubilant Ingrevia Limited,  
we are investing in our growth  
to Create Value  
for all our stakeholders

# ₹20,500 million

Our capex plan for the next four years (FY 2022-2025)

## ₹8,000 million

Committed; from FY 2022 onwards

## ₹12,500 million

Yet to be committed; Planned between FY 2023 - FY 2025

This is our largest capex in our four-decade history and will be entirely funded through internal accruals.

## 70% plus

Of our total planned investments are in our value-added verticals.

## The expected outcome of our investment blueprint.

1

An additional peak revenue of

### ₹45,000 million

This peak revenue is calculated based on the prices at the end of FY 2021

2

Our capex plan is prudently balanced between all three business segments with the objective of increasing the proportion of revenue from high-margin business segments. When the planned facilities get commissioned, our revenue mix will lean towards the high-value, high-margin segments – the Speciality Chemicals Products and Nutrition & Health Solutions will contribute about 65% to our total revenue against 46% in FY 2022.

3

Since our value-added verticals generate an EBITDA margin in excess of 20%, our investment in these segments would shore our overall profits and profitability a few notches higher... allowing us to create value for our shareholders.



# What is the break-up of our investment?

Speciality Chemicals

₹13,000 million

₹5,500 million

Already committed up to end of FY 2022

₹7,500 million

Planned between FY 2023-FY 2025





## Nutrition &amp; Health Solutions

₹2,000 million

Planned between FY 2023-FY 2025

## Chemical Intermediates

₹5,500 million

₹2,500 million

Already committed up to end of FY 2022

₹3,000 million

Planned between FY 2023-FY 2025



## Speciality Chemicals

## Under The Spotlight

Phase 1

₹5,750 million

Capex committed as at the end of FY 2022

## 1) Diketene unit

Moving up the value chain of Ketene, on growing demand

**Rationale:** India consumes about 28,000 TPA of which 60% is imported. Our 7,000 TPA capacity, which was commissioned towards the close of FY 2022, fills-in this gap.

## 2) CDMO

GMP - Multipurpose plant for pharmaceutical intermediates.

Non-GMP - Two multipurpose plants for Pharmaceutical & Agrochemical intermediates.

**Rationale:** We have a very strong client base in the global pharmaceutical industry.. We are working with 10 of the 15 leading global innovator companies. This business is only expected to grow as the West turns to the East for optimising its innovation costs.

We have recently bagged a CDMO contract for an estimated value of ₹2,700 million in the Speciality Chemicals business, spanning over a period of three years, from one of its international customers.

Our international customer is among the top 10 leading innovator pharmaceutical companies globally. Through the contract, we will supply two key GMP intermediates for one 'patented drug' of the innovator pharmaceutical customer.

## 3) MPP Agro Active plant

Moving up the value chain of Crop Protection actives & meeting growing customer demand.

**Rationale:** Having complete backward integration of Pyridine, Picoline, Diketene and its derivatives, moving up the value-chain was the next logical step for us. This forward integration allows us to address the global USD 65 billion crop protection chemicals space with strategic Agro actives and its formulations that are gaining traction. Further, global innovators and MNC's are looking at India as a reliable sourcing base owing to their China-plus-one sourcing approach which augurs well for Indian players. Additionally, there is vibrant market for these products in India too.

Phase 2

# ₹6,750 million

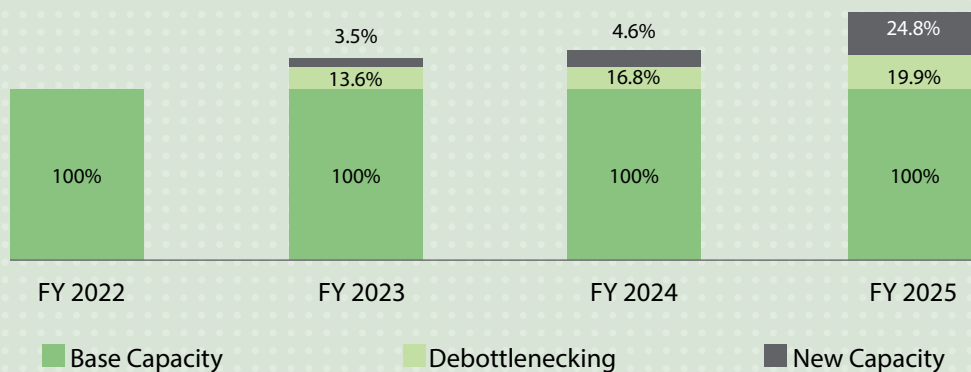
## Capex planned in FY 2023-FY 2025

Our proposed Investment is for expansion of – Diketene Derivatives, Agrochemical Intermediate and a new green field GMP plant for CDMO. We also plan to invest in new plants for foraying into Fluorination Derivatives and Agro Actives (Fungicides).

### Speciality Chemicals Capacity Build-Up

Capacity Expansion Plan

(Overall capacity increase: 44.7% & CAGR: 13.1%)



Nutrition & Health Solutions

# Gaining In Strength

## ₹2,000 million

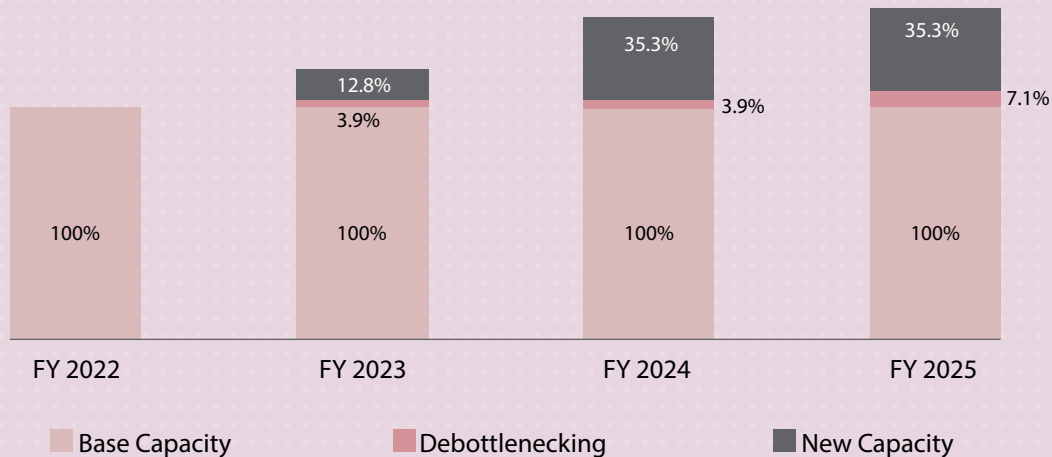
Capex planned in FY 2023-FY 2025

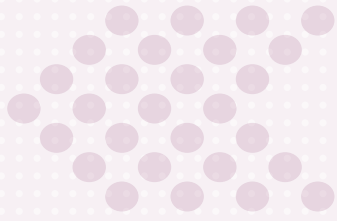
We plan to set up – a GMP complaint plant for Pharma Grade Vitamin B3, and plants for enhancing portfolio of Animal & Human Nutrition products.

### Nutrition & Health Solutions Capacity Build-Up

Capacity & Expansion Plan

(Overall capacity increase: 42.4% & CAGR: 12.5%)





Chemical Intermediates

# Strengthening Our Core

Phase 1

# ₹2,500 million

Capex committed as at the end of FY 2022

## 1) Acetic Acid

### Food Grade Acetic Acid

**Rationale:** Green is the new colour that is gaining credence in industrial India. Acetic acid is a crude derivative. As such, its price is subject to high volatility owing to the fluctuation in crude oil prices. To de-risk ourselves and to widen our addressable market space, we are setting up a green acetic acid unit which will produce food-grade products. This can be used in ketchups, pickles and a host of food items. The global demand is huge and consistently growing while capacities to service this demand is very limited.

We commissioned our Green Ethanol based food-grade Acetic Acid plant at our Gajraula facility. The product will be manufactured from Green Ethanol which is produced from natural bio-based feedstock. The plant is designed to meet the highest standards of product certifications like FSSAI, ISO 22000, Kosher, Halal, FCC Codex, etc. We are the only producer of food grade acetic acid in India and will cater to the increasing demand in food preservative segment across the globe. With this investment we will provide a healthier option for food preservation requirements.

## 2) Acetic Anhydride

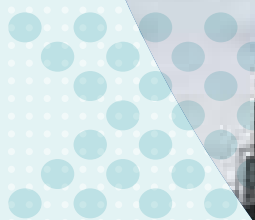
### Acetic Anhydride capacity expansion – Growing demand & Geographic expansion (Q4 FY 2023)

Acetic Anhydride is used by millions across the world in their routine day-to-day activities, without realising that the end products they consume would not have been made without this chemical.

In addition, growing demand of acetylated wood will fuel the demand.

In many parts of the world, especially developed economies, wood is used extensively in housing for exterior applications. Acetylated wood enhances the life of the wood approximately by 20 times. The global trend is also expected to transcend to the Indian shores soon.





Phase 2

# ₹3,000 million

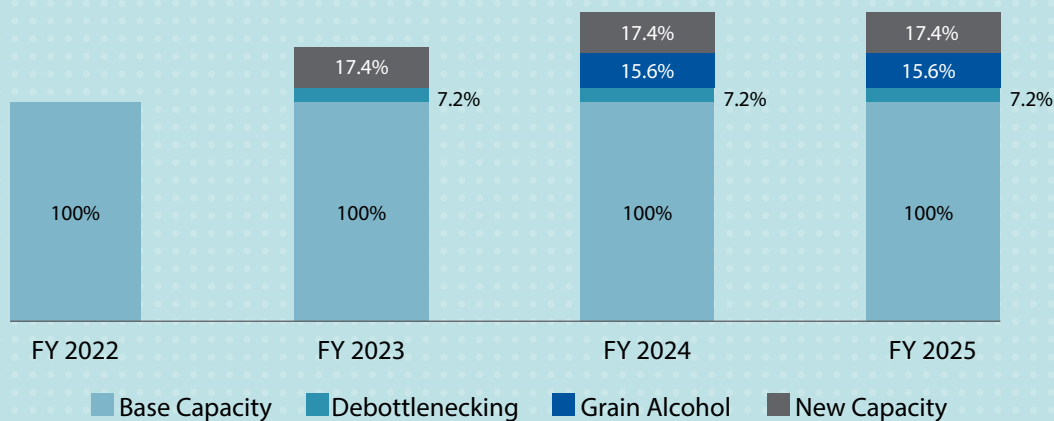
Capex planned in FY 2023-FY 2025

We will be setting up a grain based green Specialty Ethanol plant and undertaking other de-bottlenecking initiatives.

## Chemical Intermediates Capacity Build-Up

Capacity and Expansion Plan

(Overall capacity increase: 40.3% & CAGR: 11.9%)



Having detailed our investment roadmap and what it would do to our growth, we continue to remain squarely focused on growing sustainably. We firmly believe that when success and sustainability are neatly woven into the organisational fabric, sustainable and profitable growth becomes a natural outcome.



# Committed to Sustainability

The concept of sustainability is not new. It has been there for ages.

Enthusiasm for growth and profits pushed enterprises to innovate and challenge nature, thereby use resources recklessly.

But then the world understood that nothing stands against nature; it took a little longer though. As such saving the Earth and its resources has emerged critical.

In today's ever-evolving world, debating whether to incorporate sustainability into your business strategy is no longer an option. It's no more a good-to-have strategy, it is a must-have imperative.





## Sustainability Embedded in Our Technology

Our Bio-ethanol route Ethyl Acetate provides safer operating conditions along with much lower carbon footprint ( $\text{tCO}_{2e}$  per ton of chemical) of 1.44 as against 3.73 through petrochemical route.

Our manufacturing process for acetaldehyde produces 2.97 kg  $\text{CO}_2$  per kg of acetaldehyde as compared to the petro route emission value of 3.28 kg  $\text{CO}_2$ /kg product.

For Green Acetic Acid from our bio-based acetaldehyde, our manufacturing process produces less  $\text{CO}_2$  per tonne of acetic acid as compared to the petro-route. As the world is moving towards sustainable growth and a more circular economy, this product will enable our customers to reduce their carbon footprints. Further, since this product will be manufactured using the bio route as against the conventional petro-route, it promises to provide a healthier and safer alternative to the food industry.

At Jubilant Ingrevia Limited, sustainability is at the core. As a responsible enterprise, we have, over more than two decades of neatly woven sustainability philosophy into the organisation's fabric. As such, every strategic initiative, is filtered through the sustainability mesh before it is implemented. The conscientious approach has enabled us to deliver value to all our stakeholders.

Our sustainability journey this far has been an exhilarating one, where every achievement became a milestone to push the team to greater heights. With each passing year we have only strengthened our commitment to making our world more sustainable.



## Sustainability Institutionalised in Our Business Processes

Over nearly two decades we have patiently persevered to institutionalise globally-accepted tools in our business processes which has allowed us to remain operationally efficient and sustainably effective.

Belt Competencies (FY 2022)		
Belts: 07	Green Belts: 103	Yellow Belts: 95
<b>Business Excellence (18+ years experience)</b> <b>Design Excellence</b> Strengthen Development Capability by exploring complete design space and target Right First Time <hr/> <b>Operational Excellence</b> <ul style="list-style-type: none"> <li>Removing process inefficiencies</li> <li>Improve cost effectiveness</li> <li>Addressing process variation</li> <li>Improve asset utilisation</li> </ul> <hr/> <b>Customer Excellence</b> <ul style="list-style-type: none"> <li>Effective time &amp; cost management for customer's NPD projects</li> <li>Analytics for accurate forecasting</li> </ul>	<b>Tools &amp; Processes</b> <hr/> <b>Theory of Constraints</b> <hr/> <b>Mission Directed Team</b> <hr/> <b>Six Sigma</b> <hr/> <b>TPM</b> <hr/> <b>CRM</b> <hr/> <b>Stage Gate development</b>	<b>Quality by Design</b> <hr/> <b>Balanced Scorecard</b> <hr/> <b>Lean</b> <hr/> <b>Process Engineering</b> <hr/> <b>Analytics</b> <hr/> <b>Customer Dashboard</b>

Molasses (a by-product from the sugar industries), press mud and corn cob are renewable in nature and constitute major raw material consumption.

## Our resource savings

**42%**  
Reduction in Specific Water Consumption w.r.t. FY 2013

**22%**  
Reduction in Specific Greenhouse Gas Emissions w.r.t. FY 2013

**20%**  
Reduction in Specific Energy Consumption w.r.t. FY 2013



## Sustainability in People Safety

When people feel safe they go the extra mile to ensure that the organisation’s aspirations are more than achieved and healthy performance sustains. At Jubilant Ingrevia Limited, we leave no stone unturned towards making business operations safe. We have traversed the Operational Health and Safety journey to drill down and institutionalise the OHSAS concepts at our operating sites.

2007	2010-11	2018-20	2020-22
M/s. Chilworth (Dekra) Safety Capability Program started	Sanchetana Portal developed to record field observations and track actions	Corporate standards / guidelines started rolling out to harmonise and standardise the Safety standards across all the sites. The plan developed till 2025	Safety Culture Transformation



## Our Sustainability Assessment

Having covered some distance in our sustainability journey, we decided to undertake an assessment of where we are and what we need to do to better ourselves in our commitment to sustainability. In 2021, we participated for the first time in the S&P DJSI assessment. It threw up very heartening results.

We achieved an  
**81 percentile**

in the Global Chemical Industry.

We figured among the  
**top 20%**

companies globally.

We featured among the  
**top 3**

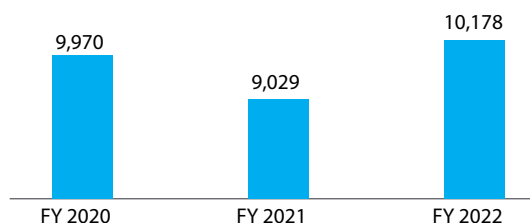
Indian Chemical companies in ESG score.

## Our sustainability recognition



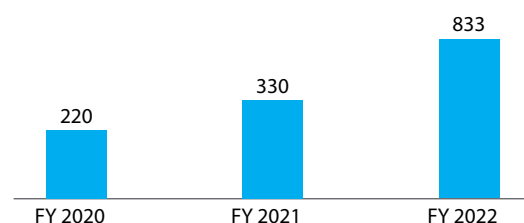
## Our Sustainability Performance in FY 2022

### Energy Consumption in TJ\*



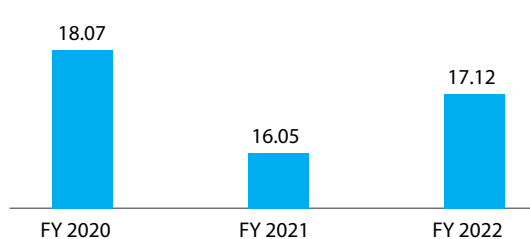
**13% Increase against last year**

### Renewable Energy Consumption (Direct) in TJ



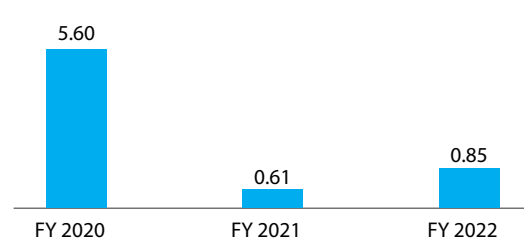
**114% Increase against last year**

### Specific Energy Consumption in GJ/MT



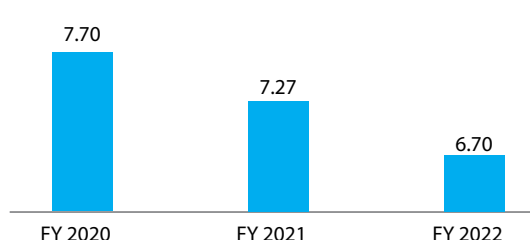
**7% Increase against last year**

### Lost Time injury Frequency Rate (LTIFR)



**39% Increase against last year**

### Water Consumption (Specific) in m3/MT



**8% reduction against last year**

### Fatalities in numbers



**One fatality this year**

## Our Sustainability Achievements

The Economic Times recognises Jubilant Ingrevia Limited as India's top company for Sustainability and CSR 2021

Our largest manufacturing facility at Gajraula scored 93% during latest TFS (Together for Sustainability) audit conducted during October 2021.

We became a UNGC & GRI Community member

We participated in CDP Climate Change and Water Security program and scored 'C' in both the cases

We participated in DJSI Corporate Sustainability Assessment 2021 with over all S&P Global ESG Score of '53' & '81' percentile

We participated in the EcoVadis CSA assessment; score is awaited.



**Shyam S. Bhartia**  
Chairman

**Hari S. Bhartia**  
Co-Chairman



# Message from the Chairmen

## Dear shareholders,

FY 2022 has been a very rewarding year as the Company registered a stellar performance despite the challenges that surfaced across the year. Our strong presence in diversified segments of the life science industry coupled with more than four decades of experience in Research & Development and manufacturing firmly placed us on the growth journey, where the destination is excellence and beyond.

Our dedicated employees (over 2,100) across the globe played a fundamental role in our stellar performance. Their critical role in fighting the devastating second wave of COVID-19 by supporting each other both physically and emotionally, contributed to running business operations smoothly and servicing our customers timely. The teams' patient perseverance and disciplined dedication has positioned Jubilant Ingrevia Limited as the 'Partner of Choice' for the leading Pharmaceuticals, Agrochemicals and other global companies.

“We are investing ₹20,500 million in augmenting our capacities and capabilities in all our business segments which promises to significantly widen our opportunity canvas. This plan showcases our unwavering resolve to excel and keep bettering our results.”

Revenue from operations recorded a 42% rise year-on-year, EBITDA registered a jubilating rise of 38% as did the Profit after Tax growth of 51% over FY 2021. These growth numbers were achieved despite enduring the second wave of the pandemic and significant volatility in key raw material and energy prices almost throughout the financial year.

Our Speciality Chemicals segment has catalysed the growth through our unwavering commitment to delivery, coupled with a healthy demand across industry segments globally. We are also pleased to share that we successfully commissioned Phase-1 of the Diketene Derivatives plant at our Gajraula manufacturing facility.

In our Nutrition & Health Solutions segment, we improved our profitability owing to superior price realisation as well as improved volumes. Our continued focus on improving our performance in niche segment of Vitamin B3 i.e food, pharma and cosmetics have also played key role in spurring the growth in the segment.



In the Chemical Intermediates segment, we could easily service all the increased demand of Acetic Anhydride for the Paracetamol production in India and in International market. Our new expanded capacity in last financial year was utilised well in servicing this increased volume in the segment. Overall the segment has seen higher demand in Pharmaceuticals, Agrochemicals and other end usage across the globe.

We are glad to share that the Board has recommended overall 500% dividend in FY 2022. During the year, the Company declared an interim dividend of 250% i.e. ₹2.5 per equity share of ₹1 each and then a final dividend of 250% i.e. ₹2.5 per equity share of face value of ₹1 each for the FY 2022. This has resulted in cash outflow to ₹796 million in FY 2022 ie ₹5.00 (500%) per equity share of ₹1.

We take this opportunity to convey that this growth trajectory is not a one-time event that Jubilant Ingrevia wishes to settle for. Considering what we have set our eyes on, the FY 2022 achievements will dwarf into a prelude to an even more jubilant future. We are investing ₹20,500 million in the business between FY 2022 to FY 2025 in a phased manner. This investment is mainly in the various growth related projects of new product platforms as well as new business areas in addition to optimising the existing capacities to take care of growing demand of existing products. This plan will unfold in a phased manner until FY 2025. It showcases our strong resolve to excel and keep bettering our results.

Some of these investments have already been committed and new facilities have been commissioned. The newly commissioned Diketene Derivatives plant at our Gajraula manufacturing facility is the beginning of our new product portfolio of Diketene range of value added products. It will position us to replicate our great work already done in Pyridine platform by bringing in several value-added products using more than 30 chemistry capabilities. It will also help us in getting additional business from our time-tested association with leading customers in Pharmaceuticals, Agrochemicals and other industries.

## We embarked on our growth journey on the following fundamentals:

Our products touch everyone in their daily lives, directly or indirectly, hence creating a demand for our products. Moreover, as economies stabilise in a post-pandemic world, consumption is expected to rise, driving the demand for Speciality Chemicals and Nutrition & Health Solutions.

As the world focuses on widening their supplier base to de-risk from geographic concentration, India, owing to its acumen in the Speciality Chemicals & CDMO space, its competitiveness, and its experience in dealing with global





partners, is gaining the global spotlight. Our leadership position in select products, multi-decadal, healthy business relations with large international corporates perfectly positions us to capitalise on the growing opportunities.

The prospects of the domestic market place appear equally exciting. According to a recent United Nations report, India is expected to surpass China as the world's most populous country in 2030. The resultant creeping demand for our products is expected to leapfrog to a new level.

In keeping with these trends, it was necessary to make this sizeable investment which promises to strengthen our competitive advantage with their commissioning.

Our expansions will not simply increase the output numbers. They are value-added diversifications. Because we foresaw the future for the world and envisioned new age requirements. Moreover, we have platformed our investments on the sustainable structure. As a result, our future-focused endeavours are well-thought-out plans

filtered on the sustainability mesh allowing us to help our customers meet their sustainability commitments. This strategy will help us cement a lasting bond with our customers – existing and prospective.

We are fully committed towards our growth aspirations and we are excited to realise the emerging opportunities going forward in all our business segments. We are confident of moving ahead with our well defined strategic capex blueprint, which is supported by our internal accruals. Our aim is to achieve sustainable profitable growth in medium term and structurally we are poised towards moving on to the next tier of performance in our growth journey and margins

We thank all our employees for demonstrating resilience in times of hardships and challenges and for supporting the Company. We also would like to take this opportunity to thank our Board of Directors for their constant guidance and suggestions. Our gratitude to every stakeholder including our customers, vendors and bankers who believed in us. We continue to solicit your trust.

Warm regards,

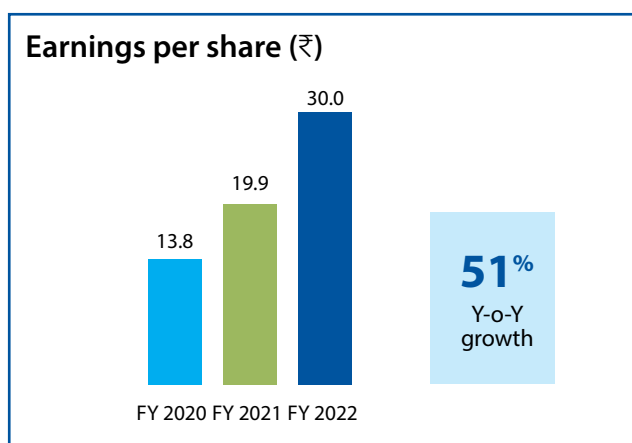
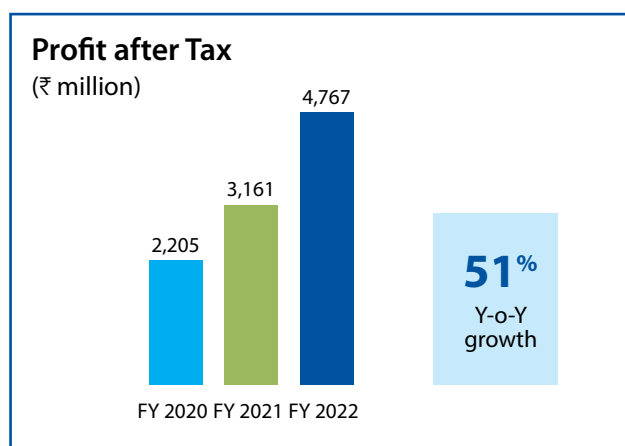
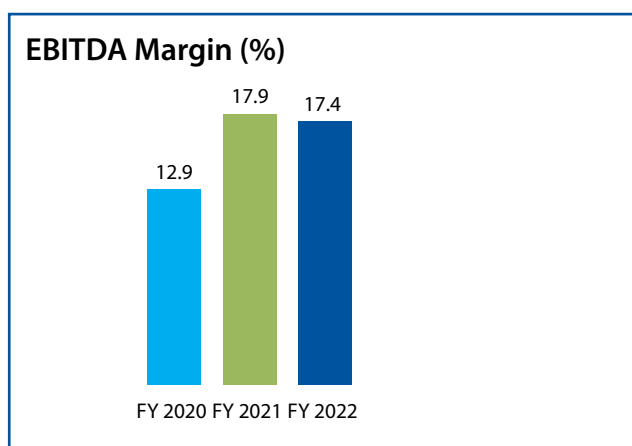
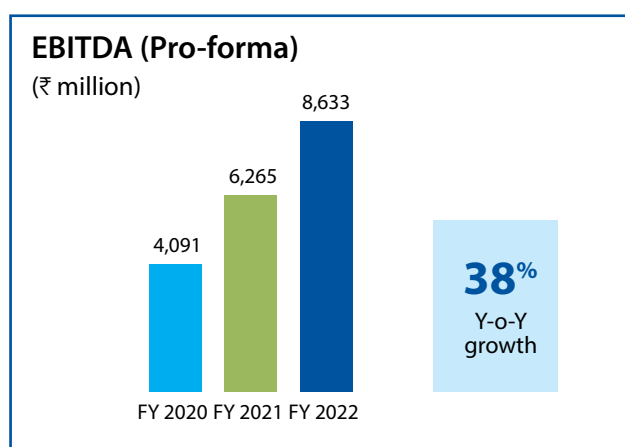
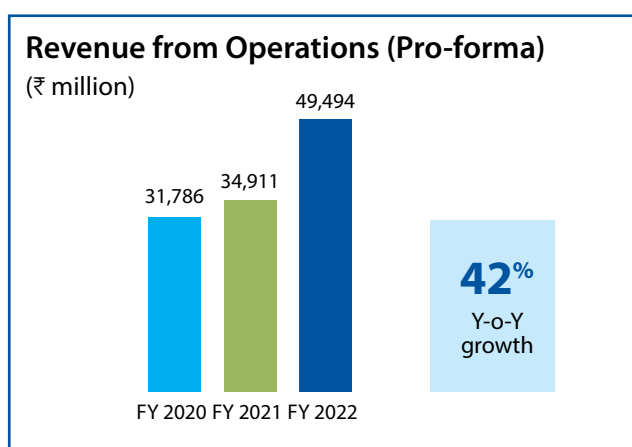
**Shyam S. Bhartia**  
Chairman

**Hari S. Bhartia**  
Co-Chairman

## Key Performance Indicators

# Creating value by growing year-on-year

## Profit & loss indicators



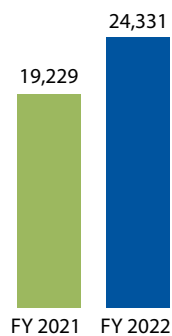
**Pro-forma:** Results for Full year FY 2021 has been derived on Pro-forma basis from the reported discontinued operations results for LSI segment of Jubilant Pharmova Limited and Audited results for Jubilant Ingrevia Limited as under:

- For FY 2021 by combining the results from 01 April 2020 to January 31, 2021 from the reported discontinued operations for LSI segment of Jubilant Pharmova Limited; and

- Results from Feb 21 to March 21 from the Audited results of Jubilant Ingrevia Limited EPS for previous periods has been computed assuming existence of share capital throughout the period.

## Balance Sheet Indicators

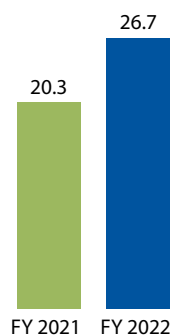
### Net worth (₹ million)



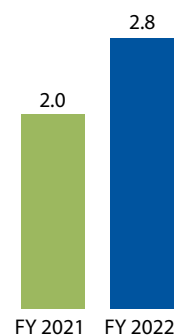
### Capital Employed (₹ million)



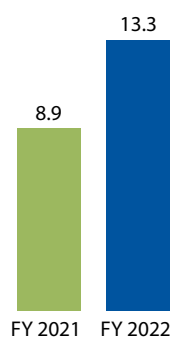
### Return on Capital Employed (ROCE) (%)



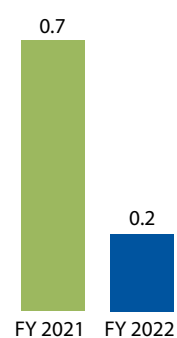
### Asset Turnover (X)



### Return on Assets (%)



### Net Debt to EBITDA (X)



## Board of Directors



**Shyam S. Bhartia**  
Chairman



**Hari S. Bhartia**  
Co-Chairman



**Sudha Pillai**  
Independent Director



**Sushil Kumar Roongta**  
Independent Director



**Arun Seth**  
Independent Director



**Pradeep Banerjee**  
Independent Director



**Siraj Azmat Chaudhry**  
Independent Director



**Ameeta Chatterjee**  
Independent Director



**Priyavrat Bhartia**  
Director



**Arjun Shanker Bhartia**  
Director



**Rajesh Kumar Srivastava**  
CEO and  
Managing Director



**Anil Khubchandani**  
Co-CEO &  
Whole-time Director

## Senior Leadership Team



**Rajesh Kumar Srivastava**

CEO & Managing Director

*35 years of industry experience*



**Anil Khubchandani**

Co-CEO & WTD  
Speciality Chemicals

*30 years of  
industry experience*



**Chandan Singh**

Co-CEO  
Chemical Intermediates

*36 years of  
industry experience*



**Sumit Das**

SVP – Nutrition &  
Health Ingredients

*30 years of  
industry experience*



**Ashish Kumar Sinha**

VP – Animal & Human  
Nutrition Health Solutions

*24 years of  
industry experience*



**Prakash Bisht**

President & Chief  
Financial Officer

*33 years of  
industry experience*



**Vijay Kumar Srivastava**

President -  
Operations

*23 years of  
industry experience*



**Vinita Koul**

SVP &  
Head -HR

*26 years of  
industry experience*



**Prasad Joglekar**

President & Head –  
Supply Chain

*29 years of  
industry experience*

# Economic Overview and Outlook



**Global Economy:** The world economy rebounded handsomely to an estimated growth of about 6.1% in 2021 against a GDP contraction of 3.3% in 2020. According to the International Monetary Fund (IMF), the recovery was driven by household spending and uptake in investment as the COVID-19 outbreak had brought economic activities to a near standstill in 2020.

The growth momentum in the last quarter of 2021, especially in the United States, the European Union and China, decelerated as the effects of fiscal measures mellowed and supply-side challenges emerged.

In 2021, annual merchandise exports and imports for G20 grew by 25.9% and 26.1% respectively with values around 16% above their 2019 levels. While high commodity prices explain part of the increase, stimulus packages also played a role in spurring the demand for traded goods. Annual growth in exports and imports of services in 2021 grew at around 15.0% and 11.3%, respectively. (Source: OECD)

As per the estimates of the latest UNIDO World Manufacturing Report, production in developing and emerging industrial economies grew by 4.3%. Industrialised economies on the other hand have exceeded their pre-pandemic production level since the first quarter of 2021 and have shown a stable year-over-year growth of 3.2%.

Global manufacturing production increased by 9.4% in 2021, after the pandemic-related drop of 4.2% in 2020.

**The start of 2022, quite unprecedented :** The year 2022 started with the Omicron variant which suddenly spiked COVID-19 infection rates to new highs. Despite being considerably milder than earlier variants, the Omicron dampened supply and demand in most-affected regions, delaying the resolution of market imbalances.

Subsequently, the world faced a devastating invasion of Ukraine by Russia. As a result the Russian and Ukrainian economies are expected to plunge into a sharp recession. The deleterious effects will come from higher gasoline prices, higher prices for food, metals, and intermediate inputs to manufacturing and weaker GDP growth as consumers pull back spending.

**Estimates for 2022 :** According to the IMF, after expanding by 6.1% in 2021, it is expected that global economic growth will slow down to a more normal 3.2% in 2022 (*revised in IMF Report, July 2022*). Inflation is expected to remain elevated, driven by war-induced commodity price increases and broadening price pressures.

**2022 unfolding up to now:** 2022 appears to be a mixed bag for the world. While some advanced economies are facing challenges which have dampened economic growth, a number of developing economies continue to remain firm-footed on the path of economic resurgence. Higher-than-expected inflation worldwide is triggering tighter financial conditions. Global trade increased in the first quarter of 2022 over the corresponding period in the previous year.



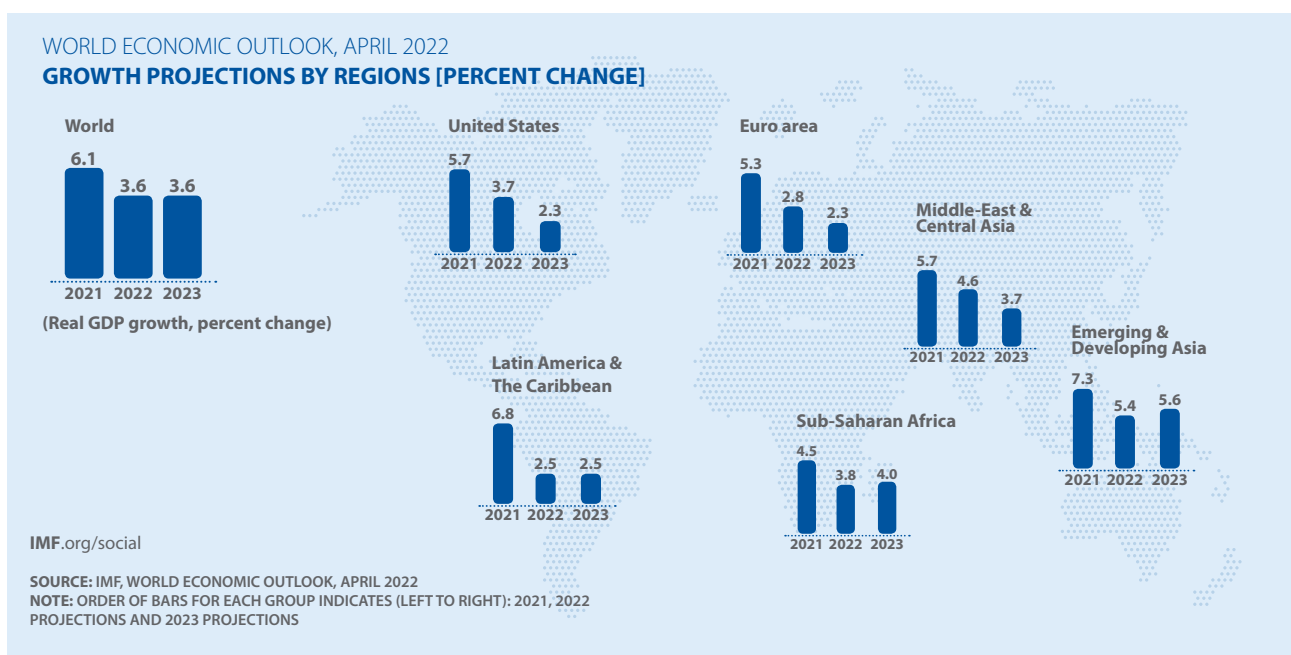
**Indian Economy:** The Indian economy showcased immense resilience as it rebounded smartly from a negative 6.6% (according to the National Statistical Office (NSO), in its first revised estimates) to a positive of 8.7% for the fiscal ending March 31, 2022.

All macro indicators showcased an upsurge in the nation's economic performance helped by a pick-up in farm and industrial output growth. The economic growth was supported by widespread vaccine coverage, gains from supply-side reforms and easing of regulations, robust export growth and availability of fiscal space to ramp up capital spending.

As per the Economic Survey, the uptick in the economy was led by 11.8% growth in the industrial sector and 8.2% growth in the services sector. The agriculture sector growth is seen at 3.9% in FY 2022.

The economic resurgence, so to speak, was cut short towards the end of FY 2022 owing to the geo-political crisis which resulted in a spike in commodity prices, fuel prices, supply-chain disruption and logistical costs – which hurt the economic progress in Q4 of FY 2022 and whose impact will be felt in FY 2023.

In keeping with this reality, the Reserve Bank of India factored this negative and pared its estimated GDP growth for FY 23 from 7.8% to about 7.2%. This number, in reality though, will depend on the duration of the war and the outcome of debilitating sanctions that the western world has imposed on Russia – it will have its set of opportunities and challenges for India Inc. in FY 2023.





# Sectoral Overview and Optimism







## Chemical Industry

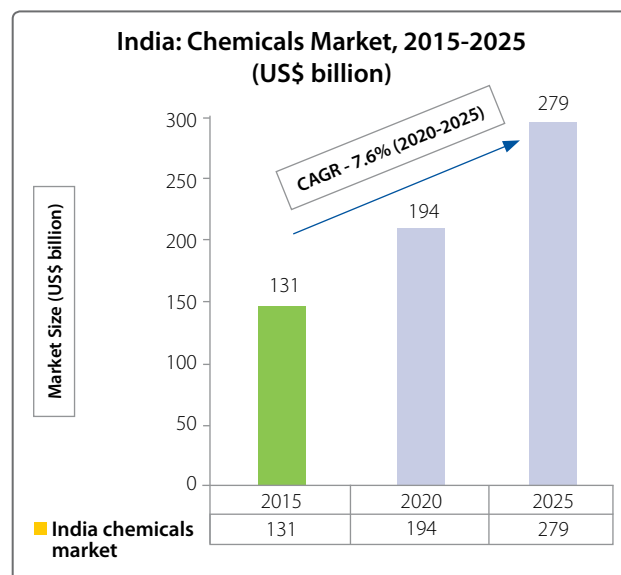
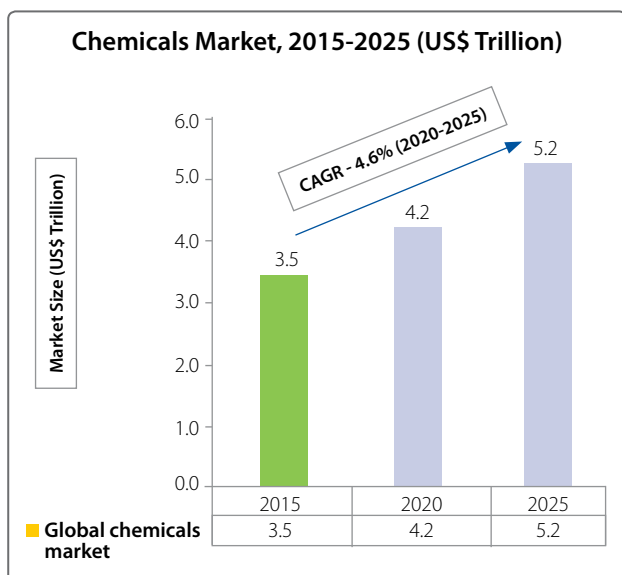
The chemical industry is pivotal for the progress of the manufacturing sector as it provides building blocks for a wide range of applications namely basic, industrial and consumer applications.

The chemicals industry caters to a broad range of industries, such as polymers and plastics, adhesives, paints and coatings, lubricants and cleaning materials. Any disruptions in this industry have a cascading effect on various sectors, which are dependent on speciality chemicals.

The global chemicals market is estimated at US\$ 4.2 trillion in FY 2020 and is projected to reach a market size of US\$ 5.2 trillion in FY 2025 at a 4.6% CAGR during the forecast period. The European region is one of the largest markets for chemical consumption as well as production.

India's chemical story is one of outperformance and promise. A consistent value creator, the chemical industry remains an attractive hub of opportunities, even in an environment of global uncertainty. In India too, the chemical industry is one of the major industries with its growth correlated to end-use industries such as construction, textiles, automobiles and consumer durables.

The Indian chemicals market is estimated at US\$ 194 billion in FY 2020 and is projected to reach a market size of US\$ 279 billion in FY 2025 with a CAGR of 7.6% during the forecast period. The Government has also launched support initiatives to support the industry's growth.





## Speciality Chemicals Industry

Speciality chemicals are a group of relatively high-value and low-volume chemicals. Their special applications enhance the performance processes. Speciality chemicals are widely used in various economy-driving user sectors.

The growth of the speciality chemicals sector is driven by an increase in R&D activities to develop new products, a rise in demand in the Asia Pacific region and the growth in the end-user industries. However, key factors such as volatile raw material costs and environmental concerns

regarding toxicity issues of some speciality chemicals are projected to slow down the growth.

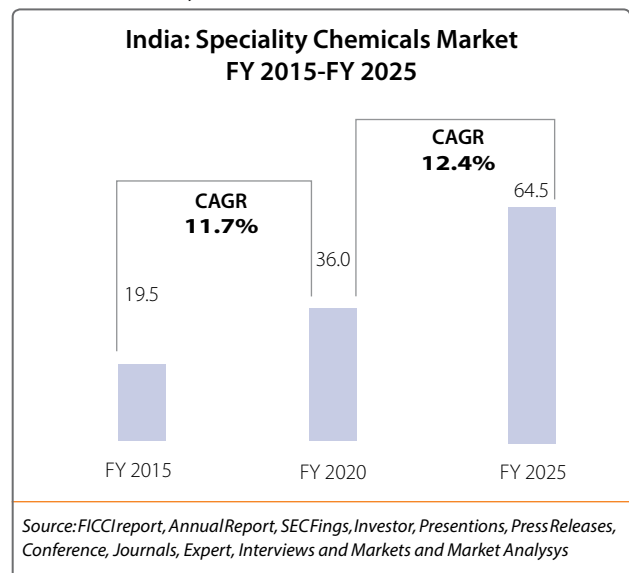
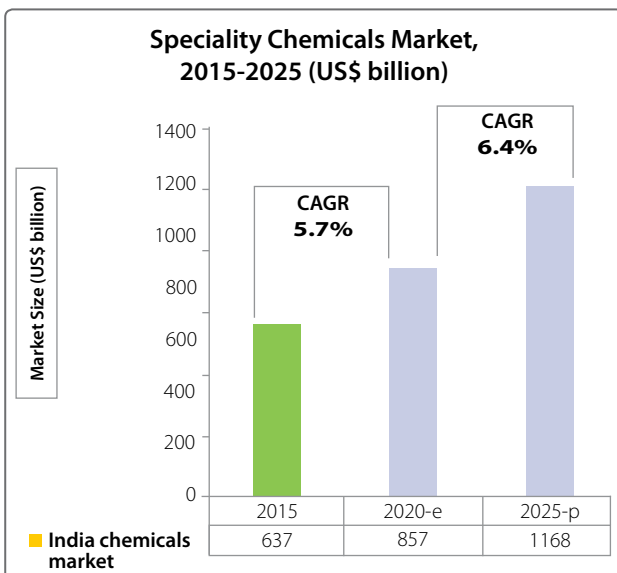
The global speciality chemicals industry is estimated at US\$ 857 billion in FY 2020 and it is expected to grow at 6.4% CAGR to reach US\$ 1,168 billion by FY 2025.

The key speciality chemical segments in the Indian market are categorised as agrochemicals, paint coating and construction chemicals, colorants, active pharmaceutical ingredients (APIs), personal care chemicals, and flavours & fragrances. The APIs and colorants including dyes and pigments are important as they are export-oriented products. The Indian speciality chemicals sector derives almost equal revenue from exports and domestic sales.

The Indian speciality chemicals industry is estimated to have a market size of US\$ 36 billion in FY 2020 growing with a CAGR of 12.4% to reach US\$ 64.5 billion by FY 2025. The growth in the Indian market is driven by a combination of factors - an increase in domestic demand from end-user segments and strong export growth.

According to CRISIL, the Indian speciality chemicals industry will outpace its Chinese counterpart and double its share in the global market to 6% by 2026 from 3-4% in fiscal 2021.

Source: [www.livemint.com/industry/indias-share-in-global-specialty-chemicals-market-to-double-in-5-years-crisil-11646296797299.html](http://www.livemint.com/industry/indias-share-in-global-specialty-chemicals-market-to-double-in-5-years-crisil-11646296797299.html)





## Pyridine

Industry applications of Pyridine started ~150 years ago as a solvent in pharmaceuticals, chemicals and adhesives. However, the surge in demand for Pyridine & its derivatives as a key ingredient, specifically from the agricultural and pharmaceutical sectors, has been one of the key factors that helped drive the pyridine market in terms of value and volume sales.

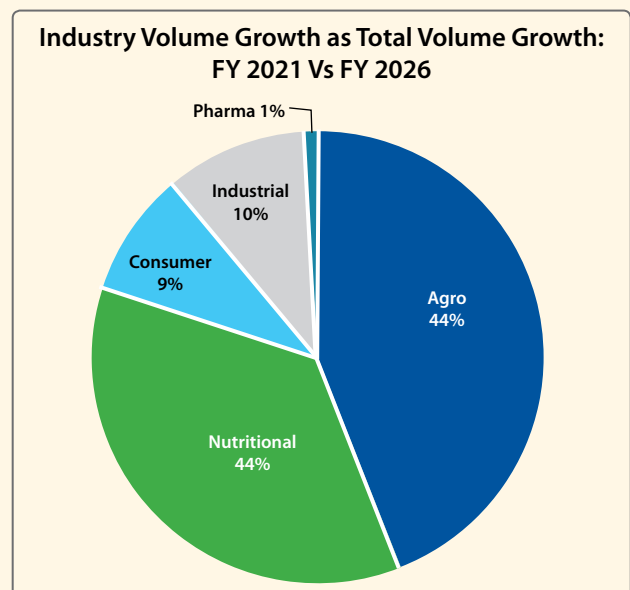
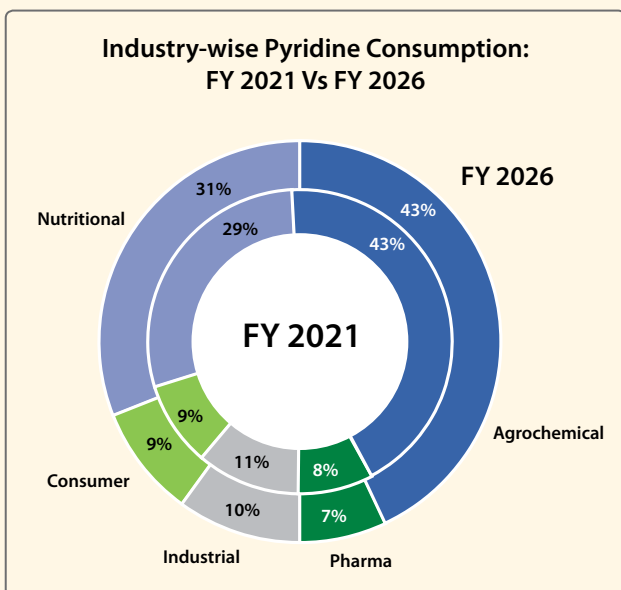
Key drivers for Pyridine volume growth in the coming decade are the growth of the Global Agrochemical market, Nutrition market & CDMO opportunities in Pyridine-based products.

**Pyridine in agrochemicals:** The global agrochemicals market is expected to grow at a CAGR of 3.4% from FY 2021-26. The demand is expected to be propelled by Asian

& Latin American nations due to already high per capita fertiliser usage in developed economies.

The Indian agrochemical market is expected to grow at 8% from FY 2021-26 due to low per capita usage and the 'Agriculture & Allied sector' still being the backbone of domestic socio-economic growth.

Another emerging trend is the growth of 'Fluorine derivatives' for agrochemical application. Over FY 2021-FY 2028, agrochemicals molecule patents worth ~US\$ 6 billion are likely to expire, of which ~51% share is the fluorine-containing molecules. This is expected to be a long-term agrochemical opportunity for companies with sound fluorination capability .



Source: M&M Report



**Pyridine in Pharmaceuticals:** Pyridine and its derivatives are used in almost all therapeutic drug categories (antipyretic, antiviral, anticancer, antibiotic, anti-inflammatory etc.). Pharma applications of Pyridine and derivatives are being explored for more than 100 years.

Pyridine demand for pharmaceuticals growth is witnessing maturity and is expected to grow at a low CAGR in the coming decade. However, the CDMO opportunity is a potential growth prospect due to the development of new active ingredients by innovators and their shift in focus to core competencies and outsourcing the production to low-cost manufacturing destinations. Custom synthesis is also a potential opportunity for agrochemical technical development. Collectively, the global CAGR for CDMO is ~9.1%.

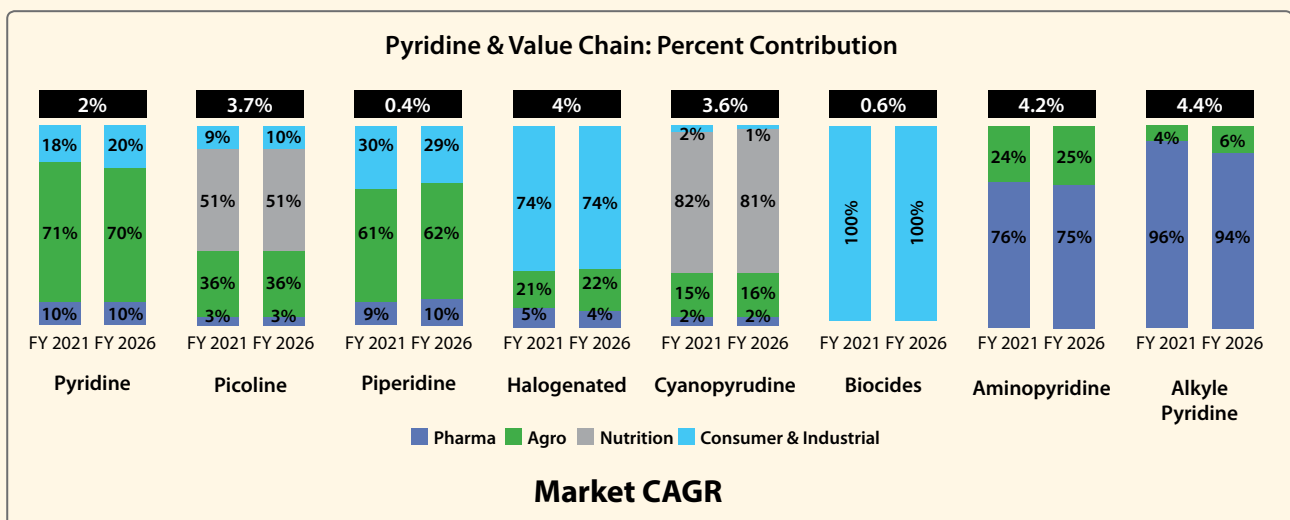
**Pyridine in Nutrition:** The nutrition segment is expected to have maximum Pyridine volume growth due to increased intake of vitamins & minerals in the form of feed

supplements & additives (for animals) & nutraceuticals (for humans). With an expected CAGR >7% in feed supplements & Vitamin B3 contributing ~54% of the total Feed supplement market, Animal feed would top the pyridine consumption in the Nutrition segment.

The global nutraceuticals ingredients market with a CAGR of 7.4% (FY 2020-2025) would be led by emerging economies like India (CAGR 20%: FY 2020-2025) due to rising purchasing power & low per capita nutraceutical spend vis-à-vis global average (US\$ 2.5 vs global average of US\$ 21).

Other drivers such as consumer & industrial chemicals industry are expected to have low to moderate pyridine consumption growth due to niche applications and overall low share of the Pyridine value chain in these industries.

Interestingly, pyridine derivatives are likely to register higher growth than the base product over the coming years.



Source: M&M Report

## Custom Development and Manufacturing Organisation (CDMO)

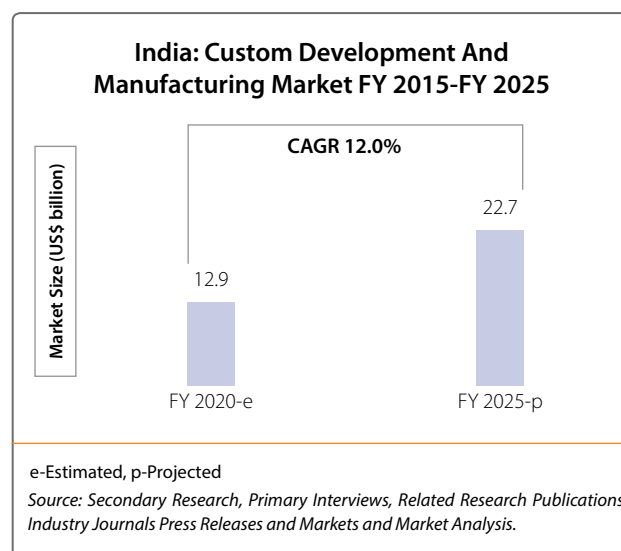
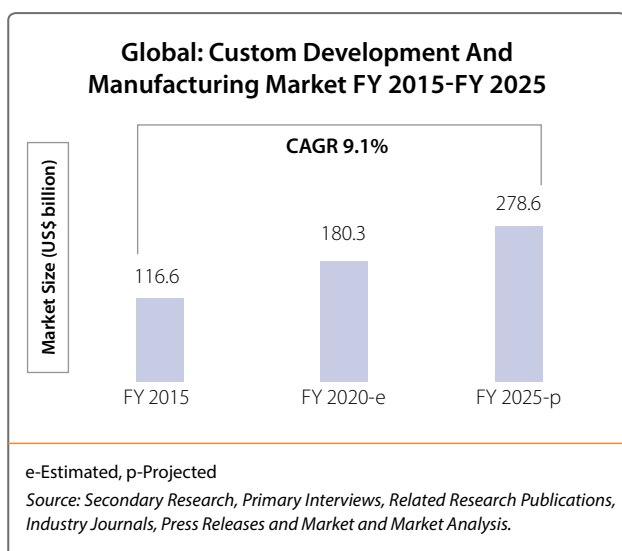
CDMO is used for custom synthesis for Fine Chemicals, Advance Intermediates & Active Ingredients for Pharmaceutical, Agrochemical & other Industrial Applications.

Fine Chemicals are single-molecule compounds that are utilised in Active Pharmaceutical Ingredients and Crop Protection Chemicals sectors. These single-molecule compounds are used as Key Starting Materials or Intermediates in either agrochemical or pharmaceutical formulations.

India's CDMO market is driven by the innovation appetite of global companies that seek to develop new molecules

for new-age applications. Prohibitive development and manufacturing costs in the western world have pushed global innovators to turn to low-cost destinations such as India which possess chemical expertise in the development and offer product quality and timely delivery. It also allows global innovators to focus on what they do best.

One of the major driving factors for the Indian CDMO market is the increase in contract manufacturing of Fine Chemicals.



## Nutrition Industry

Growing health & wellness trends, changing food landscape, increasing demand for fortified food products, and growing demand for nutritional supplements packed in single tablets and capsules have positioned the nutrition sector as a fast-growing market.

In addition, expanding the middle-class population in emerging economies with demand for nutrition provides significant growth opportunities for players operating in the global nutrition market.

Additionally, an increase in the preference for high-quality nutritional food according to their nutrient profile and such other trends playing out among the well-heeled is encouraging the development of personalised approaches for nutrition, contributing to the market growth.

**Cosmetics and Personal care:** Personal care ingredients are used in personal care products that include skin creams, skin oils, toothpaste, hair oils, hair conditioners, hair shampoos, make-up products, and others.

Chemicals such as Zinc Pyrithione and Cetyl Pyridinium Chloride are used in the personal care industry for the manufacture of cosmetic products. Another key ingredient in the personal care industry includes Vitamin B3. Vitamin B3 is used in personal care products due to their multiple benefits such as improving skin health through collagen synthesis, prevention of hair breakage and imparting anti-oxidising and anti-inflammatory effects.

The market size of personal care ingredients is projected to reach US\$ 19.7 billion by 2025, recording a CAGR of 4.3%

between 2020 and 2025. The growth of the personal care ingredients market is primarily backed by the increase in the population in emerging economies such as China, India, Indonesia, Malaysia, Brazil, and South Africa. The demand for personal care ingredients is increasing due to the increase in awareness among consumers about health concerns and hygiene.

The high demand for personal care ingredients is also attributed to increase in the consumption of ingredients such as anti-aging agents, exfoliators, ultraviolet (UV) agents, moisturisers, antioxidants, and antimicrobials

India is one of the fastest-growing personal care ingredients markets, globally. Premium and high-priced personal care products, such as anti-ageing creams and skin moisturisers are witnessing improved growth with the increase in awareness, as people are willing to increasingly spend on high-quality products in the country.

Investment in R&D of personal care ingredients remains high due to the rise in demand for skin care products such as anti-ageing creams, sunscreen lotions, soaps, and moisturisers. This, in turn, is projected to drive the demand for personal care ingredients in the country.

Economic progress, increasing urbanisation, growing awareness (even in tier II & III towns) and a rise in per capita income leading to higher purchasing power of consumers is driving the demand for personal care products in India.

**Animal Nutrition:** The market for animal nutrition products is growing at a global level owing to an increased

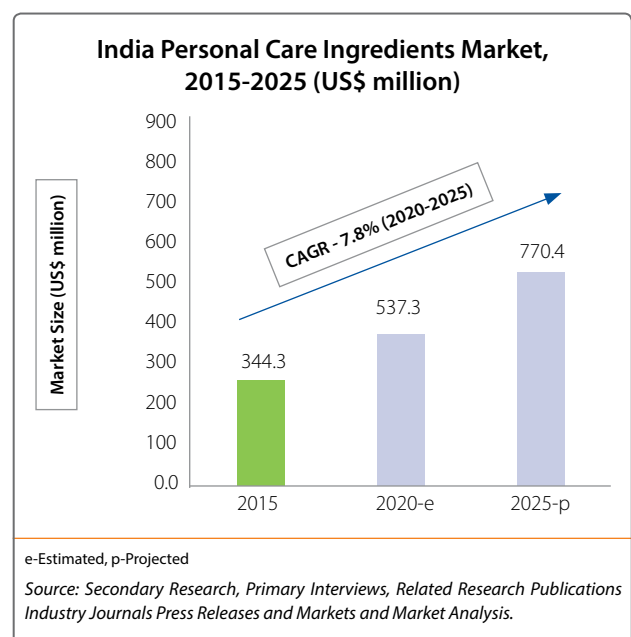
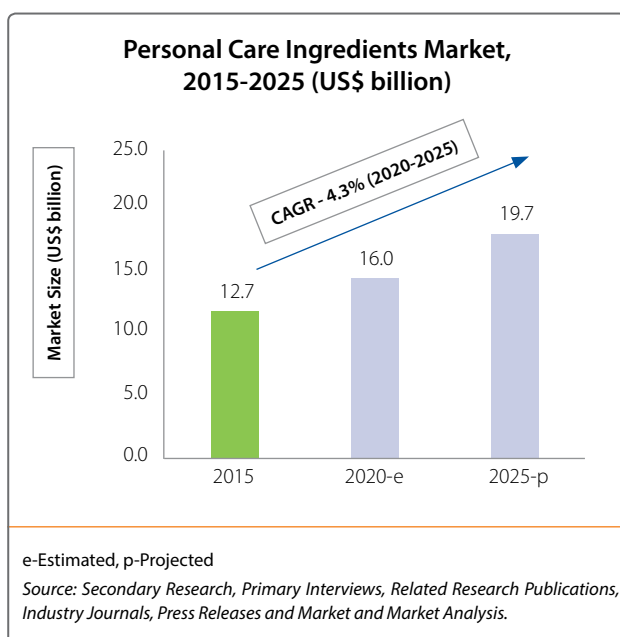
demand for animal protein in the daily diets of consumers. With the increase in the meat-eating population, the demand for white meat and red meat is also growing. Also, the concern for food safety is growing among consumers, which also promotes the need for increasing the intake of vitamins and minerals.

The global animal feed additives market size was valued at US\$ 39.6 billion in 2021 and is anticipated to expand at a CAGR of 3.5% from 2022 to 2030. This growth is attributable to the surging consumption of meat and animal-based products by consumers, the steadily increasing global population and growth in the population of livestock.

In India, a positive trend is prevailing in the annual production of meat, with the poultry sector growing at the highest rate in India.

The poultry, among other livestock, is most susceptible to vitamin deficiencies. Also, as compared with the livestock sector, the poultry sector in India is better organised, more scientific, and constantly moving towards modernisation. These factors are expected to have a beneficial impact on the market for feed vitamins.

The Indian market for vitamin feed supplements is growing at a CAGR of 7.5% between 2020 and 2025, owing to the growing demand for animal protein and poultry products, which has led to an increase in demand for vitamin feed supplements for poultry and ruminant feedstuffs.







## Vitamin B3

Vitamin B3 is one of the eight B-complex vitamin which plays an essential role in multiple physiological functions and chemically consists of Niacin & Niacinamide (Nicotinamide).

There is a significant market for vitamin B3 expected to grow at a CAGR of 2.5% for the next 5 years. Traditionally, the market growth drivers for Vitamin B3 were the feed and food supplements. However, emerging applications in cosmetics & food fortification industry are expected to drive its growth in the coming decade.

Human nutrition applications are expected to show high growth prospects (CAGR FY 2021-27: 4%). Consumers in developed countries have shifted their preference to on-the-go, convenient, nutritionally enriched, and functional food & beverage products. Busy lifestyles and growing consumer focus to include vitamin B3-fortified food products & Premixes in diets is a major factor pushing the demand for Vitamin B3 in nutrition applications.

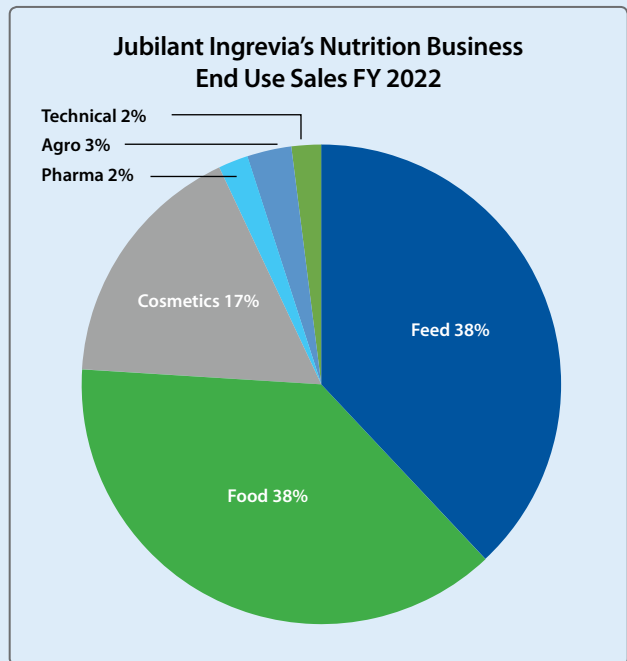
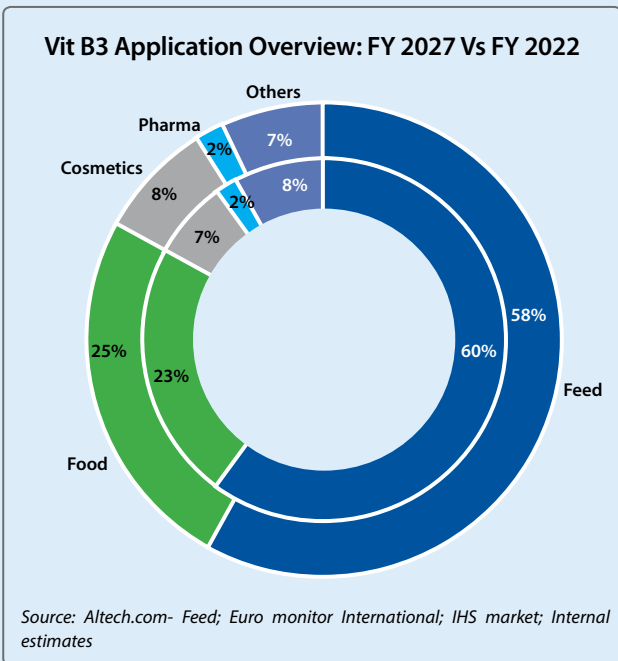
The cosmetics industry has witnessed emerging applications of Vitamin B3 (CAGR FY 2022-2027: 5.4%)

due to the rising consumer focus on maintaining a youthful appearance and healthy skin & hair and has led manufacturers to offer vitamin-enriched shampoos, creams, and oils.

The food & cosmetics are accounting for 60% of the total volume growth of Vitamin B3 in the next 5 years even though accounting for only 30% of Vitamin B3 consumption in FY 2022. This will result in a shift of 3-4% of the Vitamin B3 volume to human nutrition & cosmetics in the coming half decade from the traditional segments like feed and agrochemicals.

The current demand for these growth drivers is expected from developed economies, however, the trend is likely to trickle down to emerging/ developing economies due to societal shift towards the middle class and rising urban population.

Other applications of Vitamin B3 include usage in pharmaceuticals, agrochemicals & industrial sectors.







## Feed Additive

Feed additives are added to livestock feed as they improve the feed quality and prevent diseases, thereby improving livestock performance and health. They also increase the yield and quality of food obtained from the livestock.

The feed additives market is projected to grow at a 6.1% CAGR between 2020 and 2025 to reach US\$ 47 billion. The growth of this market is attributed to the growing focus on livestock and their welfare, which, in turn, is driven by the global increase in demand for meat and poultry products, rise in global feed production with improved technologies and increasing standardisation of meat products.

India is expected to be a fast-growing market in the Asia-Pacific region, as animal husbandry is a dominant occupation in the country

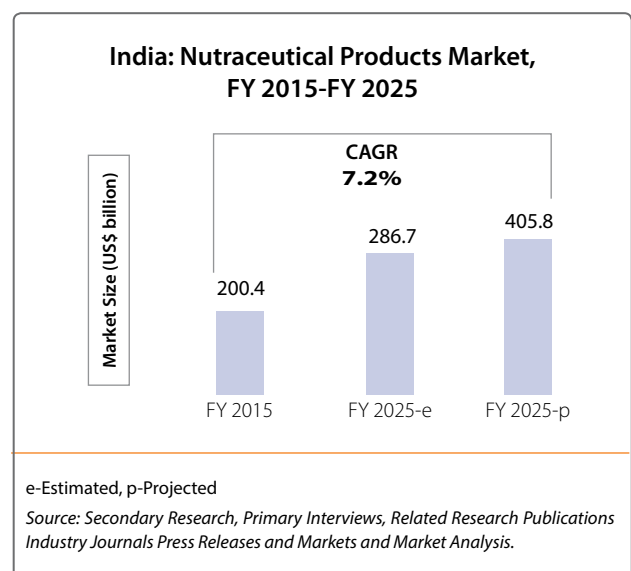
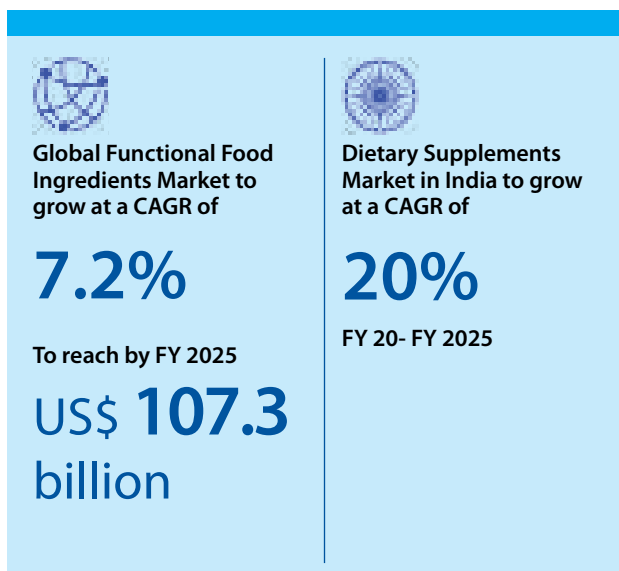
and nutritional labeling is mandatory for all functional foods as per the Food and Safety Standards Act (FSSAI), 2006. In India, the rising healthcare costs and adoption of preventive measures for diseases are driving the nutraceutical products market.

Vitamins and minerals contribute to a large share of the Indian dietary supplements market which is followed by the herbal, proteins and other segments.

India is projected to be the fastest growing country in the Asia-Pacific region for functional food and beverage products, owing to a vast consumer base and the growing demand for healthier food and beverage products. According to the President of the India Food Processors Association, the major propellant for functional food and beverage products in the country is the increasing disposable income level of consumers. Consumers are now willing to spend an additional amount on fortified products, which has helped manufacturers of functional food ingredients to gain a substantial market opportunity. This trend is also aided by the growing awareness of the consumption of healthy food products with many consumers solely focused on obtaining optimal nutrition.

## Nutraceutical Products

The growth in nutraceutical products is attributed to the increasing number of health-conscious consumers, along with the increasing demand for functional food, functional beverages and dietary supplements. In India, nutrition structure/function health claims are permitted

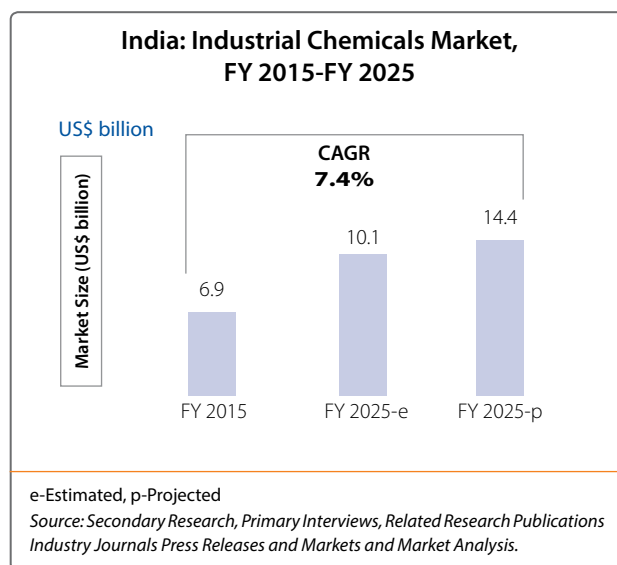
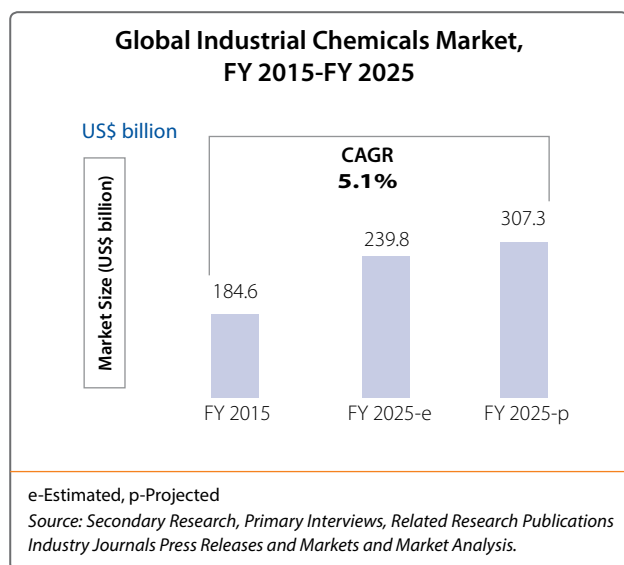


## Industrial Chemicals

Industrial chemicals comprise Sulphuric Acid, Ethylene Propylene, Nitrogen, and Sodium Hydroxide among others.

Manufactured using complex, multi-step chemical reactions, most industrial chemicals are made by extraction and purification from natural substances, including minerals, natural gas, petroleum, plants, air and water.

India is one of the major chemical-producing hubs across the globe. Domestic industrial chemical players are expected to experience steady growth owing to increased demand from the packaging and paint and coating sectors. Indian players are facing competition from their global counterparts as the latter are establishing manufacturing bases in India to leverage the low-cost India advantage.



## Chemical Intermediates

**Acetic Anhydride:** The merchant Acetic Anhydride market is estimated to be valued at US\$ 1 billion (at current price levels) in 2022 and is expected to grow at a CAGR of 3.8% till 2026. In terms of its end use it is dominated by applications such as cellulose acetate, Pharmaceutical APIs, agrochemicals, detergents, vitamins, speciality polymers and other industrial applications. Industrial applications accounted for almost 74% of the total market, this is followed by the pharmaceutical market which accounts for almost 13% of the market. The growth of Acetic Anhydride globally is supported by healthy demand in the industrial segment and specifically in India is supported by the growth in the pharmaceutical segment.

**Ethyl Acetate:** The Ethyl Acetate global market is estimated to be valued at US\$ 5 billion (at current price levels) and is expected to grow at a level of 4%, in terms of end-use application, this product is also dominated by industrial applications largely driven by the demand from paints & coatings, food packaging, pharmaceuticals, inks & printing and adhesives industries among others. Industrial applications account for ~72% of the total market followed by pharmaceuticals which account for almost 20% of

the market. The growth of the Ethyl Acetate market is supported by strong demand in the packaging segment due to changes in consumer preferences and the paints and coatings segments led by infrastructure growth.

**Ethanol:** The global Ethanol market is estimated at US\$ 89.7 billion in the year 2022 and is projected to reach a size of US\$ 112.06 billion by 2026, registering a compounded annual growth rate (CAGR) of 4.6% over the analysis period. A major factor fueling growth in the ethanol market is its rising prominence as a fuel or fuel additive in the automotive industry. Skyrocketing crude prices and increasing concern about greenhouse gases are expected to boost the demand for ethanol both in developed and developing countries over the next several years. Within India, the domestic Ethanol market is estimated at US\$ 2.6 billion in 2022 and projected to reach a size of US\$ 4.2 billion in 2025, growing at a CAGR of 10.2%. Ethanol demand in India is growing on the back of increasing ethanol use primarily in fuel additives, and in other applications such as beverages.

Source: 1 M&M Report  
2 FICCI reports, o3 Research





### Acetic Anhydride

Acetic Anhydride Industry relevance has been well established for over 150 years. Traditionally, the market growth drivers for acetic anhydride were dominated by its demand for use in the production of cellulose acetate flakes, detergents and pharmaceuticals.

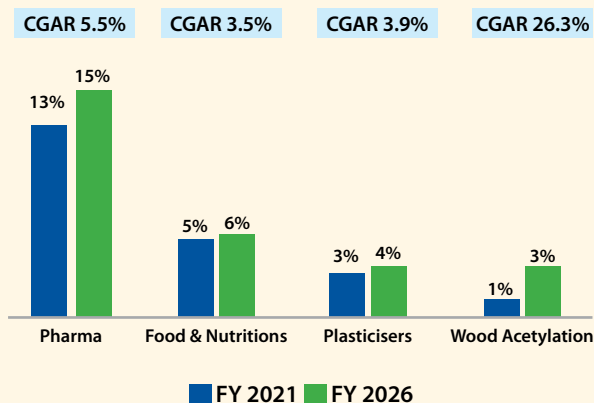
New generation applications like artificial sweetener, wood acetylation, modified starch, polyimide films and industry innovations in pharmaceutical & agrochemicals are expected to steer the demand sharply up in the coming decade. The fact that there are no close substitutes to acetic anhydride is a key determinant keeping its demand high for industrial and pharmaceutical applications.

One of the key drivers of the acetic anhydride market is the pandemic-induced demand in the pharmaceutical industry. Acetic anhydride is a key raw material for medicines, such as aspirins, paracetamol, certain vitamins and hormones, cortisone, acetanilide, theophylline, acetylcholine hydrochloride, acetophenacetin and sulfonamides.

With the increased awareness of climate change and higher purchasing power, consumers are willing to spend more on sustainable construction products like acetylated wood.

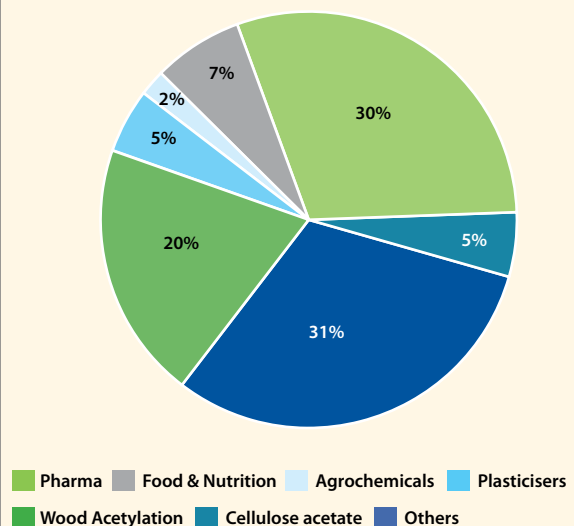
Other potential growth drivers for Acetic Anhydride are nutrition, polymers/ plasticisers, food emulsifiers & consumer industry (PTMEG like Spandex). These segments along with Pharmaceutical would account for ~2/3rd of consumption growth of Acetic Anhydride by FY 2026 .

**Growth Drivers Percent Contribution In Total Acetic Anhydride Consumption**



Source: IHS Markit Report, Internal Estimates

**Acetic Anhydride Consumption Volume growth as % of Total Volume Growth**





### Emerging Application Areas for Acetic Anhydride:

Changing applications from some traditional applications to new application arenas like wood acetylation, polyimide films and nutrition products will propel the demand for Acetic Anhydride in near future. Overall, these emerging applications, currently with a 4% share, would contribute ~28% of total volume growth in the next five years.

Wood acetylation (Consumption CAGR 26.3% FY 2021-26) is emerging as a major application area in Europe and US. Through the process of Acetylation, Class-4 non-durable softwood can get transformed into Class-1 highly-durable, malleable and water-proof wood.

Acetic Anhydride usage for Polyamide films is expected to witness a consumption growth of 30% in the next five years due to growing smartphone penetration around the globe, especially in developing economies.

Another promising application for Acetic Anhydride would be its usage in nutrition segments like artificial sweeteners & vitamin A/E due to consumer consciousness for healthy diets & low-calorie foods.

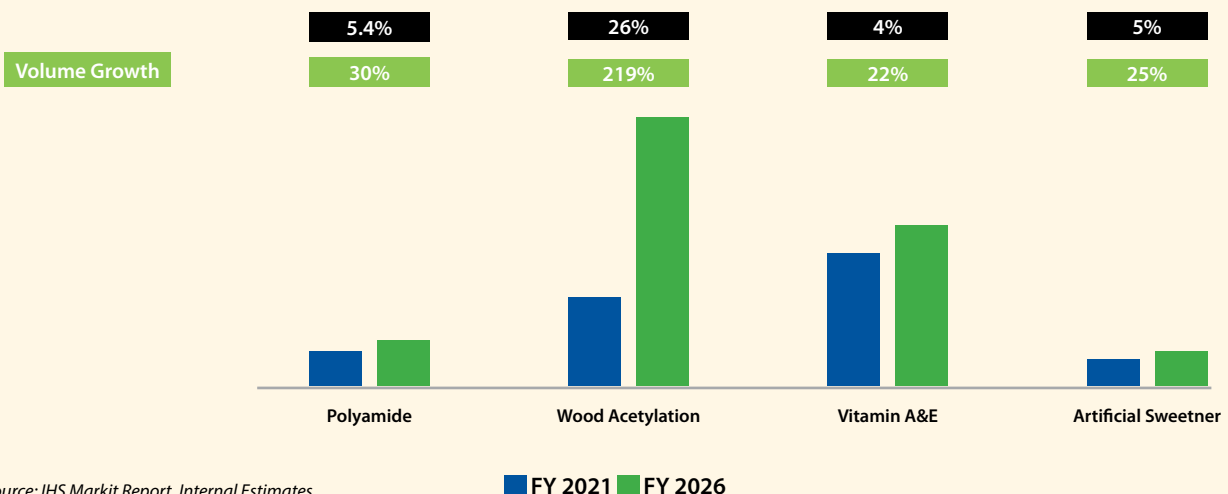
### Global Demand-Supply Dynamics:

Globally, Acetic Anhydride demand is driven by China, the US, Europe, Japan & India. China & US alone account for ~2/3rd of global Acetic Anhydride consumption, however, ~3/4th of demand growth is expected to come from India (Consumption CAGR- FY 2021-2026: 6.3%).

Indian demand is driven by consumption in Paracetamol & Ibuprofen and is expected to have a consumption growth of 37% by FY 2026. Changing global dynamics like a shift in production of acephate capacity from China to India, 20% of Acephate production is expected to shift to India, enabling India to be the largest producer of Acephate.

European merchant demand will increase by 14% by FY 2026, primarily driven by demand for wood acetylation. Other applications with high CAGR in Europe are Pharma (CAGR 5.9%) & Nutrition (CAGR 2.7%). This is likely to increase its import share by 35% by FY 2026.

**Emerging Application Volume Growth: FY 2026 Vs FY 2021**



Source: IHS Markit Report, Internal Estimates

## Financial Performance 2021-22

(₹ million)

Particulars <sup>1</sup>	FY 2021	FY 2022	YoY (%)
<b>Total Revenue from Operations</b>	34,911	49,494	42%
Speciality Chemicals	11,236	13,926	24%
Nutrition & Health Solutions	6,299	7,673	22%
Chemical Intermediates	17,376	27,895	61%
<b>Total Expenditure</b>	<b>28,794</b>	<b>41,176</b>	<b>43%</b>
Other Income	148	315	112%
<b>Segment EBITDA</b>			
Speciality Chemicals	2,683	3,124	16%
Nutrition & Health Solutions	1,302	1,642	26%
Chemical Intermediates	2,360	4,169	77%
Unallocated Corporate (Expenses)/Income	-80	-302	(278%)
<b>Reported EBITDA</b>	6,265	8,633	38%
Depreciation and Amortisation	1,248	1,234	(1%)
Finance Cost	705	309	(56%)
<b>Profit before Tax (Before Exceptional Items)</b>	4,312	7,089	64%
Exceptional items	129	-	
<b>Profit before Tax (After Exceptional Items)</b>	4,183	7,089	69%
Tax Expenses (Net)	1,022	2,322	127%
<b>PAT</b>	3,161	4,767	51%
EPS - Face Value ₹1	19.9	30.0	51%
<b>Segment EBITDA Margins</b>			
Speciality Chemicals	23.9%	22.4%	
Nutrition & Health Solutions	20.7%	21.4%	
Chemical Intermediates	13.6%	14.9%	
<b>Reported EBITDA Margin</b>	17.9%	17.4%	
Net Margin	9.1%	9.6%	

### NOTE

- 1 To provide the comprehensive picture of the operations of the Company on continuing basis the results for previous periods has been presented on Pro-forma basis by using relevant portion of the published results of LSI Segment - Jubilant Pharmova Limited on Pro-forma basis as Under :
- Results for Full year FY 2021 has been derived on Pro-forma basis from the reported discontinued operations results for LSI segment of Jubilant Pharmova Limited and Audited results for Jubilant Ingrevia Limited as under:
  - For FY 2021 by combining the results from 01 April 2020 to January 31, 2021 from the reported discontinued operations for LSI segment of Jubilant Pharmova Limited and Results from Feb 21 to March 21 from the Audited results of Jubilant Ingrevia Limited EPS for previous periods has been computed assuming existence of share capital throughout the period

## Revenue from Operations

Revenue from Operations during the Financial Year 2022 was at ₹49,494 million as compared with ₹34,911 million during financial year last year, witnessing a growth of 42%.

Speciality Chemicals revenue grew by 24% YoY driven by volume and price growth across products.

Nutrition and Health Solutions revenue grew by 22% YoY driven by higher volumes and as well as higher prices.

Chemical Intermediates revenue grew by 61% YoY, overall driven by higher prices and favourable market conditions, during the majority part of the financial year.

## Expenditure

Expenditure from operation were at ₹41,176 million in FY 2022 as compared to ₹28,794 million in FY 2021. Material cost stood at ₹27,941 million in FY 2022 as compared to ₹18,364 in FY 2021. Employee benefit expenses were at ₹3,273 million in FY 2022 as compared to ₹2,990 million in FY 2021. Other expenses were marginally higher at ₹9,962 million in FY 2022 as compare to ₹7,440 million in FY 2021.

Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA)

The reported EBITDA (after allocation of corporate expenses/Incomes) for FY 2022 was at ₹8,633 million as compared with ₹6,265 million during FY 2021, with a growth of 38% as compared to the same period last year and EBITDA margins were at 17.4 % during FY 2022, as compared to 17.9% during FY 2021.

EBITDA for Speciality Chemicals grew by 16% YoY at ₹3,124 million as compared to ₹2,683 million in FY 2021. Speciality Chemicals EBITDA Margin were at 22.4% vs 23.9% in FY 2021, impacted due to higher raw material prices and increase in other input costs.

EBITDA for Nutrition and Health Solutions segment grew by 26% on YoY basis, at ₹1,642 million as compared to ₹1,302 million in FY 2021. EBITDA Margin stood at 21.4%, EBITDA improved on account of better realisation and higher volumes.

Chemical Intermediates EBITDA grew by 77%, at ₹4,169 million as compared to ₹2,360 million in FY 2021. Margin stood at 14.9%. Growth in Chemical Intermediates segment's EBITDA margin was driven by improved product contribution driven by favourable market conditions of Acetic Anhydride and also improved pricing of Ethyl Acetate which also contributed to margin expansion.

## Finance cost and Depreciation

Depreciation & Amortisation expense during FY 2022 was at ₹1,234 million, as compared to ₹1,248 million in FY 2021. Finance cost during FY 2022 was significantly lower at ₹309 million as compared to ₹705 million in FY 2021, a reduction of 56% on account of repayment of debts and lower interest rate.

## Profit Before Tax

Profit Before Tax was at ₹7,089 million in FY 2022, as compared to ₹4,183 million in FY 2021.

## Profit After Tax

Profit After Tax for FY 2022 was ₹4,767 million, as against ₹3161 million in FY 2021, a growth of 51% as compared to the same period last year. Earnings Per Share (EPS) for FY 2022 was at ₹30.0 per equity share of ₹1 each, as compared to ₹19.9 in FY 2021.

## Key Financial Ratios

Key Financial Ratios/ Parameters	Units	FY 2021	FY 2022
Trade Receivables Turnover	times	8.20	9.41
Inventory Turnover	times	2.75	3.68
Current Ratio	times	1.59	1.68
Interest Coverage times	times	7.12	23.92
Net Debt to Equity Ratio	times	0.22	0.07
Reported EBITDA Margin	%	17.95	17.44
Net Profit Margin	%	9.05	9.63
Return on Equity	%	16.44	21.89
Return on Capital Employed (ROCE)	%	20.31	26.71

Inventory Turnover improved due to sales improving with higher proportion than the average inventory levels.

Interest coverage ratio improved due to better profitability also on account of repayment of debts and lower interest rate

Net Debt to Equity Ratio improved due to reduced debt on account of early repayment of Debt.

Return on capital and Return on Equity improved due to improvement in profitability during the year.





# Business Segment Performance







### Business segment 1

## Speciality Chemicals

This is a niche business segment that demands considerable expertise in utilising the right technology and experience in managing processes to deliver high-quality products to customers.

What we don't realise is that every human consumes some speciality chemicals every day of his life, either directly or indirectly. Speciality chemicals is a very vast business space that forms the building blocks for a wide array of sectors.

We, at Jubilant Ingrevia Limited, are one of the largest global manufacturers in the Pyridine and Picolines value chain and offer a comprehensive product basket of 85 value-added products using renewable starting materials.

Our products find application in pharmaceuticals, agrochemicals, food, personal care and cosmetics, dyes and pigments, healthcare and nutrition, electronics, oil field chemicals, flavours and fragrances and so on.

Our complete forward and backward integration in this business gives us a distinctive edge against peers and

has positioned us amongst the top two global leaders in Pyridines and a leader in 17 Pyridine derivatives. Our integrated operating model also gives us the ability to ensure cost leadership, quality consistency which makes us the 'Preferred Supplier' for leading global customers and helps us achieve sustainable global leadership.

We attribute our market leadership in Pyridine and its derivatives to 1) our research and development capabilities which have provided us with expertise in 35 key technology platforms – this intellectual capital, over the years, has allowed us to create a diverse and comprehensive product portfolio and built a robust pipeline of relevant products for new-age applications, and 2) strong technical competencies of our team that enables us to meet stringent specification and customise products for our customer applications.

Around 40% of our export is to regulated markets which result in sustainable revenue for the business segment.

# 13,926

Revenue (₹ million)

# 28%

Contribution to total revenue

# 3,124

EBITDA (₹ million)

# 22.4%

EBITDA Margins

For a focused approach, our Speciality Chemicals business segment is organised across four businesses, namely Pyridine & Picolines, Fine Chemicals, Crop Protection Chemicals and CDMO.

### A) Pyridine & Picolines

Our Pyridine & Picolines business offers building blocks such as Pyridine, Beta Picoline, Alpha Picoline, Gamma Picoline, 3-Cyanopyridine, 4-Cyanopyridine, Piperidine, Alkyl Pyridine mixtures and Liquid Choline Chloride – a product basket that has been built over, more than three-decades of experience, in this space.

### Our product basket and its applications

PRODUCT					
Pyridine	Alpha Picoline	Beta Picoline	Gamma Picoline and its key derivative 4-cyano pyridine	Alkyl Pyridine Mixtures	Liquid Chloride
SECTORAL APPLICATION					
Agrochemicals	Agrochemicals & Industrial	Nutrition – Animal & Human	Pharmaceutical	Oil & Gas	Oil & Gas
USAGE					
Used for manufacturing herbicides	Used for manufacturing agrochemicals and industrial applications	Used for manufacturing an important nutritional product Vitamin B3	Used for manufacturing anti-tuberculosis drugs	Used as an intermediate to make corrosion inhibitor formulations in the oil and gas industry	Used as Clay Stabiliser in Oil Well Drilling Chemicals

In FY 2022, we enhanced our OFC product basket with the introduction of Alkyl Pyridine Quat for the Oil & Gas Industry.

### B) Fine Chemicals

Our Fine Chemicals business offers value-added derivatives of Pyridines and Picolines. They include Amino Pyridines, Halo Pyridines, Acetyls of Pyridine, Carboxaldehydes of Pyridine, Carboxylates of Pyridine, Carboxylic acid of Pyridine, Lutidines & Collidines, metal complexes and other products.

These products are used in several important therapeutic segments

such as anti-ulcerative (Esomeprazole, Lansoprazole and Rabeprazole), anti-diabetic (Alogliptin, Linagliptin), anti-thrombotic (Dabigatran), antihistamine (Fexofenadine), anti-neoplastic (Palbociclib, Ribociclib), anti-idiopathic pulmonary fibrosis (Pirfenidone), multiple anti-retroviral drugs, among others. Our products also find applications in cosmetics, flavours and fragrance and electronics.

We have recently enhanced our product portfolio with product launches of Diketene and its Derivatives-Esters and Amides at our newly commissioned plant at Gajraula facility. These products have a wide range of applications in high-growth sectors namely pharmaceuticals, agrochemicals, yellow and orange dyes and pigments and flavour and fragrance industries.



### C) Crop Protection Chemicals

Derived from speciality building blocks of Pyridine, Picoline and Diketene derivatives, we are one of the global leaders engaged in manufacturing and marketing value-added agro intermediates, which have wide application in synthesis of Agro actives used as Insecticides, Fungicides and Herbicides.

Leveraging on a complete backward integration and other opportunities that are available today, we are foraying into synthesis of Agro actives and Agro formulations.

We also offer a range of safe and highly efficacious antimicrobial solutions for application in paints, coatings, industrial, cosmetic and personal care industries.

Our capabilities in this segment include development of next generation single or multi-component (active) antimicrobial formulations, biocidal combinations and their formulations, along with fine particle suspensions with varied particle size and viscosity. The Company has innovative patented products in this segment. We have a range of antimicrobial offerings like Cetyl Pyridinium Chloride, Pyrithiones (Zinc, Copper, Sodium) as well as 8+ formulated products which are very popular amongst

poultry, personal care, hair care, oral care, marine anti-fouling and paint industries for their proven efficacy and effectiveness.

### D) Custom Development and Manufacturing Organisation (CDMO)

This is a niche business within the entire Speciality Chemicals business segment which is very complex and challenging. For it necessitates developing new intermediates for global innovators.

Our CDMO team develops customised solutions for the pharmaceutical and agrochemical industry for cGMP and non-GMP products. Our strong synthetic, organic chemistry and manufacturing capabilities make us a one-stop shop for CDMO services and strengthens our position as 'Partner of Choice' for global pharmaceutical and agrochemical customers.

#### What are the unique factors of the CDMO business?

**It is a high-margin business:** Innovators are looking for expertise in technology, processes and knowledge of chemistry, hence it is a high-margin, relatively lower-competition business space.

**It is a long-gestation business:** The CDMO partners generally make intermediates that go into the making of the molecule. The molecule takes about 7-10 years for approval. Till then the revenue for the CDMO player is restricted to the trial batches supplied.

**It provides long-term revenue visibility:** The material has to be sourced from the CDMO player for the length of the patent life (which could be 7-10 years or even more).



Our solutions include route design, process development, process optimisation, scale-up and commercial manufacturing of intermediates starting from a few kilograms to multi-metric tons of specific products as desired by customers. We are continuously collaborating on late-phase and launch products with more than eight collaborations with global pharmaceutical and biotech companies.

This business provides revenue visibility over the medium term, for when our product is approved, we are the sole supplier to that particular intermediate to the innovator through the life of the patent.

### Performance in FY 2022

Revenues from our Speciality Chemicals business segment grew by 24% on YoY – from ₹11,236 million in FY 2021 to ₹13,926 million in FY 2022 driven by higher volume across products and new launches. Domestic revenue grew by 35% year on year.

### What led to the increase in the topline?

The fresh wave of COVID-19 in India during Q1 FY 2022 resulted in improving the demand for pharmaceutical intermediates. Additionally, domestic demand continues to improve owing to the shift of some Pharmaceutical & Agrochemical end product customers from China to India.

We experienced improved demand for Pyridine from the global agrochemical sector. The market for Beta and 3-Chloro Pyridine also rallied due to increased demand from the nutrition and agrochemical sector. For Pyridine, Beta and 3-Cyanopyridine, we registered 36% growth in sales over the previous year.

The overall demand for oil-field chemicals also improved as crude oil drilling activities resumed to pre-COVID-19 levels. In FY 2022, we established our foothold in the Middle East market for the oil field chemicals, which over the next few years should emerge as a strong market for our oil field chemicals.

From an innovation perspective, we made considerable progress in FY 2022. We developed and commercialised 10 new products – two in CDMO and the rest in Pyridine & Picolines, Fine Chemicals and Crop Protection Chemicals

We currently have five molecules in our pharmaceutical CDMO pipeline out of which three are in Phase III for anti-retroviral, anti-cancer and anti-diabetic applications and two are in Phase II for anti-cancer and anti-thrombotic applications. Our agrochemical CDMO pipeline includes two molecules.

Our agrochemical pipeline includes 13 compounds covering Fungicides, Insecticides and Herbicides. We have taken validation batches towards the filing of DMFs for one of our intermediates for regulated markets from our GMP facility at Bharuch. Another product validation is in the pipeline for FY 2023.

### FY 2022 in terms of profits and profitability

While business opportunities continued to abound in FY 2022, we experienced our share of headwinds too. Input costs relating to raw material, utility and logistics soared throughout the year. We were able to pass on most of the incremental costs to our customers which helped arrest



the possible slide in EBITDA margins. As a result, the EBITDA margin stood at 22.4% in FY 2022 against 23.9% in FY 2021. EBITDA improved by 16% from ₹2,683 million in FY 2021 to ₹3,124 million in FY 2022.

### Other business highlights

In FY 2022, we added new chemistry technologies like Chiral Synthesis, Sugar Chemistry and Pinner Reaction to our existing technology platforms.

As agrochemicals are emerging as an important growth and value driver for us, we have decided to create a separate vehicle for strengthening our presence in this sector. We proudly announce the incorporation of Jubilant Agro Sciences Limited, a wholly-owned subsidiary of Jubilant Ingrevia Limited for our value-added Agro actives and formulations.

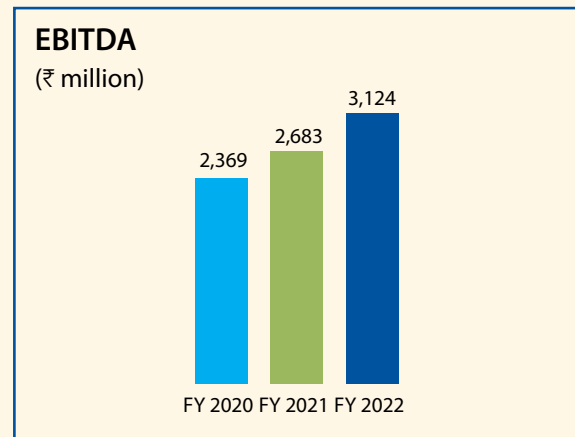
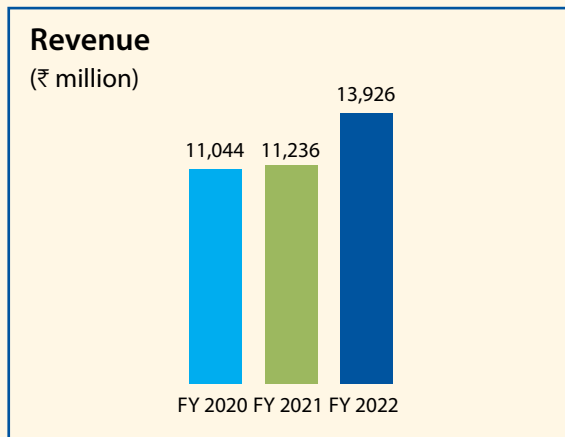
### Outlook

The global Speciality Chemicals market is growing at a 6.4% CAGR to become a US\$ 1,168 billion market by FY 2025.

The Indian Speciality Chemicals sector is expected to grow at two times rate from the global Speciality Chemicals market with a CAGR of 12.4% to become a US\$ 64 billion market by FY 2025.

Within the Indian sector, agrochemicals, personal care, nutraceuticals, dyes and pigments and flavours and fragrances markets are the fastest growing.

The business has emerged as a global leader in demonstrating its ability to supply some of the most critical intermediates to its customers. Efforts to deliver better value to the customers will continue as the business





remains committed to investing in various capacity expansion projects for Fine Chemicals and Crop Protection Chemicals due to growing demands in end applications.

Going forward, the business has a strong growth strategy outlined with robust investment plans in place over the next three years.

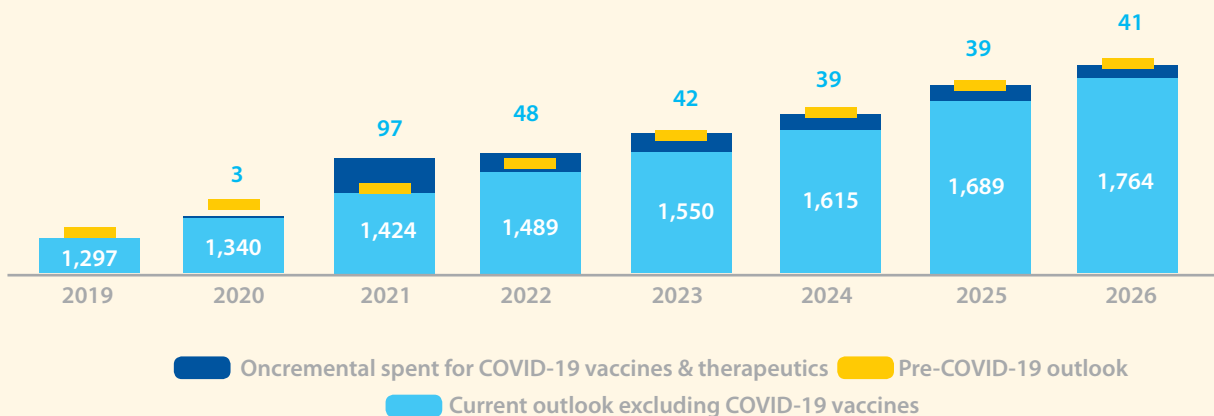
1. We have invested in the Diketene Derivatives plant for the launch of six derivatives and further eight value-added products. Two derivatives have been launched in the last quarter of FY 2022.

2. In line with our strategy to move up the value chain to synthesize agro-actives, we have invested in a world-class, state of the art manufacturing facility for Insecticides, Fungicides and Herbicides which will be introduced in the coming year.

We expect volume-led growth in FY 2023 propelled by the commissioning of our new capex of CDMO GMP and CDMO non-GMP facilities.

We have seen and continue to see a large number of opportunities from global customers who are looking at developing alternate supply chains for themselves. Overall, the business holds an optimistic outlook for the coming years as we continue to stay invested in long-term projects to drive growth in the Speciality Chemicals space.

According to the IQVIA Institute Report, January 2022 titled 'The Global Use of Medicine 2022', the global medicine market — using invoice price levels — is expected to grow at 3–6% CAGR through 2026, reaching about US\$ 1.8 trillion in total market size.





**Business segment 2**

## Nutrition & Health Solutions

Our Nutrition & Health Solutions segment is a value-added business that contributes to shoring the organisation's profitability.

The business segment comprises three businesses namely 1) Nutrition & Health Ingredients 2) Animal Nutrition & Health Solutions, and 3) Human Nutrition & Health Solutions.

**Nutrition & Health Ingredients:** This sub-segment comprises primarily three products – Vitamin B3, Zinc Picolinate and Riboflavin Phosphate Sodium (RPS).

We manufacture Vitamin B3 - Niacinamide and Niacin - through an eco-friendly route, starting from a renewable source, instead of conventional fuels, thereby reducing our carbon footprint. We believe we are among the very few companies in the world to be completely backward integrated across the product chain of Niacinamide (used in appetite control and weight management). Zinc Picolinate is used for growth and boosting immunity. These applications are expected to grow at ~5% between FY 2020 and FY 2025.

Riboflavin Phosphate Sodium (RPS) has various applications in food and beverages (energy drinks, jams, juices), dietary supplements (multivitamin, B complex, syrups). The market for RPS is growing at about 10% from FY 2020 to FY 2025 (Source: M&M Industry Report).

**Animal Nutrition & Health Solutions:**

We offer high-quality feed additives to enhance the performance of live stocks. We have more than 24 product offerings used in poultry, dairy, aqua and pet food industries. The key raw material i.e., Beta Picoline is produced captively. We also offer health ingredients such as Chromium, Zinc Picolinate and Riboflavin Phosphate Sodium (RPS).

Chromium Picolinate is popularly used in dietary supplements for glucose metabolism, insulin resistance, appetite control and weight management leading. This application is expected to grow at ~5% between FY 2020 and FY 2025.

We offer Vitamin B4 (Choline Chloride) which helps maintain liver health in animals. Different variants of Vitamin B4 help various species like poultry, dairy, aqua, swine and pets. We hold the domestic market leadership position in Choline Chloride.

We have also diversified into the herbal space. We launched the herbal replacer of Choline, Methionine and Non-antibiotic growth promoter under the brand 'Phytoshield'. This is a plant-based natural offering for animal health that helps protect the liver. Globally, this business space is growing at a 4% CAGR.

**Human Nutrition & Health Solutions:**

Our product basket includes a range of food ingredients and premix solutions

**7,673**

Revenue (₹ million)

**16%**

Contribution to total revenue

**1,642**

EBITDA (₹ million)

**21.4%**

EBITDA Margin (₹ million)





for nutrition, bakery, beverages, confectionary and nutraceuticals industries along with our global strategic sourcing partners of repute. Currently, we are also actively working on plant-based proteins for 'meat and egg analogues'.

**B2C Channel:** We have a comprehensive portfolio of 18 branded products that address multiple areas within the Animal Nutrition & Health Solutions business. This is a niche business within our Nutrition & Health Solutions business segment. The

brands are marketed by the in-house team through an large distribution channel and through e-commerce platforms. Growing awareness of these brands is resulting in healthy offtake and revenue growth.

**Animal Nutrition & Health Solutions Brands**

Poultry		Dairy		Aqua	
Liver Protection Solutions		Milk Enhancer Solutions		Gut Health Solutions	
Better Meat Quality		Anti-Stress Solutions		Feed Efficiency Solutions	
Anti-stress Solutions		Milk Quality Solutions		Feed Quality Solutions	
Egg Quality Solutions		Transition Health Solutions			
Feed Quality Solutions					
Feed Efficiency Solutions					
Gut Health Solutions					
Immunity Enhancer					
Non-AGP Sp;itopms					

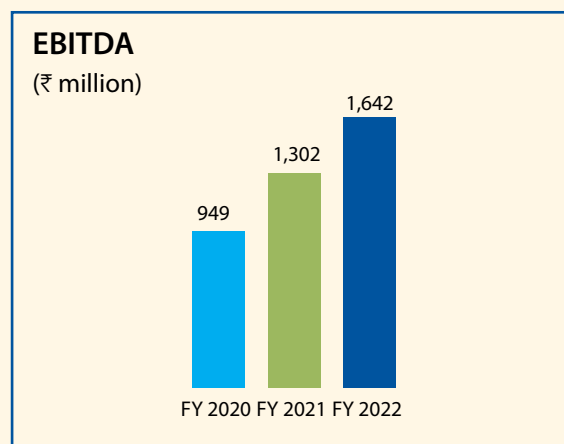
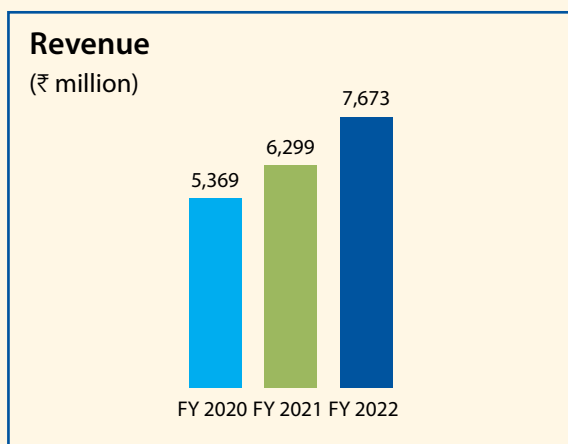
## Performance in FY 2022

Revenue from this business segment grew by 22% YoY – from ₹6,299 million in FY 2021 to ₹7,673 million in FY 2022. This was driven by high volumes (owing to increased awareness and acceptance of the Company's products) and improved realisation.

The Vitamin and Animal Nutrition and Health Solutions registered a smart increase in sales volume and witnessed improved prices. The Animal Nutrition & Health Solutions business in particular continued to make efforts to increase the share speciality premixes through various initiatives.

From a geographical perspective, revenue from the regulated markets of North America and the EU grew significantly by 78% and 65% respectively. From an application standpoint, revenue from food and cosmetics jumped by 48% and 56% respectively.

EBITDA grew by 26% from ₹1,302 million in FY 2021 to ₹1,642 million in FY 2022. EBITDA Margin stood at 21.4%, 73 bps higher than the previous year. The upward climb was assisted by improved realisations and increased volumes.



### Vitamin B3 (Niacinamide & Niacin) is one of the eight B-complex vitamins which plays an essential role in multiple physiological functions. It is used in the following applications:

More than 18 offerings belong to the Health Ingredients category, which includes: Vitamins, mineral premix, stress regulator, amino acids, non-antibiotic growth promoters and egg quality enhancers. Six offerings are in the Performance Ingredients category, which includes: Toxin Binder, Acidifiers, Enzymes and Emulsifiers

**Animal Feed:** Increases nutrient absorption, thereby, weight gain and improved feed utilisation

**Human Nutrition:** Used in food premixes, dietary supplements, flour and rice fortification, energy drinks and infant nutrition

**Personal Care:** Used to enhance the efficacy of skin care, hair care formulas

**Technical:** Niacinamide is also used in metal plating for obtaining uniform brilliant surfaces

**Agrochemical:** Niacinamide is also used in the production of insecticide formulations

### Business segment 3

## Chemical Intermediates

This is a critical business segment as it serves two purposes. One, this volume-driven, health-margin segment is an essential cash generator that strengthens the organisation's liquidity. Two, the output from this segment serves as the key value chain for us as they are backward integrated for feedstock and forward integrated for further value-chain products.

This segment possesses a wide product basket comprising Acetyls and Alcohol derivatives which include Acetic Anhydride, Ethyl Acetate, Acetic Acid, Anhydrous Alcohol, Acetaldehyde, Formaldehyde and Propionic Anhydride.

**Acetic Anhydride:** This product is used in multiple applications across all key life sciences sectors. Owing to its versatility, the demand for Acetic Anhydride continues to remain strong at the global level and in India.

We feature among the top two global merchant market suppliers of this product and are the largest supplier in India. We cater to diverse, large and high-growth user sectors such as pharmaceutical APIs (Paracetamol, Ibuprofen, Aspirin, Prazoles, etc.), agrochemicals, vitamins, speciality polymers, food ingredients, aromatics, dyes and other industrial uses. With three manufacturing sites in India, we have the competitive edge to sustain uninterrupted supply to our customers across the globe. In addition, our global distribution

networks along with storage hubs in Europe and the US allow us to service global clients Just-in-Time. This edge positions us as a 'Preferred Partner' for leading global majors.

Our Acetic Anhydride Expansion at Bharuch is progressing as per plan. We expect to commission this unit towards the end of FY 2023. This new facility would support us in retaining our podium position at the global level and capitalise efficiently and effectively on downstream growth opportunities. The commissioning of this expansion will elevate us to the No. 1 position in the merchant market globally.

**Ethyl Acetate:** Ethyl Acetate is an environment-friendly solvent, which is used by the pharmaceutical, packaging, coatings and ink industries.

For decades we have been leaders in India; we also have a significant global presence for this product. Our disciplined efforts in institutionalising Six Sigma principles during the period under review helped us to optimise our operating norms to support better product margins.

**Acetaldehyde:** We are the world's largest producer of Bio-based Acetaldehyde, a product that is backward integrated into our Bio-Ethanol. This product is sold in domestic and overseas markets and finds applications in alkyd resins, pharma, flavours & fragrances, etc.

In addition to being used as feedstock for our Pyridine production, we have, over the years, progressively increased the merchant sales of this product to environment-respecting clients globally. This is because of our differentiated technology which allows us to manufacture this product with a significantly reduced carbon footprint. As a result, the capacity utilisation of our unit has increased every year.

# 27,895

Revenue (₹ million)

# 56%

Contribution to total revenue

# 4,169

EBITDA (₹ million)

# 14.9%

EBITDA Margins



**Green Acetic acid:** We commissioned our 25,000 TPA green Acetic Acid plant from our Bio-based Acetaldehyde in the first quarter of FY 2023. The plant is designed to meet the highest standards of product certifications like FSSAI, ISO 22000, Kosher, Halal, FCC Codex, etc. It will cater to the increasing demand in the food preservative segment across the globe.

This food-grade Acetic Acid is in high demand globally. It will provide a healthier option for food preservation requirements, as compared to the Acetic Acid produced through the petroleum route. Our environment-respecting manufacturing process will allow us to reduce our

customer's carbon footprint and provide a healthier and safer alternative to the food industry.

**Formaldehyde:** It is the simplest variant of the aldehydes family which is manufactured on a massive scale. It is used in large quantities for producing many chemical compounds such as Urea-formaldehyde resin, Phenol formaldehyde resin, Pentaerythritol, Pyridine & Picolines.

Apart from being used as an input for producing Pyridine, we supply Formaldehyde to numerous customers in north India. Customers see significant value in our product on account of consistency in supplies and product quality.

**Ethanol:** This is a fundamental organic molecule with applications in medicine, fuel additives and solvents. Moreover, it is a chemical building block to important organic compounds such as acetic acid.

At Jubilant Ingrevia Limited, we manufacture ethanol at our Gajraula and Nira facilities through the fermentation of sugar present in molasses (a by-product of sugar production). Our alcohol manufacturing facilities are located in sugar-rich regions of Uttar Pradesh and Maharashtra facilitating adequate and cost-effective sourcing of molasses.

To serve the increasing demand for specialised applications of ethanol in pharma, agro and personal care, we have invested in equipment that allows us to customise our product quality to match customer requirements. Through operational intensification, we can supply superior quality Ethanol to reputed industries spread across the country. We also cater to the requirements of the Ethanol Blending Programme of the Indian government.

Our continued efforts for improving operational efficiency, our continuous de-bottlenecking initiatives and our commitment to the environment have strengthened our competitive edge in this cluttered marketplace.

### Key strengths and growth drivers

- The segment is seeing growing demand across application industries and with no new addition of facilities globally, we see further consolidation in our position
- Geopolitical tensions and customers exploring cost-effective production facilities further position us as global low-cost manufacturers
- Our scale of operations, global distribution infrastructure, market understanding, agile product placement and strong relationship with customers place us at an inflection point
- Investments are being made to enhance speciality alcohol volumes and product quality to cater to increasing make-to-order domestic ethanol demand.
- Acetic Anhydride is used in wood acetalisation, which is coming up in a big way in western countries where wood is used in housing (exterior cladding applications).



**Propionic Anhydride:**

This product is used in manufacturing of agrochemicals (mainly herbicides), aromatics, dyes and pharmaceuticals (APIs). We established our market presence in this business space to be among the top merchant suppliers of this product in India. The demand for Propionic Anhydride is poised to grow at a healthy rate backed by strong traction in the agrochemical segment following growth in Clethodim capacity. We also expect strong growth in the various applications of this product.

**Performance in FY 2022**

Our legacy business reported a stellar performance. Revenues from this business surged by 61% - from ₹17,376 million in FY 2021 to ₹27,895 million in FY 2022. This was the highest revenue earned by the business in our journey this far. Also, we achieved our highest ever merchant sales of Speciality Grade Alcohol.

This growth was aided by higher prices and volume growth in Acetic Anhydride (the chemical used in manufacturing Paracetamol which was in high demand during the second wave of the pandemic).

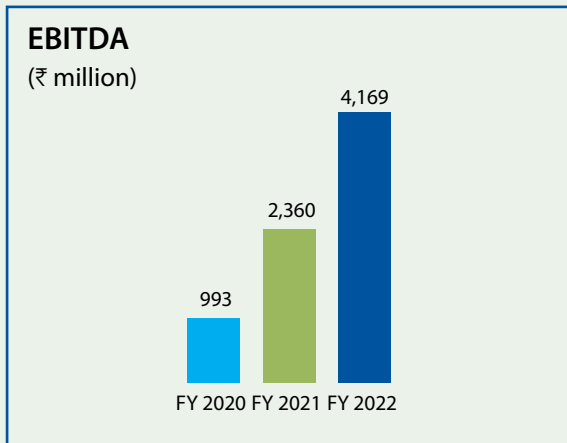
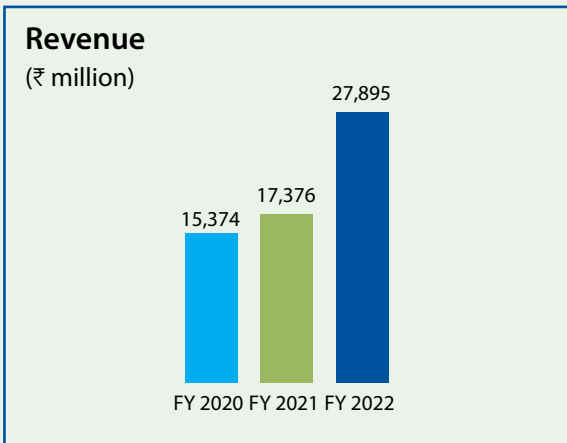
Revenue from sales in the EU region has gone up by a huge 130% y-o-y. As a result, our share of sales from the EU increased from 11% in FY 2021 to 15% in FY 2022.

EBITDA grew by 77% to ₹4,169 million in FY 2022 against ₹2,360 million in FY 2021. Margin stood at 14.9%, 135 bps higher than the previous year. The improvement in the EBITDA margin was driven by

- Improved product contribution is driven by favourable market conditions for Acetic Anhydride.
- Improved pricing of Ethyl Acetate also contributed to margin expansion

During the year, we have successfully ventured into the Far-East Asia Market of Acetic Anhydride. Additionally, we achieved a considerable merchant market share of Propionic Anhydride in India.

Going forward, we are confident of pushing our performance benchmarks a little higher. We are investing in augmenting our capacities by around 35% with an investment of ₹2,500 million in the next 3 years which will help us reinforce our leadership in the global market. Moreover, we are foraying into grain-based Ethanol manufacturing with an investment to the tune of ₹3,000 million to support the vast Fuel Ethanol demand projected by the Ethanol Blending Programme of the Government of India.





# Business Enablers





# 1) Manufacturing Operations

At Jubilant Ingrevia Limited, our manufacturing goal is enshrined in our zero-tolerance to non-compliance ethos. Engrained in our operations for more than four decades, this philosophy has uplifted our manufacturing facilities to imbibe cutting-edge technology and institutionalise world-class processes. This in turn allows us to deliver world-class quality products to our customers on time.

We operate five global-scale manufacturing facilities in India, which cater to our 1,500-plus customers in India and across the globe.

We operate 12 multi-product plants, which give us the flexibility to manufacture new products in a short span of time. Most of our manufacturing facilities operate through DCS; Data analytics and digital platforms are our focus areas for real-time monitoring, controlling and decision-making.

Gajraula, our flagship facility, stands out for its complementing infrastructure, which allows seamless 24x7 operations. It includes:

- A captive power generation facility at Gajraula with spare capacity and self-sustained steam generating unit.
- A dedicated railway siding for bulk transport.

We have steam, chilled water & brine unit with spare capacity at all our facilities.

We realise that our operations could pose an impact on the surrounding environment. With this realisation, we have invested in effluent/waste treatment/management facilities at all our sites like ETP, RO, water polishing plants, multi effect evaporators, bio-composting, thermal oxidisers for gaseous waste and incineration facility for liquid with online vent gas monitoring.

We possess advanced capabilities in niche technology built through research in multi-complex chemistries and focus on process intensification. We have a full-fledged pilot plant that can undertake all types of reactions at different pressures, temperatures & MOCs. All products, developed in our R&D undergo a rigorous validation process to ensure the technology is scalable, robust & end-to-end solution for commercialisation.

One of our key strengths is excellence in carrying out manufacturing activities with utmost efficiency. Hence, any risk that challenges the manufacturing operations would be a cause of concern as extensive time, money and effort are expended in all areas of regulatory compliance, including manufacturing, production and quality.

Our real-time monitoring & review mechanism through a Conformity Tool allows us to track existing compliances along with new regulatory requirements and course correct proactively when required. This ensures that our operations are always aligned with global regulatory standards. This instills the confidence of our customers in our operations.

We are committed to business process improvement using automation and providing timely training to workers, establishing clear Standard Operating Procedures (SOPs) and process guidelines, which will lead to a reduction in cycle time and improvement in productivity.

Setting up a new benchmark in FY 2022, some of the highlights are as follows:

- Business continuity during the second wave of COVID-19
- Set up group captive solar power plant for Nira to reduce carbon footprint as well as cost saving
- Debottlenecking of capacities to meet the business requirement
- Achieved a new milestone for product volume & variable cost
- Launched various new products
- FICCI award for the Excellence in Health Safety and Environment in Chemicals at Gajraula

## Certifications

Responsible Care initiative encompasses a comprehensive environmental management system, occupational health and safety, product stewardship, security, community outreach and transportation safety and aims at achieving and sustaining high standards of performance.

We demonstrate our commitment to the environment, health, safety and security of our employees, workplaces, surroundings including communities by implementing the Responsible Care Management System (RCMS) under the American Chemistry Council's (ACC) Responsible Care® programme.

We are certified by DNV for RC 14001:2015 (Responsible Care®14001:2015) system at our corporate office in Noida and manufacturing facilities in Gajraula, Uttar Pradesh, Bharuch, Gujarat and Nira, Maharashtra.

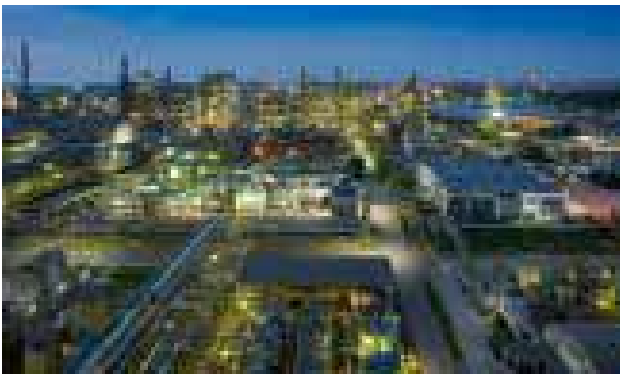
Our Corporate Office in Noida and manufacturing facilities at Gajraula, Bharuch and Nira, have been awarded the Responsible Care Logo (RC Logo) by the Indian Chemistry Council (ICC).



**Gajraula, Uttar Pradesh**

36 plants

Integrated facility for  
Speciality Chemicals &  
Chemical Intermediates



**Bharuch, Gujarat**

5 plants

Speciality Chemicals,  
Nutrition & Health Ingredients  
& Chemical Intermediates  
facility located in SEZ



**Ambarnath, Maharashtra**

1 plant for Speciality Chemicals



**Savli, Gujarat**

5 plants

Animal Nutrition & Health Solutions



**Nira, Maharashtra**

13 plants

Chemical Intermediates





Our manufacturing facilities at Gajraula, Nira, Bharuch and Savli are certified under the Integrated Management System program for ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System) and ISO 45001:2018 (Occupational Health and Safety Management system).

Our Corporate Office in Noida and branch offices in Mumbai and Hyderabad are certified for Quality Management System ISO 9001:2015.

The Corporate Office in Noida is certified for Information Security Management System ISO/IEC 27001:2013.

Gajraula manufacturing facility has been certified for American Chemistry Council Technical Specification standard RC 14001:2015, Energy Management System (ISO 50001:2018), Food Safety System Certification Standard (FSSC 22000 Version 5) Certification Scheme for Food Safety Management System (ISO 22000:2018) for FSSAI products and Good Manufacturing Practice (GMP). Quality Control Laboratory has been accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL) for chemical testing in accordance with the ISO/IEC 17025:2017. This manufacturing facility has Kosher and Halal certifications for several products.

Our Bharuch manufacturing facility has been certified for American Chemistry Council Technical Specification standard RC 14001:2015 and Energy Management System (ISO 50001:2018). The Niacinamide manufacturing facility has been certified for WHO GMP, Food Safety System Certification Standard (FSSC 22000 Version 5) Certification Scheme for Food Safety Management System (ISO 22000:2018) for manufacturing and sale of Niacinamide for food application. We have also got GMP certification by SGS, GMP in compliance with FAMI-QS Code (version 6) for Production of relevant food/feed ingredients and other ingredients. Quality Control Laboratory has been accredited by National Accreditation Board for Testing

and Calibration Laboratories (NABL) for chemical testing in accordance with the ISO/IEC 17025:2017. The facility is certified for Kosher, Halal-India, Halal Indonesia and FSSAI from the Food Safety and Standards Authority of India.

Our Nira manufacturing facility has been certified for American Chemistry Council Technical Specification standard RC 14001:2015. This facility has been certified for Food Safety System Certification Standard (FSSC 22000 Version 5) Certification Scheme for Food Safety Management System (ISO 22000:2018) for relevant food applications. This facility is certified to Kosher, Halal-India and FSSAI from the Food Safety and Standards Authority of India.

Our Savli manufacturing facility has been certified for Feed Safety Management System including GMP in compliance with FAMI-QS Code (version 6) for the production of speciality feed ingredients.

Our Ambernath manufacturing facility is ISO 9001:2015 certified for Quality Management System.



## 2) Supply Chain

Supply Chain emerged as the paramount impediment to global trade in FY 2022 largely owing to the pandemic and consequent lockdowns. Despite persisting roadblocks, we navigated our way successfully to ensure the timely delivery of products to our facilities and that of our customers.

In addition to logistics, we needed to manage inflationary pressures that prevailed throughout the year in the aftermath of the pandemic and a surge in demand. The pressure further intensified in the last quarter of FY 2022 owing to the Russia-Ukraine war which resulted in a sudden spike in commodities across the board.

The impact was particularly severe on all crude & natural gas-based products. The prices of Ammonia in particular more than doubled during the year. However, our focus on sourcing our requirements through domestic sources facilitated in securing adequate supplies on time and at reasonable rates. We managed our inventories better.

Coal supply from Coal India and international markets remained throttled which led to a significant spike in prices in the domestic and international markets. Notwithstanding these issues, we ensured continuous supplies of Coal to all our plants at competitive prices.

Metal prices across the globe were particularly impacted owing to the geopolitical fracture. This jump resulted in a substantial escalation in capital equipment prices.

The port congestion on the West Coast of the US, Europe and China increased the cost of logistics and delayed deliveries. We had entered into annual contracts with leading Global Shipping lines which helped us in getting space on vessels and ensured adequate container availability. Our contractual relations helped us register a considerably higher reliability factor in FY 2022 against the global shipping line reliability at 33%.

Focus on 'Responsible Care and Sustainability' initiatives in our supply chain management is of paramount focus. We always encourage micro, small and medium enterprise (MSME) vendors to be part of our supply chain in the area of raw and packing material as well as other material sourcing. We prefer vendors who are closer to our facilities and our selection process gives preference to those who are using clean sources of energy, recycling their products and reducing their carbon footprint. We continue to remain a platinum member of 'Nicer Globe,' a responsible care initiative of ICC for the safe and sustainable transportation of chemical products. As an important step towards sustainability, we have identified specific projects for green procurement which will be implemented in FY 2023.

We have a robust Supplier Code of Conduct which is updated from time to time and we expect all suppliers to abide by it. We ensure that we are following all regulations and compliances related to supplies. We would like to sincerely thank all our external partners who put extraordinary effort into maintaining a smooth supply chain during the pandemic times.

**Way Forward:** FY 2023 appears to be another challenging year in terms of prices of most raw materials, packing materials and fuels.

The year started with sizeable supply deficit of coal from Coal India Limited to captive power producers like us. This has and will continue to impact the cost of power as well as steam significantly. Also, imported coal prices are trading at considerably higher levels. This has increased our cost of steam cost at our Bharuch and Nira plants as well.

Natural gas prices have also moved northward rapidly impacting Ammonia, TMA and other key ingredients used by us.

Despite of above challenges, we are committed to ensuring the continuity of all our plants by supplying ingredients and fuel promptly. To address this, we are closely working with all our suppliers with whom we have a strategic relationship.

We continue to focus on localisation of all imported products within India. This will not only de-risk us but also help us reduce the price of products.

Going forward, we shall continue to achieve higher levels of efficiency and productivity across categories with a primary focus on input and logistics cost and digitalisation while ensuring the delivery of value to our end customer.







### 3) Business Excellence

At Jubilant Ingrevia Limited, business excellence is a continuing journey, where every member of our team, across all locations, endeavours to excel in her/his space of operation. This collective passion has, over the years, enabled us to become a 'Partner of Choice' for global leaders in diverse sectors.

We continue to leverage globally-recognised tools such as Six Sigma and Lean Management to upgrade our systems and processes to improve man-machine productivity. Our in-house team of six-sigma black belts and green belts spearhead projects for capacity & capability enhancements and efficiency improvements across all our facilities. It allows us to deliver a high-quality product with timely delivery and optimised manufacturing costs.

In FY 22, we carried out numerous activities and achieved sustainable success stories. The high-impact projects are listed below:

- Achieved highest belt certification i.e. 31 with new guidelines. Currently, we have around 200 certified belts. Belts are being actively leveraged for solving business problems while delivering benefits and introducing the concept of re-utilisation of belts so that they can contribute to our continuous improvement journey.
- DMAIC projects and specific mission assignments were implemented by cross-functional teams for solving complex business problems. We could achieve sustainable benefits throughout the year.
- As part of our continuous improvement journey, ideations sessions were organised. After successful prioritising in alignment with business priorities, projects were assigned to the existing pool of belts.
- We better aligned the Total Productive Management (TPM) initiative with our business priorities. We achieved the highest ever TPM implementation in four model areas across the Company. With the combined effort of entire teams, all our manufacturing sites achieved their targeted scores of overall TPM maturity levels.
- We achieved the highest ever 6S zones (60 nos.) targeted score of 75% across our sites.
- We achieved the highest ever certifications for TPM facilitators for building competencies of key drivers of TPM (6 Nos) in FY 2022.
- We implemented our digitalisation strategy in our department and successfully standardised the DBMS and project approval process. As a result, the process approval time was reduced by 87%.
- In FY 2023 and beyond, we are planning the following key initiatives:
  - Exploring the use of alternative and renewable sources of energy for achieving the organisation's goal of reducing Net Specific GHGs.
  - Sustenance and improvement of manufacturing competitiveness for supporting profitable growth of our businesses.
  - Various initiatives are planned to take TPM to the next level of maturity.
  - Target to increase belt utilisation.



## 4) Research & Development and Technology (RDT)

Our RDT unit is designed to meet international standards with the latest technologies. It is managed by a team of highly qualified and experienced professionals. Our centres specialise across the value chain of chemical research, chemistry and process development of Advance Intermediates, Fine Ingredients, Nutritional Products and Contract Research. Some of the key achievements in FY 2022 were as follows:

### Chemicals Intermediates

- We developed and commercialised interesting acetyl-based products.
- We developed process for various higher anhydrides. Further, we scaled-up & commercialised propionic anhydride process.
- We are developing a process for making food preservatives using in-house available raw material – this is at an advanced stage.
- We upgraded our in-house produced Rectified Spirit (RS) quality (in Speciality Ethanol business), to cater to our existing customers in agrochemicals, APIs & other chemical manufacturers.

### Speciality Ingredients

We introduced flow chemistry process for developing new & existing products.

### Nutrition & Health Ingredients business

We introduced derivatives of vitamin B3, Inositol Hexa nicotinate (flush free Niacin), in our nutrition basket which we plan to commercialise in FY 2023.

### Fine Chemicals

We launched Diketene and two of its derivatives which are building blocks for molecules which find applications in pharmaceuticals, agrochemicals, nutraceuticals, and dyes. This launch also makes us one of the three companies in India with the Diketene technology platform. We plan to launch 15 more derivatives over the next 3 years.

We have forward integrated Diketene building blocks to provide advanced intermediates for APIs such as Cefixime, Cefotaxime, Ceftriaxone, and Cefpodoxime.

We continued to focus our energy on cost optimisation through yield improvement and process intensification initiatives for our top five products (by revenue). We have covered significant ground in two of such products which has strengthened our competitive edge in the global market for the same.

We also have a clear strategy to develop three new products every year for the next five years and plan to launch a new vertical with High Performance Polymers (HPP) and Cosmetics in FY 2023.

### Crop Protection Chemicals

We have developed technical packages for three insecticides and 1 fungicide which will be commercialised by next year.

Simultaneously, we are going strong on our mission to develop three new Agro actives every year and have chosen three new herbicides and 1 insecticide and 1 fungicide for coming years. All the molecules align with our strength in Pyridine or Diketene chemistry and are backward integrated to basic building blocks manufactured in our facility.

We also started a new RDT set up at Bharuch facility for development of five-six agro actives and are coming up with two state of the art multipurpose facility at Bharuch for manufacturing of agro actives.

Additionally, to strengthen our agro intermediates portfolio, which are also used to manufacture of our planned agro actives, we are working on capacity expansion of few of them and working on switching several of them from batch process to vapour phase using our unique strength in vapour phase chemistry.

We have collaborated with some multinational companies on FTE Full Time Equivalent model for few of the agro intermediates right from lab development to commercialisation.

### Microbial Control Solution

Our unique formulations include Jubithione ZPZ (patented), Jubithione CLC and ZPT 40 FPS (with platelet technology) for anti-dandruff applications. For in-can and interior dry-film preservation including hygienic coatings, we offer next-generation solutions in the form of Jubithione NPB, Jubithione ZPB.

In FY 2022, we developed and launched two synergistic antimicrobial formulations, i.e. Jubithione ZPC+ (patented) and Jubithione DOZ for anti-viral coatings and exterior dry film preservation in decorative paints application. These products are safer, non-VOC and effective at low dosage levels than conventional biocides and hence are environmentally friendly.

## 5) Human Resources

Our people are the cornerstone of our success, for they transform board room strategies into on-ground realities. We are proud of our people and their contribution to the success of our Company and remain committed to creating a workplace where they are motivated to perform their best each day. Our people strategy is designed along four drivers that guide us in our work practices:

### Talent Availability:

Our digitised SLA based Talent Acquisition process covers the entire value chain from sourcing to offer and has enabled speedy talent fulfilment. In FY 2022, we onboarded 330 executives with over 20 of them in the management and Senior Management cadre. In addition, to build a pipeline of future leadership, we selected 37 Graduate Engineer Trainees and 21 Management Trainees from India's premier institutes. These candidates will go through a rigorous 1 year traineeship with mentoring and live projects to help them quickly move into early leadership roles. 25 of these 58 trainees are chemical engineers and 26% of them are women, in line with our conscious agenda to become a more diverse and inclusive organisation. Multiskilling through talent rotation has been a key focus area to enable employees to explore opportunities and growth within the organisation. People have been encouraged to move into other work areas within their function, outside their function or across geographies.

### Building People Capabilities:

We continued our journey towards building people capabilities through blended learning interventions, targeted functional development programmes and leadership development initiatives for our high potential employees. Our succession pipeline continued to remain strong as we closely monitored and developed internal successors for our key leadership roles and strengthened our market mapping for talent we might need to acquire from outside the Company. A structured development plan for the high potential candidates was created based on their participation in a development centre. The group went through a leadership development journey that helped them hone their business acumen skills and also be mentored by the leadership team of the Company.

### Fostering an inclusive Workplace:

One of the key pillars of our 'Responsible & Inclusive Growth' strategy is promoting gender diversity and becoming a more inclusive organisation. As part of this we have taken deliberate actions on hiring and retention of

women through creating an inclusive workplace culture. We recruited 30 female executives in the year, taking the strength from 64 to 84, equivalent to 5.1%. We made an important breakthrough by inducting female members into the Management band. This has increased the proportion of women in the management band to 5.9% from 3.8% last year. To understand the nuances of inclusion and of unconscious bias, and how leaders can share the inclusion culture, our leadership team participated in a 6 months Inclusion Immersion Journey. A complete infrastructural inspection of all our facilities was done to assess the investment required for addressing the gaps, to make each of our sites women friendly. A 'Diversity Referral Portal' was launched to create a database of women candidates for hiring. The Women Buddy Programme was introduced with the intent of Women uplifting Women and acting as sounding boards and buddies in their professional journey.







### Enhanced Employee Experience:

Trust & transparency are critical building blocks for enhancing the employee experience. Additionally, we believe that the culture of meritocracy is a critical element of the performance management system as it gives employees a sense of confidence. At Jubilant Ingrevia Limited, performance and its evaluation are objective, transparent, meritocratic and development-focused. Employees are given a chance to express their input on goals and performance throughout the year via metrics and achievement scores, reducing the scope for subjectivity and bias. The continued developmental feedback conversations enable a dialogue on strengths as well as focus areas to build careers based on aspirations and opportunities.

As part of experience building, the year also saw reward & recognition transitioning to a digital platform with

the intent of providing a richer experience of availing monetary benefits on the digital marketplace along with options of non-monetary experiences like leader meet and greet over lunch, role shadowing and mentoring. We continued our efforts of keeping our people informed and aware of major business decisions and announcements through continuous employee communication and townhalls. For better experience building, we standardised and harmonised our processes to simpliFY and bring uniformity across businesses.

During the year, we enjoyed cordial relations with our employee groups. There were no instances of labour unrest or disputes at any of the manufacturing sites. We signed a long-term wage settlement for Nira. In addition, we successfully endorsed the wage settlement with Mathadi Union for three years. "Zero" Production Loss has been ensured by maintaining a peaceful IR and Eco-System.



## 6) Environment, Health and Safety (EHS)

### Environment

We are aware of the rapid changes in the business environment including increased demand from customers, investors and the society at large to fast-changing environmental regulations. While EODB is enhanced by simplification of regulations, directives of National Green Tribunals, High Courts and the Supreme Court are increasingly towards Extended Producer Responsibilities for industries. The commitment of the Government of India to climate change, adoption and mitigation is also imposing increased responsible behaviour on the industry on various fronts.

We are committed to protecting the environment and ensuring the health of our employees, customers and the public. We take pride in managing our operations with a high focus on environmental footprint and compliance with every environmental legislation applicable to our operations and products. We also extend our support in enhancing the environmental compliances of our vendors and partners in business. Any failure to secure, renew or maintain required approvals or violations of conditions to be maintained as per the permits may result in substantial fines or penalties, imposition of other civil or criminal sanctions, clean-up costs, claims for personal injury or property damages, restrictions on or suspension of our operating permits or activities. Any such violation may lead to interruption of our operations and may have an adverse

effect on the Company's financial condition, results of operations and profitability.

Over the years, environmental excellence has been extensively promoted as part of our culture. It has been reflected in our policies focused on sustainability, EHS, responsible care, climate change and a green supply chain. The Company takes appropriate steps to ensure that its employees, the community at large and the environment including natural resources, are protected, leaving a minimal environmental footprint, which is integral to our philosophy. On the road to achieving excellence in environment management, we have adopted a top-down approach and have been enhancing the impact of our initiatives by making it a line function responsibility through active employee consultation and participation.

Caring for the environment is a core corporate promise and as a part of this commitment, requisite capital expenditure is being incurred on process improvements as well as upgrading of environmental management facilities using the latest technologies that have helped in reducing environmental footprint. While end-of-the-pipe solutions are implemented, we have put in large, focused efforts for the reduction of waste at the source. Efforts to process more by-products and waste to make them reusable are paying off in terms of ecological and economic impact.



We are actively working to address the challenge at our sites by focusing on the reduction of our specific energy, optimising freshwater consumption, enhancing the share of renewable energy sources in our existing energy mix, increasing efforts for rainwater recharge to groundwater and enhancing greenbelt through community and stakeholder participation around our sites among other initiatives.

Even during the unprecedented COVID-19 crisis that we all faced together, we could successfully maintain our commitment towards environment compliance and excellence. Every site has a dedicated team for environment compliance backed with a dedicated corporate resource to move towards excellence, through collective learning and sharing best practices in the environment.

We proactively engage with government, industry forums and academia to support the formulation of responsible and implementable regulations.

### Safety & Health

We take safety as a top priority for sustainable business in increasing global completion; more rigorous customer and societal demands; fast-changing safety regulations and extensive investor expectations. To face these challenges and ensure sustainability, excellence in cost, quality, services, Environment, Health and Safety are of paramount importance.

We are committed to protecting employee health and wellness and ensuring the health and safety of customers and the public. We take pride in managing our operation with a high concern for safety and health. Our operations in India are subject to a wide range of safety regulations. We believe that our employees should return home in the same healthy condition as they are coming to duty.

By maintaining safe conditions in the plant, we are safeguarding asset loss and thus business interruptions. In our quest to achieve a safe working environment, we have launched many initiatives like the following:

- For improvement of safety culture on Company premises, we have engaged a consultant. We are implementing 15 elements at all the sites by engaging employees
- More than 1000, man-days of safety training were conducted to align the employees to safe work practices
- Infrastructure safety has been achieved by implementing risk assessment study recommendations at the design stage
- All activities are screened through hazard identification and risk assessment process to discover the risk associated with a process and preventive measures are taken by safeguarding the risk
- Unsafe conditions and unsafe acts are identified by employees and reported in the online tool 'Sanchetna' to ensure 100% employee participation to create a safe workplace culture
- We have implemented the Reward, Recognition and Progressive Disciplinary matrix to promote a safe culture within the organisation
- Dedicated emergency response teams and trained firefighting crews have been deployed at all manufacturing sites. Well-equipped Occupational Health Centre are present at every site to deal with any mishap on-premises

Safety-first is our culture and the same is demonstrated by all in day-to-day operations at every site, in every decision.

## 7) Information Technology

In this era of the digital workspace, Information Technology is the backbone of any business organisation. Hence, a robust IT strategy encompassing adequate IT infrastructure, integrity, data confidentiality and data availability at all times is now a basic necessity for us to achieve our business objectives. The system needs to be foolproof 24x7. There is no room for error.

Our IT processes are ISO 27001 certified and we follow the NIST Cyber Security framework, which ensures compliance with international standards and frameworks.

The occurrence of any unforeseen threats to information technology systems could harm data availability and continuity of business operations.

We covered various components of information technology like network, operating system, firewall, software licence compliance, applications controls, etc. under the annual audit plans and appropriate corrective and preventive actions are taken based on audit findings. Requisite redundancies have been built within the IT infrastructure to ensure the availability of information at all times.

We have an incident management process, which ensures all IT security events impacting critical IT infrastructure are getting logged and monitored round the clock by our Cyber Defence Centre (CDC).

We have extensively invested in best-of-the-breed cyber security technologies such as MFA (Multi-Factor Authentication), EDR (End Point Detect & Response), WAF (Web Application Firewall) with specific controls for data privacy, infrastructure security and response capabilities.

Technologies are ameliorated with an effective incident management process that is monitored round the clock by our Managed Detection and Response (MDR) center with automated and proactive responses.

Since employee awareness is an integral part of managing information security risk and creating cyber aware culture, we provide structured training to the employees through internal and external training programmes. Various awareness drives are undertaken to educate employees about current cyber risks.

Cyber disruptions are an inexorable reality hence businesses must function without descriptions due to technology. We have a well-defined Disaster Recovery (DR) process to ensure that mission-critical applications are available and responsive when required. The DR process has been

designed keeping in view global operations and business presence.

We adopted a cloud-first strategy, which reduced turnaround time and made it possible for businesses to expand rapidly and embrace mobility without having to worry about incidents such as downtime and data loss without compromising global compliances. Rapid cloud adoption helped in building resiliency in the environment.

A new age ERP platform was implemented with improved productivity, decision making and resilience. This digital-ready ERP is capable of API-based integration capabilities to communicate with other digital platforms. New age ERP brought us annual savings of 13000+ person-hours direct savings and indirect annual savings to the organisation. The project also had multiple intangible business benefits such as operations effectiveness and efficacy of controls and complies with all statutory regulations.

We have embarked on a digital journey to identify and automate manual processes to improve the efficient use of resources. We have set up data lakes with a centralised repository of information from various data sources. Data lakes collate data from enterprise IT and OT systems for online monitoring.

Data Lakes augmented with AI and ML technologies will be used for predictive and prescriptive analytics for efficient operations. Digital projects enhanced our production effectiveness and quality and also led to annualised tangible savings in form of yield improvement, norm reduction and proactive alerts & messages to avoid any slippage, which eventually helps us in taking a preventive approach rather than a corrective. This not only helps in improving asset quality but also helps us in reducing maintenance costs.

We deployed a cloud-based customer relationship management tool for effective customer management by capturing customer needs, identifying the business opportunities and serving the current customer base. CRM is agile to adapt to dynamic business environments.

We invested in state-of-the-art tools and technologies to ensure seamless collaboration and efficiently manage business operations. Project management tools also have been deployed by us for effective management of projects across the organisation. These collaboration tools and technologies helped us amid the pandemic to work without any productivity loss.

## Digital Transformation

Continuing our Digital Transformation journey, which we started in FY 2018, we are focused on digital initiatives across the industry value chain which have strong value realisation potential. The key digital value levers have remained the same focusing on

1. Cost Reduction
2. Customer Engagement
3. Productivity and Efficiency Improvement
4. Sustainability

We have been able to digitally transform our two key Pyridine plants at Gajraula leveraging state-of-the-art Industry 4.0 technologies. We are in the process of harnessing the power of the Industrial Internet of Things, IT/OT integrations and at the same ensuring cyber-secured infrastructure in place. We have used the power of Big Data Analytics & Machine Learning to successfully implement use cases around yield improvement, norm reductions and power saving. Currently, we are in the process of horizontally deploying these successful initiatives at other plants as well in a planned phase-wise approach.

A new digital way of working is getting established and our key focus is on change management, sustained adoption and continuous value realisation for the implemented initiatives at sites. Process variability control and real-time notifications, alerts and exceptions are getting generated for real-time actions. Data-driven decision-making is key and supported by real-time statistical process controls and prediction models generating insights for timely actions.

Improving OPE and controlling process variability are the two key objectives for the current manufacturing implementation. System-generated reports and minimal human intervention is key to ensuring a single source of truth and ensuring structured data historian for identifying more opportunities for process improvement. This will also support multiple use cases in machine learning going forward.

Digital initiatives focusing on automating sales and operational planning are a work in progress focusing on real-time visibility of our demands, sales and operational needs and making planning more agile. Logistic tracking has been enabled and our focus is on exception-based reporting to minimise deviations and reduced TAT. Initiatives focused on customer satisfaction have been identified and are being worked upon to increase OTIF scores. ERP upgrade will also help us streamline additional needs and pain points, which need to be digitised going further.

We have strengthened the governance structure further with defined responsibilities of the site digital action team that owns and drive the initiatives from the planning phase to execution and ensures sustained adoption of all digital initiatives. This is being supported centrally by the Digital Council team, which is responsible for converting the organisation's digital vision into actions on the ground and keeping a strong focus on value realisation. Continuous training on new-age analytical skills is being imparted to all employees to ensure we are ahead of the Digital curve.

### Key Achievements

1. We successfully implemented a state-of-the-art Industry 4.0 Analytics and Machine Learning platform for Pyridine plants at Gajraula focusing on use cases around yield improvement, norm reductions and power saving
2. AI/ML-based Prediction Failure Model for critical assets like Chillers has been implemented leading us to improved Overall equipment efficiency. This helps us identify and predict failures supporting proactive actions to prevent the same
3. Logistic tracking has been implemented and exception-based reporting has been enabled to minimise deviations and reduced TAT for deliveries. We are further working to streamline the Logistic control tower for quick actionable insights
4. Scrap Digitalisation has been implemented across sites, which helps us further manage and control scrap movements
5. Computer Vision / Video Analytics for peripheral security has been implemented and is being explored for further use cases around safety initiatives



## 8) Corporate Social Responsibility

Corporate Social Responsibility (CSR) is a critical part of the sustainability framework of Jubilant Ingrevia Limited. CSR activities at Jubilant are established in line with the provisions of Section 135 read with Schedule VII to the Act.

Jubilant's CSR programmes are weaved in with a vision to bring in progressive social change through strategic multi-stakeholder partnership and usher a 'social change' involving 'knowledge generation & sharing, experiential learning and entrepreneurial ecosystem' through JBF.

Jubilant Bhartia Foundation ('JBF'), established in 2007, a not-for-profit arm of the Jubilant Bhartia Group, is responsible for the conceptualisation and implementation of CSR activities of all Jubilant Bhartia Group Companies. The CSR programmes of Jubilant are strategised in line with the United Nations Sustainable Development Goals (SDGs), also known as Global Goals.

With a thrust on CSR, the Foundation continues to work towards Economic, Environmental and Social change and upliftment. The CSR projects are designed to empower communities around the area of operations of Jubilant and add value to their life. The projects work on the 4P model (Public-Private-People-Partnership). JBF's detailed activities are available on its website: [www.jubilantbhartiafoundation.com](http://www.jubilantbhartiafoundation.com).

During FY 2022, the Foundation continued to work in the arena of Health, Education & Livelihood to improve the quality of life of communities around the manufacturing locations, which is considered an apex stakeholder. The gist of our initiatives is as follows:

### **Providing affordable basic & preventive healthcare:**

Reaching out to around 1.78 lakh population in 243 villages through Jubilant Aarogya (Providing affordable healthcare through mobile & static clinic enabled with JUBICARE- Tele-

clinic platform along with need-based health awareness camps.) Audio Messages and counselling for expecting mothers were also provided through the Swasthya Prahari project.

**Swasthya Prahari Project:** The project on combating malnutrition through real-time growth monitoring of children aged 0 – 5 years continued, covering 32 villages around Gajraula in Uttar Pradesh. The initiative contributes toward the fulfillment of the SDG for Zero Hunger goal.

The project aims at improving the nutritional status of children under the age of 5 years in target villages. The project focuses on behavioural change communication and creating a supportive environment. The growth monitoring of target children is done through a mobile-based biometric-enabled IT platform by select women health guards (Swasthya Praharis).

This is followed by the grading of target children as per their weight. Malnourished children are advised to improve their diet and nutrition. The children in the Severe Acute Malnutrition (SAM) category are recommended to Nutrition Rehabilitation Centre (NRC), a government health facility, where SAM children are admitted and managed.

The Foundation also sends pre-recorded voice messages to expecting and pregnant mothers, which include information on their well-being and nutritional requirements.





**Aarogya:** The goal of the health programme at Jubilant is to promote health-seeking behaviour and provide effective basic healthcare to the community. The programme is operational at Gajraula in Uttar Pradesh, Nira in Maharashtra, Savli & Bharuch in Gujarat, which is around the manufacturing facilities of the company.

The key objective of the health programme is to reach out to the vulnerable communities who lack good health services and basic information about diseases along with providing preventive and curative health services in the project areas.

#### **JubiCare**

JubiCare, a telemedicine app continued extending immediate support and delivery of healthcare services to the society in the project area to fight the pandemic.

Supporting Rural Government Primary Education-The Foundation catered to over 24,000 beneficiaries (students & teachers) covering 180 villages through e-Muskaan (School Digitisation), Khushiyon Ki Pathshala (Value education) & Muskaan Fellowship (Youth Leadership programme).

**e-Muskaan:** The project was launched to promote digital education inclusion of the last mile learners thereby facilitating the cognitive growth of a child. The project creates a hybrid model of learning by installing smart TVs across all government schools in the domain. These TVs are equipped with i-dream syllabus content to facilitate digi-

learning through audio-visuals. Also, the TV cabinet acts as a writing board for the staff.

**Khushiyon Ki Pathshala:** A children-centric programme with teachers acting as facilitators. The project entails training teachers on making the school more inclusive and creating a value-based society with a children-friendly atmosphere while at the same time giving equal attention to moulding their personalities.

**Muskaan Fellowship:** Jubilant Youth Development programme is a unique youth leadership training programme focussing on sensitising and enhancing the capacity of youth on community issues and value-based decision making.

Working towards providing sustainable livelihood to the community through Nayee Disha (Skill Development), Samridhhi (SHG & micro-enterprise Promotion), Jubifarm (Sustainable Agriculture programme having sub-programmes like Pashu Sakhi & Paryavaran Sakhi) reaching out to a population of more than 21,000.

**Nayee Disha:** Skill Development Programmes are conducted in vocational centers based at Gajraula, Bharuch and Nira.

**Samridhhi:** The project aims at empowering women by promoting their entrepreneurial ventures to improve their livelihood sustainably. This serves two purposes – 1) it promotes locally-nurtured businesses, and 2) it uplifts women's respect in villages. The project Neem Pulverisation under Samridhhi is operational in Gujarat.

The JubiFarm initiative aims at promoting agri-business in remote areas as a source of livelihood. Under the umbrella, the project Pashu Sakhi was launched. This project aims to promote livestock farming among poor and marginal livestock farmers and provide a proper market linkage for the poultry farmers to increase their earnings.

Prayavaran Sakhi initiatives under JubiFarm promote rural women's entrepreneurship through the formation of SHG on a self-sustainable model. The project includes the plantation of neem saplings in the wasteland by SHG women. They will be provided end-to-end market linkage of harvest obtained from neem plantation after 2-3 years.



## 9) Internal Control & its Adequacy

Our internal control systems are effective and robust, ensuring that there is efficient use and protection of resources and compliance with policies, procedures, financial reporting and statutory requirements. There are well-documented guidelines, procedures and processes, integral to our overall governance, laws and regulations.

### Internal Financial Control Framework

Section 134(5)(e) of the Companies Act, 2013 requires a company to lay down Internal Financial Controls (IFC) system and to ensure that it is adequate and operating effectively. Our Internal Financial Controls (IFC) system has been established with policies and procedures that incorporate all the following five elements:

1. Orderly and efficient conduct of business
2. Safeguarding of assets
3. Adherence to our Company policies
4. Prevention and detection of frauds and errors
5. Accuracy and completeness of the accounting records and timely preparation of reliable financial information

We have adequate internal financial controls in place. It has laid down certain guidelines, policies, processes and structures, which are commensurate with the nature, size and complexity of operations and business processes followed by us.

### Implementation Of Internal Financial Controls

Our internal controls are commensurate with the size and the nature of its operations. They have been designed to provide reasonable assurance with respect to all the above-stated IFC elements. To ensure a robust Internal Financial Controls framework, we have worked on three lines of defence strategy:

**First Line of Defence:** Building internal controls into operating processes: To this end, we have ensured that detailed Delegation of Authority and Standard Operating Procedures (SOPs) for the processes are followed, financial decision-making is done through Committees, IT controls are built into processes, segregation of duties is clear, strong budgetary control framework exists, accounting policies and manuals, period-end closing checklist, basis of accounting estimates and the entity level controls





including Code of Conduct, Ombudsperson office, etc. are established.

For better governance, these operational controls have been implemented through Enterprise Resource Planning (ERP) and other IT applications.

To improve controls over operations, we have established, for each line of business, the concept of financial decision-making through operational committees like the Purchase Committee, Capex Committee and Credit Committee. In these committees, the entire purchase, capital expenditure and credit control decisions are taken jointly by the committee members.

**Second Line of Defence:** Create an efficient review mechanism: We created a review mechanism under which all the businesses are reviewed for performance once a month and functions are reviewed on a monthly/quarterly basis by the Chief Executive Officer & Managing Director (CEO & MD). Additionally, a robust Control Self-assessment (CSA) process is implemented through the deployment of 'Controls Manager software'. Quarterly online controls self-assessment is initiated, which enables process owners

to perform self-assessment against the Risk and Control Matrices (RCMs). The CSA process enables us to monitor the adequacy and effectiveness of the internal control environment.

Further Statutory compliances are monitored through the online tool 'Conformity'. Modifications or new requirements are also updated on regular basis in the Tool for effective tracking and adherence. This reinforces our commitment to adopting the best corporate governance practices.

**Third Line of Defence:** Independent assurance: We have appointed a Big Four firm as our internal auditor to perform a systematic independent audit of every aspect of the business to provide independent assurance on the effectiveness of the internal controls and highlight the gaps for continuous improvement. The Audit Committee reviews observations reported by Internal Auditors and the implementation status of audit recommendations & improvements.

Additionally, the statutory auditor's audit the financial statements of the company included in this Annual Report and have issued an Independent report on our internal control over financial reporting (as defined in Section 143 of the Companies Act, 2013). The Audit Committee acts as a governing body to monitor the effectiveness of the Internal Financial Controls framework. Further, we carry out regular ISO audits as per the requirement of ISO certifications.

We believe that Internal Control is a necessary part of the principle of Governance. It remains committed to ensuring an effective Internal Control environment that provides assurance to the Board of Directors, Audit Committee and the Management that there is a structured system established in our organisation.



# 10) Risk Management

## Our Vision On Risk Management

To establish and maintain enterprise-wide risk management for active monitoring and mitigation of organisational risks on a continuous and sustainable basis.

## Risk Management Strategy And Structure

The Board of Directors constituted a Risk Management Committee ("RMC") to formulate a detailed risk management policy, oversee risk management Processes & Systems. The Risk Management Committee acts as a governing body to monitor the effectiveness of the risk management framework. Risk Management workshop is also conducted for RMC ensuring that they are informed about the latest-risk management practices and are equipped to assess various forms of risks.

Our Risk Management structure comprises the Board of Directors and Risk Management Committee at the apex level, supported at the operational level by the Enterprise Risk Management (ERM) Council. ERM Council comprises of CEO & MD, Co CEOs, Chief Financial Officer, Chief of Operations, Chief of Supply Chain, Head - Internal Audit, Chief Information Officer, Chief of Manufacturing, etc. Head - Internal Audit is leading ERM Council and is reporting to CEO & MD for Risk Management activities. Clear roles and responsibilities are defined in Risk Management Policy for Board, RMC, ERM council and Risk & Mitigation Plan owners.

We have a strong risk management framework for Risk identification, prioritisation, mitigation, assessment and reporting of potential internal or external risks. We have established processes and guidelines, along with a strong overview and monitoring system at the Board, RMC and ERM Council. We have laid down procedures to inform Board members about the risk assessment and risk minimisation procedures. As an organisation, we promote strong ethical values and high levels of integrity in all our activities, which by itself significantly mitigates risk.

Enterprise Risk Management Council sets the overall tone for risk minimisation culture through defined and communicated corporate values and assigned risk mitigation responsibilities. ERM Council ensures proper identification & prioritisation of key risks covering Sensitivity analysis and Stress testing. Risk identification also includes more extreme versions or more uncommon types of risks. Risks and mitigation plans are discussed and deliberated at various review forums chaired by the CEO & MD. Progress against risk management is periodically monitored.

## Management's Assessment Of Risk

The Company identifies and evaluates several risk factors through various brainstorming sessions with ERM Council and appropriate mitigation plans are created to address risks. Some of the key risks along with mitigation plans are laid out below:

### Environment, Health and Safety (EHS)

We are aware of the rapid changes in the business environment such as more rigorous customer and societal demands, fast-changing EHS regulations and extensive investor expectations. To face these challenges and achieve excellence in Environment, Health and Safety is our priority, while being cost competitive. We require many statutory and regulatory permits and approvals to operate our business. Any failure to secure, renew or maintain the required permits or approvals or inability to ensure compliances to EHS requirements may result in substantial fines, penalties, imposition of other civil or criminal sanctions, clean-up costs, claims for personal injury or property damages, restrictions on or the suspension of our operating permits or activities. We maintain the highest priority to ensure the continuity of permits and approvals and ensure compliance with all requirements.

### Mitigation Plan

Over the years, EHS excellence has been extensively promoted as a part of our culture. It is also clearly reflected in our policies on sustainability, EHS, responsible care, climate change and a green supply chain. We take appropriate steps to ensure that our employees, the community at large and the environment, including natural resources, are protected. Ensuring a minimal environmental footprint is integral to our EHS philosophy. To achieve EHS excellence, we have adopted a 'top-down approach' and have been enhancing the impact of EHS initiatives by making it a line-function responsibility through active employee participation.

Caring for the environment is a core corporate promise and as a part of this commitment, requisite resources are allocated for reducing the environment footprint of our operations through focused adoption of 5R principles of waste management and root cause elimination of any EHS issues. Increased adoption of digital technologies for measurement and monitoring, implementation of Zero Liquid Discharge, Rainwater harvesting, Solar energy sourcing, Renewable fuel sourcing & Green belt development are some of the approaches towards achieving a reduction in our environment footprint towards Sustainability.

Investments are regularly made for the up-gradation of process safety and enhanced process controls at our sites. Process Safety related studies are conducted before initiation of any new process and Hazard Identification and Risk Assessment is performed for existing processes with a proper change management system. Safety culture in terms of safe behaviour like compulsory usage of Personal Protective Equipment (PPEs) as per a specific matrix is being actively promoted. To ensure active employee participation through 'Sanchetna' – a platform for encouraging identification and 360-degree correction of unsafe acts and conditions as part of a safety culture at the workplace. Regular Refresher Training is provided to employees and contractual workers to spread awareness of safety practices and prevent accidents. Emergency Response Teams are in place at every location and regular mock drills are conducted. We have also engaged an external safety expert for the implementation of Safety Management to achieve our safety vision and the agency is conducting Safety programs across all the sites.

Our manufacturing sites are equipped with an Occupational Health Centre (OHC) with qualified Doctors and paramedical staff. We run a comprehensive health assessment programme at our manufacturing sites.

In addition, the Company proactively engages with government, industry forums and academia to support the creation of responsible and practicable EHS regulations.

We have a full-fledged EHS team that is continuously addressing the issues of environmental safeguards by conducting periodical safety audits and training programmes.

### Compliance and Regulatory

Our business operates within a highly regulated environment. Due to constantly increasing regulatory obligations, new requirements as well as globalisation, the responsibilities of the business in terms of regulatory readiness are becoming stringent, especially in some countries/regions, such as the US, Europe and Japan. For domestic markets, we need to comply with relevant laws related to Pharma, Agro, Food and Biocide for manufacturing/storing/selling our products. Also, domestic consumption of some of our products and raw materials has come under mandatory standards from the Bureau of Indian Standards (BIS). Any changes in regulations, statutes, legal interpretation, or policies, when and if promulgated, enacted, or adopted, may have an adverse impact on our business in future. Such changes or new legislation could increase the cost or delay or prevent sales of our products. In addition, an increase in the time that is required for us to obtain required approvals could delay the commercialisation of our new products.

If we fail to comply with regulatory requirements or if allegations are made related to compliance failure, our financial condition and results of operations could be adversely affected. In addition, failure to achieve regulatory approval of new products promptly or at all can mean that we do not recoup our investment through sales of that product.

### Mitigation Plan

Compliance Management System is in place to ensure adherence to all applicable laws and regulations. Amendments in regulatory and compliance requirements are updated in the system and monitoring of compliances of all our facilities as well as offices, to proactively meet and take corrective actions on compliance commitment. Further regular interaction with regulatory, key customers and the business team take place to assess regulatory requirements and adherence to applicable compliances & regulations.

We have adopted measures to address these stringent regulations by increasing the efficiency of our RDT process, reducing the impact of extended testing, timely submission of information and ensuring timely product availability. We are proactively following up with regulatory authorities regarding pending approvals and queries raised by authorities are addressed promptly. Further, we are continuously reviewing the end-use product application, its growth and impact regularly. We also continuously keep looking for alternative products, which can be produced in our plants to replace the existing product (if any).

### Delay in implementation and Effectiveness of New Technology in Growth Projects/ Capex

New technology always comes with the risk of failures/hiccups/troubleshooting before it is stabilised or established. Any setback on new technology, its effectiveness vis-a-vis intended benefits may impact the timelines of launch, the cost-effectiveness and loss of opportunity. Further, delay in implementation of large growth projects may also impact revenue growth/sales projection.

### Mitigation Plan

The Company has taken the following steps to mitigate the said risk:

- Invest in intellectual capabilities with specialised Chemical Engineers/ Process Engineers associated right from the R&D stage to piloting to commercial scale up to take advantage of the blend of new technology and discovery chemistry
- Keep a close watch on supply/demand gaps on key materials like steel and PVDF where scarcity is encountered which in turn can delay the project's implementation

- Do negate the above effects with alternative material of construction options
- Periodical reviews by the steering committee
- A structured approach is in place for timely project implementation along with PMC companies which helps overcome the risks of delays
- Scale-up specialists are identified and aligned to ensure key steps of the processes are piloted well so that set back on new technology or new process is minimised

### Climate change risk

As per IPCC's latest report and various climate modelling software like think hazard, world resource institute there is an increase in global temperature compared to pre-industrialisation time. Various research papers and articles attribute climate change to the increased severity of extreme events, changes in precipitation patterns, extreme variability in weather patterns and rising sea levels, all posing serious risks to all businesses.

### Mitigation plan

We are focusing on utilising renewable energy like solar, wind, etc. We are also focusing and allocating funds on energy efficiency, resource efficiency, green chemistry, low carbon technologies, circular economy and the use of biomass as a fuel for addressing climate change.

### ESG Ratings

ESG performance is now a must for investors/ customers before taking any decision related to investment, product/ service agreement, acquisition, merger, employment, issuing a licence to operate, etc. Risk of failure to meet benchmarked ESG performance will affect competitiveness, demand for products & services and reputational Risk.

### Mitigation Plan

We are improving the capabilities and competencies of our personnel on ESG by imparting various trainings. The requirements of various ESG ratings were shared with concerned departments and systems are implemented as per the requirements of various ESG ratings.

### Disruption in the availability of Energy Resources & Disruption in the Supply Chain

Non-availability/ Sharp rises in prices of energy/coal is currently a major concern of coal Companies has shifted complete focus on supplies to Power generator instead of Captive power producers (CPP). Hence, supplies from Fuel Supply Agreement (FSA) have affected all coal companies' customers severely. This has forced us to import coal for consumption at our Gajraula facility. The prices of Imported

Coal have more than doubled in the last year. All this has increased power & steam cost across all industries. The supplies from China has also been a concern as China has put severe restriction during the recent COVID -19 wave.

Any unforeseen event impacting the movement of goods around the world or delay by our suppliers can adversely impact our business. Logistical challenges are also there due to major strikes or disruption in the movement of raw materials or finished goods at seaports or internal locations and the risk of vehicle shortages due to the non-availability of the driver.

### Mitigation Plan

We have developed multiple vendors for sourcing both domestic coal as well imported coal. Besides this, we have also started the use of biomass as fuel to blend along with coal in a couple of our plants. In one of our plants, we have already shifted 100% to biomass as fuel. With these initiatives, we are confident to ensure the continuity of supplies to all our plants. Besides this, we are working with coal companies to shift all our supplies from rail to road movement. This will help us to get some relief in supplies from coal companies.

Our focus on developing alternate vendors for all single sources of material remains intact. This initiative will continue till we completely secure ourselves in all our inputs. The Company continues to focus on localisation and external manufacturing within India of all products coming from China. This will also help us to reduce the price of these products.

We have already invested in digital projects specifically aimed at improving the visibility of our finished goods as well as inputs at all stages of the supply chain. This has helped us to serve our customers better even during the challenging times when there were major supply chain disruptions.

Also, to anticipate and react quickly, we initiated Sales & Operations Planning (S&OP) meetings twice a week. This helped us change our procurement plans dynamically as per the evolving situation and ensure supplies to plants. Our proactive approach of anticipating the disruption and responding quickly helped us achieve a continuous supply of raw material and packing material to all our plants and external manufacturing sites. We have also built and increased Inventories at subsidiary locations as well as distributor points.

We have restricted pricing to monthly or quarterly contracts and entered into feedstock-based formula pricing for longer duration contracts covering all major raw materials, utility & logistics, etc. We were extended agreements with major shipping lines also.

We maintained close working relationships with all our suppliers of material through regular virtual meetings to ensure that we receive our material on time and at the right price. We are also actively working with all our raw material and packing material suppliers and logistic service providers for their support in creating a smooth supply chain.

### Human Resource - Acquiring and Retaining skilled Talent

An organisation's success is largely dependent on the quality and performance of its people, making HR a risk-prone function. As we seek sustainable growth, our targets have become more demanding than ever. It is therefore crucial that we pre-empt the risks in the ever-changing business dynamics. The inability of redefining and up-keeping our processes in line with changing business dynamics (eg. talent acquisition, talent management, labour management, compliance, learning & development) can pose a challenge to operational excellence, organisation capability and business continuity.

#### Mitigation Plan

- We have established strategic talent & succession management process and identified critical roles across the organisation. We are on the journey of end-to-end digitisation across our core HR processes to ensure business continuity.
- These include sourcing and screening to evaluate and offer, learning and development, performance scores, salary restructuring, rewards and recognition, recruitment and selection, leave liability, employee wellness, leveraging internal talent movements and development.
- We have committed substantial resources and strategies to acquire, retain and develop talent, given the size, complexity and geographic reach of our businesses because of the market competition for qualified and experienced professional personnel.
- For retention of our high-potential employees, we have rolled out a 'Retention Scheme'. In addition to this, for their focused development, they are provided with well-structured interventions like mentoring. Development Centres, Finance for Non-Finance capability building to name a few.
- We have built a pipeline of GETs and MTs for taking higher positions in the organisation. They are provided development through a focused journey to ensure increased productivity and efficiency through training role enlargement & redeployment.
- We have been working towards the inclusive growth of the Company for ensuring talent continuity, for

which we have a focused approach towards Improving gender diversity and facilitating talent rotations for multiskilling.

- We keep compensation and benefits packages simple and comprehensive; build reward programmes that link performance to pay and avoid any discrimination to ensure that rewards are given based on performance and contribution to the business goals. Improvement in gender diversity and internalisation of skilled manpower is also done.
- We provide opportunities for our employees to grow through blended learning programmes and specific functional skill programmes targeting specific functions like sales & marketing, Supply Chain and operations. We have a Learning Management System to promote an environment of growth and development.

### Individual & Group Activism

Enhanced vigilance and activism by NGOs and motivated individuals against environmental issues around the industrial operations may result in complaints before Government, Regulators and National Green Tribunal (NGT) creating pressure on authorities for action on the Company, resulting in time and unnecessary efforts in litigation.

#### Mitigation Plan

The following steps have been taken by the Company to mitigate the said risk:

- Engagement with stakeholders through Corporate Social Responsibility (CSR)
- Organising Community Interface meets at each location
- Effectiveness of Communication study at each location to gauge the perception of important stakeholders
- Take up various projects for which the Company receives requests/advise from the local community/administration

### Information Technology (IT)

Information Technology is the backbone of any business. The Company has a robust IT strategy that includes adequate IT infrastructure, integrity, data confidentiality and data availability at all times to achieve our business objectives. The occurrence of any unforeseen threats to information technology systems could have an adverse impact on data availability and continuity of business operations. Cyber Threats Phishing, SMS Based Phishing, PDF Scams, Malware and Ransomware, Database Exposure, Credential Stuffing and Accidental Sharing may lead to disruptions in IT systems.



## Mitigation Plan

- The Company is committed to protecting its business information, including the personal information of customers, employees and business partners, while it is collected, processed, consumed and stored in various internal and external systems by building robust information systems and processes. Our IT processes are ISO 27001 certified and we follow the National Institute of Standards and Technology (NIST) Cyber Security framework which ensures compliance with international standards and frameworks. Various components of information technology like network, operating system, firewall, software license compliance, applications controls, etc, are covered under the annual audit plans and appropriate corrective and preventive actions are taken based on audit findings. Requisite redundancies have been built within the IT infrastructure to ensure the availability of information at all times. There is a well-defined organisation-wide Information security governance structure with an information security steering committee at the apex level which gives directions and resources to manage the information security of the Company
  - The Company has an incident management process that ensures that all IT security events impacting critical IT infrastructure are getting logged and monitored round the clock by our Cyber Defence Centre (CDC). The Company has implemented Cyber Security Governance Structure operating model, Cyber Working Groups (CWG), integrated information security compliance framework, updated policies and procedures and new process documents Creation as per IISCF
  - Since employee awareness is an integral part of managing information security risk and creating cyber aware culture, we provide structured training to the employees through internal and external training programmes. Various initiatives are undertaken to create awareness among employees regarding current Cyber risks
  - The Company has well defined objective where Red Teaming & Penetration Testing are conducted on periodical basis and Jubilant has extensively invested in best of the breed cyber security technologies such as MFA (Multi factor Authentication), EDR (End Point Detect & Response), WAF (Web Application Firewall) and recently adopted highest level of detection & response capability with MDR solution (Manage Detect & Response) etc
  - The Company has a well-defined Disaster Recovery (DR) process to ensure that mission-critical applications are available and responsive in the event of any disruption.
- The DR process has been designed keeping in view global operations and business presence
- The Company adopted the 'Cloud First Strategy', which reduced turnaround time and made it possible for businesses to expand rapidly and embrace mobility without having to worry about incidents such as downtime and data loss without compromising global compliances. Rapid cloud adoption also helped in building resiliency in the environment
  - Implementation of new age ERP platform with improved productivity, decision making and resilience. This digital-ready ERP is capable of API-based integration capabilities to communicate with other digital platforms
  - The Company has embarked on a digital journey to identify and automate manual processes to improve the efficient use of resources. Data Lakes is established with a centralised repository of information from various data sources. Data Lakes collate data from enterprise IT and OT systems for online monitoring with a secured channel to transfer information. Data Lakes augmented with Artificial Intelligence (AI) and Machine Learning (ML) technologies are being used for predictive and prescriptive analytics for efficient operations
  - The Company has also deployed a cloud-based customer relationship management tool for effective customer management by capturing the customer needs, identifying the business opportunities and serving the current customer base. CRM is agile to adapt to dynamic business environments
  - The Company has also invested in state-of-the-art tools and technologies to ensure seamless collaboration and efficiently manage business operations. A project management tool has also been deployed for the effective management of projects across the organisation. These collaboration tools and technologies helped the organisation amid the COVID-19 pandemic to work without any productivity loss

## Competition, Cost Competitiveness and Pricing

A significant share of our business comes from exports and we face stiff competition in both domestic and international markets. Manufacturers in China, who gain from economies of scale, favourable policies and lower costs along with other advantages, may adversely affect our ability to maintain market leadership, achieve planned growth and generate planned margins.

Some Chinese manufacturers deliberately initiate price wars with Indian manufacturers. Sometimes new entrants

also resort to low pricing to capture market share. Major areas impacting competitiveness are Sourcing of materials, Innovation, Efficiency of Operations, New Technology and Cost Leadership.

### Mitigation Plan

To combat the risk of rising competition and to ensure that cost competitiveness is maintained, we continue to explore all options including:

- Convert assets into swing facility for products such as Diketene derivatives and Green Acetic Acid
- Continuous focus on the expansion of Niacinamide capacities with solid backward integration with captive feedstock to give the competitive edge
- We continue to work on developing forward integrated products of our existing products to add value, such as developing Speciality alcohol market for Pharma/ Agro Chemical/ other industries to cater to the value-added market segment and also expanding Health Ingredients to increase the basket of products and higher engagement with customers
- New products being launched in the Herbal category & working on product category expansion at different price ladders
- Increasing penetration in other geographical regions and strengthening our relationship with our existing strategic customers through competitive offering to achieve a higher share of wallet of customers' business. Wherever feasible, we enter into long-term contracts with volume commitments. We also try to ensure that pricing is linked to key input material prices and foreign exchange rate variations to mitigate risks. Entering into formula-based pricing with customers. Implementation of Slab based pricing model as a key customer retention strategy
- Penetrating uncharted geographies/customers through an exploratory approach
- Building long-term relationships with key customers by offering improved quality and service experience, through strong customer relationships and sales and distribution network. and also building economies of scale in manufacturing, distribution channels and procurement to maintain cost advantage and sustained entry barrier
- Introducing cost improvement initiatives and manufacturing efficiency improvement plans at plants by undertaking projects under the Business Excellence programme and by applying many tools and techniques e.g., Lean, Six Sigma and Total Productive Maintenance.

- Developing economical alternatives and re-engineering costs to counter an increase in input cost. A shift from highly polluting feedstock like molasses to non-polluting feedstocks like Grains for ethanol production. Cost optimisation has enabled us to counter international competition
- Research and development to reduce consumption of raw materials and utilities to increase manufacturing efficiency
- Developing external manufacturing facilities to make the products expeditiously and at a lower cost
- Developing new suppliers to mitigate the risk of higher input prices and non-availability of raw materials. Micro-level planning is also done to reduce inventory

### Research Development & Technology (RDT) / New Product Development

Failure of RDT to provide innovative and cost-effective products with desirable quality would result in the non-achievement of top-line or bottom-line goals. Similarly, an RDT function that fails to meet the expectations of the business, such as target product costs and minimising product cost deviations between RDT and operational phase, will adversely impact our ability to launch products competitively and hence, diminish market penetration and/ or diminish our market share. Further, the emergence of new and advanced cost-effective methods for producing core products supplied by us can pose a risk to the Company's competitive position.

The risk of failure to develop products that are compliant with accepted standards documentation will significantly dent the Company's reputation in addition to the financial loss associated with the failed launch. Risks related to the discovery and development of our product candidates and process innovation, speed-to-market and a robust and diverse product pipeline are critical factors in ensuring success for a life sciences company.

### Mitigation Plan

RDT team is continuously working on the development of new products. The Speciality Chemicals Business unit is focused on developing new products. We have a separate team for new product development which closely works with the sales team, RDT and plant team to quickly develop new products and launch them in the market. 10-15 new products are being developed continuously.

The RDT team has taken a proactive approach of introducing new products in Pyridine chemistry and also in non-Pyridine chemistry by deploying our cost-effective and differentiated technological platforms and capabilities.



New products continue to get developed by experienced and talented RDT teams which work in alignment with the marketing strategy by developing new cost-effective processes/products.

Further, to ensure that cost competitiveness is maintained along with minimal environmental impact, RDT is working on the improvement of existing processes and exploring Cost saving opportunities or improving the quality of existing products, their carbon efficiency and atom economy. Initiatives are also being taken to develop alternative green processes involving fewer manufacturing steps with reduced consumption of utilities and increased manufacturing efficiency. RDT also has a dedicated team that works on 'Homogenous and Heterogeneous Catalysis' for process intensification and reducing the synthetic steps.

The focus is on the timely development of processes at optimum cost with effective and efficient scalability. We have institutionalised robust Quality by Design (QbD) processes and proven RDT methodologies to ensure the successful commercialisation of the products for which research has been conducted to avoid any unpleasant surprises during the scale-up. The RDT function keeps itself updated with the regulations, upcoming technological changes and trends and proactively aligns with pharmacopoeia methods and industry best practices. The team has adopted an agile development process to address commercial requests rapidly and capture new opportunities. We also use various tools including Stage Gates to monitor the progress and robustness of the programmes.

#### Dependence on Certain Key Products and Customers

We depend on certain key products and customers for a significant portion of total revenue, cash flows and earnings and any events that adversely affect the markets for key products or key contracts may adversely affect the Company's financial condition, results of operations and profitability. If the volume or pricing of our largest selling products declines in the future or the Company is unable to satisfy market demand for these products, its financial condition, results of operations and profitability could also be adversely affected. Any event that adversely affects any of these products or their markets could have a material and adverse effect on our business, financial condition and results of operations. While we are not dependent on any single customer and have a broad and diversified customer base across businesses, if any of our long-term customers terminate their contracts, delay payments or breach payment obligations, reduce the volume of business we receive under the contracts, do not renew such contracts on favourable terms or at all, our revenues and profitability may be adversely affected.

#### Mitigation Plan

We continue to launch new products with the help of RDT resources with forward and backward integration, which helps us in developing new cost-effective processes/products to meet customer demand and build market share. We may also change our product mix appropriately.

#### Foreign Currency and Interest Rate Exposures

There has been significant movement in exchange rates over several years. We have foreign currency exposures due to our Exports and Imports and may also be exposed to credit risks in some markets. The imposition of price controls or restrictions on the conversion of foreign currencies could also have a material adverse effect on our financial results.

We may also borrow funds from various banks and financial institutions to meet the long-term and short-term funding requirements for operations and growth initiatives at fixed and floating rates of interest and an increase in borrowing cost may also adversely impact the profitability. Any increase in interest rates may increase the cost of any floating rate debt that we incur.

#### Mitigation Plan

Our overall foreign currency risk exposure is naturally hedged. Hence, during this year, the need to use hedging tools did not arise as we evaluated that our foreign currency rate variation risk on net foreign exchange exposure was not very significant.

#### Capacity Planning and Optimisation

Our production capacity may not be aligned with market demand. Insufficient capacity threatens our ability to meet demand and be competitive while excess capacity threatens the Organisation's ability to generate competitive profit margins.

#### Mitigation Plan

We ensure that capacities are well planned and optimised to respond to market realities in the following ways:

- We have robust processes to continuously monitor plant capacities and utilisation, drive improvements aligned with good manufacturing practices such as preventive maintenance schedules and modify plant designs in case of repeated breakdown
- We periodically undertake de-bottlenecking and other initiatives to improve efficiency in terms of throughput and cost reduction and to also build additional capacities without committing significant capital outlay, thereby generating a better return on investment

- We have developed a dedicated external manufacturing team that can help to outsource some capacities and capabilities to ensure a quicker response to sudden market demand
- To mitigate excess capacity situation or lower asset utilisation, we continuously evaluate the manufacturing of new intermediates by using existing assets, thereby making the plants multi-purpose and improving flexibility.

### Manufacturing Operations Compliance

Due to the nature of our business, we need to comply with multiple domestic and international regulations across our manufacturing units.

#### Mitigation Plan

‘Transforming manufacturing for Operational Excellence and Sustainability with zero tolerance to any non-compliance’ is our core focus. We practice world-class manufacturing processes in our day-to-day operations, assuring our customers of unmatched quality and timely delivery of products through innovation and cutting-edge technology.

Our manufacturing units have been certified by various third-party agencies, helping reduce our risk assessment. Our commitment to Business Excellence also reduces our operational and execution risks. We continuously implement Six Sigma and Lean initiatives to focus on upgradation, capacity and capability enhancements and efficiency improvements at all of our facilities. These initiatives are driven by experts certified in Six-Sigma Black Belt to deliver high-quality products with timely delivery.

### Changes in Tax Legislation

The Company’s activities are subject to tax at various rates in different countries computed following local legislation and practice. Actions by governments to increase tax rates or to impose additional taxes may reduce our profitability.

#### Mitigation Plan

We have a dedicated team of tax professionals whose primary task is to ensure that the tax liabilities are correctly computed and any revision in the tax legislation is monitored continuously.

### Labour Unions

If the Company experiences labour union issues, our production capacity and overall profitability could be adversely affected. Although we generally enjoy cordial relations with our employees, the Company may experience a strike over wages and other matters.

#### Mitigation Plan

This may be resolved amicably through a voluntary negotiation and mediation process. However, if any such future negotiation regarding wages with our employees or any of the labour unions is not concluded quickly, our relations with employees could suffer, which may adversely affect our financial condition, results of operations and profitability.

*Source: Industry,  
M&M Report  
FICCI reports, o3 Research  
IHS Markit Report*

---

### Cautionary statement

Statements in this document relating to future status, events or circumstances, including but not limited to statements about plans and objectives, the progress and results of Research and Development, potential product characteristics and uses, product sales potential and target dates for product launch are forward looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The Company may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company’s filings with the regulatory bodies and our reports to shareholders. The Company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors.

# DIRECTORS' REPORT

Your Directors are pleased to present their Report together with the Audited Standalone and Consolidated Financial Statements for the financial year ended March 31, 2022.

## OVERVIEW

Jubilant Ingrevia Limited (the 'Company' or 'Jubilant Ingrevia') is a global integrated Life Science products and Innovative Solutions provider serving Pharmaceutical, Nutrition, Agrochemical, Consumer and Industrial customers with customised products and solutions that are innovative, cost-effective and conforming to excellent quality standards.

The Company offers a broad portfolio of high quality ingredients that find application in a wide range of industries. The Company has over 2,100 employees and serves more than 1,500 customers in more than 50 countries across the world. The Company's portfolio also extends to custom research and manufacturing for pharmaceutical and agrochemical customers on an exclusive basis.

Jubilant Ingrevia is a Responsible Care certified Company, driven by the motive to add value to millions of lives through innovations and cutting-edge technology. As a leader in key products that the Company manufactures, it takes pride in being a partner of choice for its valued customers..

## RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

### FINANCIAL RESULTS

The financial performance of the Company for FY 2022 is summarised below:

Particulars	(₹/million)			
	Standalone		Consolidated	
	Year ended March 31, 2022	Year ended March 31, 2021*	Year ended March 31, 2022	Year ended March 31, 2021*
Revenue from operations	48,604	6,689	49,494	6,841
Total operating expenditure	40,474	5,721	41,176	5,670
<b>Earnings before Interest, Taxes, Depreciation and Amortisation expense (EBITDA) (before other income)</b>	<b>8,130</b>	<b>968</b>	<b>8,318</b>	<b>1,171</b>
Other income	288	25	315	26
<b>EBITDA</b>	<b>8,418</b>	<b>993</b>	<b>8,633</b>	<b>1,197</b>
Depreciation and amortisation expense	1,201	214	1,234	221
Finance costs	462	95	309	73

(₹/million)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2022	Year ended March 31, 2021*	Year ended March 31, 2022	Year ended March 31, 2021*
Exceptional items	-	129	-	129
Share of loss of an associate	-	-	(1)	-
<b>Profit before tax</b>	<b>6,755</b>	<b>555</b>	<b>7,089</b>	<b>774</b>
Total tax expense	2,232	169	2,322	230
<b>Profit for the year (PAT)</b>	<b>4,523</b>	<b>386</b>	<b>4,767</b>	<b>544</b>
Attributable to:				
- Owners of the Company	4,523	386	4,767	544
- Non-controlling interests	-	-	-	-
Other comprehensive income	(12)	(2)	956	50
<b>Total comprehensive income for the period</b>	<b>4,511</b>	<b>384</b>	<b>5,723</b>	<b>594</b>
<b>Balance in Retained earnings at the beginning of the year</b>	<b>2,504</b>	<b>(2)</b>	<b>4,165</b>	<b>(2)</b>
Profit for the year (attributable to owners of the Company)	4,523	386	4,767	544
Re-measurement of defined benefit obligations	(12)	(2)	(11)	(2)
Adjustment on account of demerger pursuant to the Composite scheme	-	2,122	-	3,625
Dividend	(454)	-	(454)	-
Transfer to retained earnings on sale of investment	-	-	842	-
Others	-	-	1	-
<b>Balance in Retained earnings at the end of the year</b>	<b>6,561</b>	<b>2,504</b>	<b>9,310</b>	<b>4,165</b>

\*The figures for FY 2022 are not comparable with previous year ended March 31, 2021, since the figures for the previous year ended March 31, 2021 are financial results for only two months of the demerged Life Science Ingredients (LSI) business from Jubilant Pharmova Limited from the effective date of demerger i.e. February 1, 2021 till March 31, 2021.

Further, pursuant to the Composite Scheme of Arrangement, five subsidiaries of Jubilant Pharmova Limited namely Jubilant Infrastructure Limited, Jubilant Life Sciences (USA) Inc., Jubilant Life Sciences International Pte. Limited, Jubilant Life Sciences (Shanghai) Limited and Jubilant Life Sciences NV became subsidiaries of the Company effective from February 1, 2021. Accordingly, the Company had prepared consolidated Financial Statements for FY 2021 by incorporating financials of these subsidiaries for two months' period from February 1, 2021 to March 31, 2021.

#### (i) Standalone Financials

##### Revenue from Operations

In FY 2022, on a standalone basis, your Company recorded total revenue from operations of ₹48,604 million.

##### EBITDA

For FY 2022, EBITDA stood at ₹8,418 million with EBITDA margins at 17%.

##### Reported Net Profit after Tax

Reported PAT was ₹4,523 million in FY 2022.

#### (ii) Consolidated Financials

The consolidated financial statements, prepared in accordance with the provisions of the Companies Act, 2013

(the 'Act'), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') and Indian Accounting Standards (Ind-AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Act, form part of the Annual Report.

Your Company has prepared consolidated financial statements for FY 2021 by incorporating financials of the subsidiaries for two months starting from February 1, 2021, being the date when the subsidiaries of Jubilant Pharmova Limited became subsidiaries of the Company pursuant to the demerger.

## Performance Review

Your Company reported revenue from operations ₹49,494 million, EBITDA was ₹8,633 million and PAT was 4,767 million, on a consolidated basis, in FY 2022.

During FY 2022, the segment revenue from the Speciality Chemicals was ₹13,926 million, Nutrition and Health Solutions was ₹7,673 million and Chemicals Intermediates revenue was ₹27,895 million. The overall EBITDA in FY 2022 was ₹8,633 million translating to EBITDA margin of 17%.

Further, in FY 2022, the net profit attributable to the owners of the Company was ₹4,767 million and the basic EPS stood at ₹29.98 (Diluted ₹29.97).

Your Company continues to do the capacity optimisation and expansion of existing products based on the global demand situation and in addition has envisaged opportunity based growth plans through investments on new product platforms and new business areas for future growth.

Your Company's ongoing capital investment projects are moving as per the plan and it has already committed capex worth ₹800 crore so far. All plants with this committed investment are expected to be commissioned by FY 2024.

Your Company has also firmed up additional growth capital investments during FY 2023 & FY 2024, it plans to commit additional capex worth ₹1,250 crore to expand its footprints in all business segments including its newly added product platforms like Diketene and new business areas like Agro Actives and further strengthen the Company's leadership in chosen areas of product portfolios including in CDMO projects. Your Company has plans to complete and commission all these new plants by FY 2025.

Under its three business segments, your Company is working towards the following expansions in addition to capacity optimisation and expansion of existing products:

### Speciality Chemicals

Under its Speciality Chemicals business segment, your Company will undertake capital expenditure towards the following:

- **CDMO (GMP) Multipurpose plant** - For Pharma intermediates
- **CDMO (Non-GMP)** - Multipurpose plants for Pharma & Agro intermediates.
- **MPP Agro Active plant** - Moving up the value chain to final Agro actives.
- **Diketene Plant** - Moving up the value chain of Ketene, growing demand & exit of the old leading producer.

In addition to above committed capital expenditure, your Company will also undertake projects for further product expansions in Diketene derivatives, Agrochemical Intermediates and Agro Actives (Fluorination based Fungicide).

## Nutrition and Health Solutions

Under the Nutrition and Health Solutions business segment, your Company will undertake capital expenditure towards the following:

- **Vitamin B3 expansion** - For niche end uses in Food, Cosmetics & Pharma
- **Animal & Human Nutrition Premix plant** - Moving up the value chain from ingredients to Premixes to improve the portfolio of products.

## Chemical Intermediates

In its Life Science Chemicals business segment, your Company will undertake capital expenditure towards the following:

- **Acetic Anhydride capacity expansion** - Growing demand & geographic expansion
- **Grain based Specialty Ethanol Plant at Gajraula** - Shift from molasses based to grain based alcohol

Overall, three business segments hold an optimistic outlook for the coming years as it continues to stay invested in the long-term projects to drive growth.

A detailed note on Performance Review is given under 'Management Discussion and Analysis Report'.

## TRANSFER TO RESERVES

During the year under review, no amount was transferred to general reserves by the Company.

## DIVIDEND

During the year, the Board of Directors of the Company declared an interim dividend of ₹2.50 (250%) per equity share at its Board Meeting held on February 01, 2022 on 15,92,81,139 equity shares of ₹1 each. The Directors are pleased to recommend a final dividend of ₹2.50 (250%) per equity share of ₹1 each, which if approved at the forthcoming Annual General Meeting, will be paid to all those Equity Shareholders of the Company whose names appear in the Register of Members and whose names appear as beneficial owners as per the beneficiary list furnished for the purpose by National Securities Depository Limited and Central Depository Services (India) Limited as on record date fixed for this purpose. The total dividend for the year would be ₹5 (500%) per equity share of face value of ₹1 each aggregating to ₹796 million (Rupees seven hundred ninety-six million only).

Your Company believes in maintaining a fair balance between cash retention and dividend distribution. Cash retention is required to finance acquisitions and future growth and also as a mean to meet any unforeseen contingencies. Pursuant to Regulation 43A of the Listing Regulations, the Company has formulated its Dividend Distribution Policy which specifies the financial parameters, internal and external factors that are to be considered by Board while declaring a dividend. Dividend Distribution Policy is uploaded on the website of the Company

which can be accessed at <https://www.jubilantingrevia.com/investors/corporate-governance/policies-and-codes/dividend-distribution-policy>

## CAPITAL STRUCTURE

### (a) Share Capital

During the year, there has been no change in the authorised share capital of the Company. As on March 31, 2022, the subscribed, issued and paid-up share capital of the Company stood at ₹15,92,81,139 comprising 15,92,81,139 equity shares of ₹1 each.

### (b) Employees Stock Option Plan and General Employee Benefits Scheme

The shareholders of the Company, at the Extra-Ordinary General Meeting held on January 18, 2021, approved a General Employee Benefits Scheme namely Jubilant Ingrevia General Employee Benefits Scheme-2021 ('JIGEBS-2021') for the employees of the Company and its subsidiary companies.

On May 24, 2021, the shareholders, through Postal Ballot, have approved an Employee Stock Option Plan namely 'Jubilant Ingrevia Employees Stock Option Plan 2021' ('ESOP-2021') for the employees of the Company and its subsidiary companies.

The ESOP-2021 and JIGEBS-2021 are in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the 'SEBI ESOP Regulations'). During the year, there was no material change in JIGEBS-2021.

The details of JIGEBS-2021 and ESOP-2021 pursuant to the SEBI ESOP Regulations have been placed on the website of the Company and web-link of the same is <https://www.jubilantingrevia.com/pdf/esop-disclosure-fy2021-22.pdf>.

### (c) Debentures

Pursuant to the Composite Scheme of Arrangement, 1,000, 7.90% Secured, Rated, Listed, Redeemable Non-Convertible Debentures ('NCDs') of ₹10,00,000 (Rupees Ten Lac) each amounting to ₹1000 million were transferred to the Company. The same are listed on the Whole-sale Debt Market Segment of National Stock Exchange of India Limited.

## SUBSIDIARIES

The highlights of performance of subsidiaries and associates companies and their contribution to the overall performance of the Company during the period under report is provided in note no. 48 to the consolidated financial statements. The Company does not have any joint venture. A separate statement containing the salient features of financial statements of subsidiaries and associates of the Company in the prescribed form AOC-1 forms part of consolidated financial statements, in compliance with Section 129(3) and other applicable provisions, if any, of the Act read with the rules issued thereunder

As on March 31, 2022, the Company does not have any material subsidiary.

Brief particulars of the subsidiaries of the Company on a stand-alone basis are given below:

### 1. Jubilant Infrastructure Limited ('JIL')

JIL, the wholly-owned subsidiary of the Company has developed a sector specific Special Economic Zone ('SEZ') for chemicals in Gujarat with the best in class infrastructure facilities and utility plants like boiler, effluent treatment, incinerator, roads and DM water.

The Company has three units in the SEZ. The finished products of Unit-1 and Unit-2 are fully backward integrated and are using innovative technologies developed in-house. Unit-4 has become operational in August, 2019 with the world class manufacturing facilities.

The global scale plants of Vitamin B3 and 3-Cyanopyridine at the SEZ make your Company the largest producer of Vitamin B3 in India and the second largest globally. Unit-4 deals in Acetyl and manufacturing of Acetic Anhydride products. The Company is a market leader in India and enjoying a substantial share in global markets in this product.

During the year, Jubilant Agro Sciences Limited, a wholly owned subsidiary of the Company, entered into a lease agreement with JIL for 23-acre land to set up its crop protection chemicals and Agro active manufacturing facilities.

Total income of JIL during FY 2022 was ₹1435 million as against for FY 2021, total income for 2 month's period from February 1, 2021 to March 31, 2021 was ₹196 million.

### 2. Jubilant Life Sciences (USA) Inc. ('JLS-USA')

JLS-USA, incorporated in Delaware-USA, is a wholly-owned subsidiary of the Company. It undertakes sales, distribution and business transactions of the Company's products in Americas. Total income of JLS-USA during FY 2022 was ₹2,412 million as against for FY 2021, total income for 2 month's period from February 1, 2021 to March 31, 2021 was ₹353 million.

### 3. Jubilant Life Sciences NV ('JLS NV')

JLS NV is a wholly-owned subsidiary of the Company. It undertakes sales, distribution and business transactions of the Company's products in the European markets. Total income of JLS NV during FY 2022 was ₹6,504 million as against for FY 2021, total income for 2 month's period from February 1, 2021 to March 31, 2021 was ₹652 million.

### 4. Jubilant Life Sciences International Pte. Limited ('JLSIL')

JLSIL, incorporated in Singapore, is a wholly-owned subsidiary of the Company. Total income of JLSIL during FY 2022 was ₹25 million as against for FY 2021, total income for 2 month's period from February 1, 2021 to March 31, 2021 was ₹1 million. During the Year ended March 31, 2022, the Company has sold its investment in Safe Food Corporation for ₹1,355 million consequent upon the merger of Safe Food Corporation with Packers Sanitation Services Inc. Limited. The resulting gain amounting to ₹896 million on sale of



investment was recognised in 'Other comprehensive income' of the Company.

#### 5. Jubilant Life Sciences (Shanghai) Limited ('JLS-Shanghai')

JLS-Shanghai is wholly-owned subsidiary of the Company. It undertakes sales, distribution and business transactions of the Company's products in China. Total income of JLS-Shanghai during FY 2022 was ₹1,467 million as against for FY 2021, total income for 2 month's period from February 1, 2021 to March 31, 2021 was ₹279 million.

#### 6. Jubilant Agro Sciences Limited (formerly Jubilant Crop Protection Limited) ('JASL')

JASL, was incorporated to manufacture, sales, distribution and business transactions Crop Protection Chemicals, Agro actives and grain based Specialty and Bio Ethnols etc.

The name of the company was changed from Jubilant Crop Protection Limited to Jubilant Agro Sciences Limited effective from April 22, 2022 after approval of Registrar of the Companies, Kanpur.

JASL has not yet started the revenue generation as it is still in the project stage.

### ASSOCIATES

#### 1. Mister Veg Foods Private Limited ('MVFPL')

On February 18, 2021, your Company acquired 0.01% Convertible Preference Shares ('CPS') of MVFPL, representing potential 20.99% shareholding in MVFPL, once converted. CPS are convertible into equity shares of MVFPL at a defined conversion ratio as per the terms of the underlying contract.

MVFPL is engaged in the manufacture of Meat Analogues from plant based proteins and mainly catering its products in north India. This is a new trend that is catching up in Human Nutrition segment and the Company is looking into this for scale up.

#### 2. AMP Energy Green Fifteen Private Limited ('AMP Energy')

For the purpose of sourcing group captive solar power, during the year, your Company invested ₹58.28 million and acquired 26% stake in AMP Energy by way of acquisition of 5,82,800 equity shares of ₹10 each and 52,452, 0.01% Compulsorily Convertible Debenture of ₹1,000 each.

Your Company has also entered into a Power Purchase Agreement ('PPA') with AMP Energy to procure 100% of the output of solar energy produced for next 20 years as per the rates negotiated in the agreement. As per the Share Purchase, Subscription and Shareholder's Agreement, in the event of termination of the contracts or completion of the PPA term, your Company shall receive nominal value of its investment without any share of profit/ loss in the associate.

### STATUTORY AUDITORS

In terms of provisions of Section 139 of the Act and the Rules made thereunder, the Shareholders of the Company have at the first Annual General Meeting held on December 1, 2020, approved the appointment of M/s. Walker Chandiook & Co. LLP, Chartered

Accountants (FRN 001076N/N500013) as Statutory Auditors of the Company for a term of 5 years. Accordingly, they hold the office till the conclusion of the 6th AGM of the Company to be held in the year 2025.

The Auditors' Report for FY 2022 do not contain any qualification, reservation, adverse remark or disclaimer.

### REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Act.

### COST AUDIT

In terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, the cost accounts and records are prepared and maintained by the Company pursuant to the provisions of Section 148(1) of the Act.

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Central Government has prescribed audit of cost records for certain products. Accordingly, the Company carries out cost audit of its products. Based on the recommendations of the Audit Committee, the Board of Directors have re-appointed M/s J. K. Kabra & Co., Cost Accountants as Cost Auditors of the Company to conduct cost audit for FY 2023.

The Board of Directors on the recommendation of the Audit Committee have approved the remuneration payable to Cost Auditors. In terms of Section 148 of the Act and rules made thereunder, members are requested to consider the ratification of remuneration payable to M/s J.K. Kabra & Co., Cost Accountants for FY 2023.

### SECRETARIAL AUDIT

The Board has appointed M/s Sanjay Grover & Associates, Company Secretaries to conduct Secretarial Audit in accordance with the provisions of Section 204 of the Act. and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for FY 2022. The Secretarial Audit Report for FY 2022 has been obtained and does not contain any qualification, which requires any comments from the Board. The Secretarial Audit Report for FY 2022 is annexed to this report as **Annexure -1**.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

In order to strengthen the Board, Ms. Ameeta Chatterjee (DIN 03010772) was appointed as an Additional Director in the category of Independent Director for a period of 5 years and Mr. Arjun Shanker Bhartia (DIN 03019690) was appointed as an Additional Director in the category of Non-Executive Director, effective from April 17, 2021. The said appointments were duly approved by the shareholders at the 2nd Annual General Meeting ('AGM') of the Company.

Further, effective from May 17, 2022, Mr. Anant Pande (DIN 08186854) ceased to be the Whole-Time Director on the Board of the Company and Mr. Anil Khubchandani (DIN 09209485) has been appointed as Co-CEO and Whole-Time Director on the Board of the Company.

Mr. Shyam S. Bhartia (DIN 00010484) and Mr. Priyavrat Bhartia (DIN 00020603) retire by rotation at the ensuing AGM and being eligible, offer themselves for re-appointment.

In the opinion of the Board, the Independent Directors possess the requisite expertise, integrity, experience and proficiency for appointment as Independent Directors of the Company.

Further, there has been no change in Key Managerial Personnel of the Company during the year.

## MEETINGS OF THE BOARD

Four meetings of the Board of Directors of the Company were held during FY 2022. During the financial year, Company's Board met four times i.e. on June 7, 2021, July 20, 2021, October 19, 2021 and February 1, 2022. The details on meetings of the Board of Directors are given under 'Corporate Governance Report'.

## DECLARATION OF INDEPENDENT DIRECTORS

All Independent Directors have given declaration that they meet the criteria of independence as provided under Section 149 of the Act and Regulation 16 of the Listing Regulations.

The Independent Directors have also complied with the Code for Independent Directors as per Schedule IV of the Act. All our Independent Directors are registered on the Independent Directors Databank. None of the Directors of the Company are disqualified for being appointed as Directors as specified under Section 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

## APPOINTMENT AND REMUNERATION POLICY

The Company has implemented Appointment and Remuneration Policy pursuant to the provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations. Salient features of the Policy and other details have been disclosed in the Corporate Governance Report attached to this Report. The Policy is available at the weblink <https://jubilantingrevia.com/investors/corporate-governance/policies-and-codes/appointment-and-remuneration-policy>.

## ANNUAL PERFORMANCE EVALUATION OF THE BOARD

A statement on annual evaluation of the performance of the Board, its Committees and of individual Directors forms part of the Corporate Governance Report attached to this Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors, based on the representation received from the management, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2022 and of the profits of the Company for the year ended March 31, 2022;

(iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the Directors have prepared the annual accounts on a going concern basis;

(v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.

Based on the framework of internal financial controls including the Controls Manager for financial reporting and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and the reviews performed by the management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2022; and

(vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## COMPOSITION OF AUDIT COMMITTEE

As on date, the Audit Committee comprises Mr. Sushil kumar Roongta, Chairman, Mr. Arun Seth, Mr. Pradeep Banerjee, Mr. Siraj Azmat Chaudhry, Ms. Ameeta Chatterjee and Mr. Arjun Shanker Bhartia. The Board has accepted all the recommendations made by the Audit Committee.

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

Information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required to be disclosed pursuant to Section 134 of the Act read with the Companies (Accounts) Rules, 2014 is given as **Annexure-2** and forms part of this Report.

## EMPLOYEES

Particulars of Directors and Employees as required under Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as **Annexure-3** and form part of this Report.

## RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

Risk-taking is an inherent trait of any enterprise. However, if risks are not properly managed and controlled, they can affect the Company's ability to attain its objectives. Risk management and Internal Financial Control systems play a key role in directing and guiding the Company's activities by continually preventing and managing risks. The Board, Audit Committee and Senior Management team collectively set the overall tone and risk culture of the Company by identifying the risks impacting the Company's business and documenting the process of



identification, evaluation, prioritisation, mitigation, monitoring and communication of risk as a part of the risk management policy. The Company has well defined and communicated corporate values, clearly assigned risk responsibilities, appropriately delegated authority and a set of processes and guidelines.

There exists a well-designed risk management framework and the same is reviewed by the Board on a periodic basis. Some of the key risks identified in various businesses of the Company are specified below:

- i. Environment, Health and Safety (EHS)
- ii. Compliance and Regulatory
- iii. Delay in implementation and Effectiveness of New Technology in Growth Project/ Capex
- iv. Climate change
- v. ESG Performance
- vi. Disruption in availability of Energy resources & disruption in Supply Chain
- vii. Human Resource - Acquiring and Retaining Skilled Talent
- viii. Individual & Group Activism
- ix. Information Technology
- x. Competition, Cost Competitiveness and Pricing
- xi. Research Development & Technology / New Product Development

The Company promotes strong ethical values and high levels of integrity in all its activities, which in itself is a significant risk mitigator. With the growth strategy in place, risk management holds the key to the success of the Company's journey of continued competitive sustainability in attaining the desired business objectives.

#### Implementation of Internal Financial Controls

The Company's internal control systems are effective and robust, ensuring that there is efficient use and protection of resources and compliance with policies, procedures, financial reporting and statutory requirements. There are well-documented guidelines, procedures and processes, integral to the overall governance, laws and regulations.

To compete globally, stringent Corporate Governance and financial control over operations is essential for the Company. To ensure a robust Internal Financial Controls framework, your Company has worked on three lines of defence strategy which is as under:

- i. **Build internal controls into operating processes** - To this end, your Company has ensured that detailed Delegation of Authority and Standard Operating Procedures (SOPs) for the processes are followed, financial decision making is done through Committees, IT controls are built into the processes, segregation of duties is done, strong budgetary control framework exists, the entity level controls including Code of Conduct, Ombudsperson Office, etc. are established. For better governance, these operational controls have been implemented through Enterprise Resource Planning (ERP) and other IT applications.

- ii. **Create an efficient review mechanism** - Your Company has created a review mechanism under which all the businesses are reviewed for performance once in a month and functions are reviewed on a monthly/quarterly basis by the CEO and Managing Director. Additionally, a robust control self-assessment (CSA) process is implemented through deployment of 'Controls Manager software'. Quarterly online controls self-assessment is initiated which enables process owners to perform self-assessment against the Risk and Control Matrices (RCMs). The CSA process enables the Company to monitor the adequacy and effectiveness of the internal control environment.

Further, statutory compliances are monitored through online tool 'Conformity'. Amendments or new statutory requirements are also updated on a regular basis in the tool for effective tracking and adherence. This reinforces the Company's commitment to adopt best corporate governance practices.

- iii. **Independent assurance** - Your Company has appointed a Big Four firm as internal auditors to perform systematic independent audit of every aspect of the business to provide independent assurance on the effectiveness of the internal controls and highlight the gaps for continuous improvement. The Audit Committee reviews observations reported by Internal Auditors and implementation status of audit recommendations & improvements.

Additionally, the Statutory Auditors audited financial statements of the Company included in this Annual Report and have issued an Independent report on the Company's internal control over financial reporting (as defined in Section 143 of the Act). The Audit Committee acts as a governing body to monitor the effectiveness of the Internal Financial Controls framework.

To improve the controls in operations, your Company has established, for each line of business, the concept of financial decision making through operational committees. The entire purchase, credit control and capital expenditure decisions are taken jointly in committees.

A detailed note on Internal Control Systems and Risk Management is given under '**Management Discussion and Analysis Report**'.

#### CERTIFICATIONS

##### Responsible Care Management System (RCMS) & Integrated Management System (IMS)

1. Jubilant Ingrevia demonstrates its commitment towards environment, health, safety and security of its employees, work places, surroundings including communities by implementing Responsible Care Management System (RCMS) under American Chemistry Council's (ACC) Responsible Care® program. Jubilant Ingrevia is certified by DNV-GL for RC 14001:2015 (Responsible Care®14001:2015) system at its corporate office in Noida and manufacturing sites in Gajraula, Uttar Pradesh, Bharuch in Gujarat and Nira in Maharashtra.

The Company's corporate office in Noida and manufacturing facilities at Gajraula, Bharuch, Nira, Savli & Ambernath have been awarded Responsible Care Logo (RC Logo) by Indian Chemistry Council (ICC).

Responsible Care initiative encompasses comprehensive environmental management system, occupational health and safety, product stewardship, security, community outreach and transportation safety and aims at achieving and sustaining high standards of performance.

Gajraula, Nira, Bharuch and Savli Manufacturing facilities are certified under Integrated Management System program for ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System) and ISO 45001:2018 (Occupational Health and Safety Management system).

The corporate office in Noida and Branch offices Mumbai and Hyderabad are certified for Quality Management System ISO 9001:2015.

The corporate office in Noida is certified for Information Security Management System ISO/IEC 27001:2013.

2. **Gajraula** manufacturing facility has been certified for American Chemistry Council Technical Specification standard RC 14001:2015, Energy Management System (ISO 50001:2018), Food Safety System Certification Standard (FSSC 22000 Version 5) certification scheme for Food Safety Management System (ISO 22000:2018) for FSSAI products and Good Manufacturing Practice (GMP). Quality Control Laboratory has been accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL) for chemical testing in accordance with the ISO/IEC 17025:2017. This manufacturing facility has Kosher and Halal certification for several products
3. **Bharuch** manufacturing facility has been certified for American Chemistry Council Technical Specification standard RC 14001:2015 and Energy Management System (ISO 50001:2018). Niacinamide manufacturing facility has been certified for WHO GMP, Food Safety System Certification Standard (FSSC 22000 Version 5) certification scheme for Food Safety Management System (ISO 22000:2018) for manufacturing and sale of Niacinamide for food application. Your Company has also got GMP certification by SGS, GMP in compliance with FAMI-QS Code (version 6) for production of relevant food/feed ingredients and other ingredient. Quality control laboratory has been accredited by National Accreditation Board for testing and calibration laboratories (NABL) for chemical testing in accordance with the ISO/IEC 17025:2017. The facility is certified for Kosher, Halal-India, Halal Indonesia and FSSAI from Food Safety and Standards Authority of India.
4. **Nira** manufacturing facility has been certified for American Chemistry Council Technical Specification standard RC 14001:2015. This facility has been certified for Food Safety System Certification Standard (FSSC 22000 Version 5) Certification Scheme for Food Safety Management System (ISO 22000:2018) for relevant food application. This facility is certified to Kosher, Halal-India and FSSAI from Food Safety

and Standards Authority of India.

5. **Savli** manufacturing facility has been certified for Feed Safety Management System including GMP in compliance with FAMI-QS Code (version 6) for production of specialty feed ingredients.
6. **Ambernath** manufacturing facility is ISO 9001:2015 certified for Quality Management System.

## HUMAN RESOURCES

During FY 2022, the Company continued to deliver on its business goals, including growing its revenue and proving cost discipline year-on-year. This was possible because of the commitment, skills and capabilities showcased by its people. In FY 2021, the pandemic not only became a catalyst towards re-thinking where one works physically, but also prompted a change in how one works.

The Company has been committed to creating a positive and productive environment for its people enabling them to perform their best and at the same time remain healthy, happy and resilient. The Company's people and places strategy has been designed along four drivers that guide its work practices:

1. **Optimised workforce:** In the talent acquisition space, the Company has fully digitised its process right from sourcing to screening to evaluation to offer. A strong SLA based process has been adhered to ensure the right talent acquisition.

The Company has been focusing on attracting the best talent from India's leading campuses so as to have a steady flow of fresh talent, thereby creating a strong pool of future leaders. With this intent the year saw 58 campus hirings that included 37 graduate & management trainees and 21 summer interns.

Leveraging internal talent has been another area of focus with the objective of creating opportunity for multiskilling and to provide Jubilant Ingrevia's people with opportunities to not only sharpen existing skills but add new ones for their overall professional development. This has led to identification of talent movements that will materialise in future, over the next 24-36 months.

2. **Building people capabilities:** Focusing on learning through structured, blended interventions, the Company established targeted development programs to fuel the growth ambitions of its people by honing and nurturing their potential. Similar to last year this year too, the Company continued its journey towards building people and thereby organisation's capabilities. The year saw a focussed intervention to identify role specific development needs for a structured development approach based on 70:20:10 Model. Around 51 employees underwent leadership development journey that included programs like 'Finance for Non-Finance Development' Journey, 'Mentoring Program' for high potential employees and Development Centre to arrive at robust individual led development plans.
3. **Fostering an inclusive workplace:** To reinforce a culture of inclusion and openness to diverse opinions along with Sustainable growth, the Company introduced 'Responsible

& Inclusive Growth Strategy', based on three pillars i.e Sustainability, Multi Skilling and Diversity. This strategy has been inducted across the Company along with its business growth strategy.

**4. Enhanced employee experience:** Trust & transparency are one of the major building blocks for creating enhanced employee experience. Additionally, the culture of meritocracy as part of the performance management system, is seen as one of the critical elements for giving the employees a sense of confidence. The continued developmental feedback conversations enable a dialogue on strengths as well as focus areas to build careers based on aspirations and opportunities.

As part of enhanced experience, the year also saw reward & recognition transitioning to a digital platform with the intent of providing a richer experience of availing monetary benefits on digital marketplace along with options of non-monetary experiences like leader meet and greet over lunch, role shadowing and mentoring.

For better experience building, standardisation and harmonisation of the processes have also been the key interventions this year with an objective of bringing uniformity and simplification of the processes across businesses.

At sites, 100% operations were ensured by the dedicated team of people who worked round the clock following all safety precautions. During the year, the Company enjoyed cordial relations with its employees and there have been no instances of labour unrest or disputes at any of the manufacturing sites. 'Zero' production loss has been ensured by maintaining peaceful IR and plant eco- system.

## VIGIL MECHANISM

Your Company has an established vigil mechanism for Directors and employees to report their genuine concerns, as approved by the Board on the recommendation of the Audit Committee.

The Whistle Blower Policy of the Company is formulated and uploaded on the Company's website at the following <https://www.jubilantingrevia.com/investors/corporate-governance/policies-and-codes/whistle-blower-policy>

The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee

## CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is an integral part of the sustainability framework of Jubilant Ingrevia. During FY 2022, the Company, through Jubilant Bhartia Foundation ('JBF') undertook CSR initiatives under Health care, Education and Livelihood.

JBF, established in the year 2007, a not-for-profit arm of the Jubilant Bhartia Group is responsible for conceptualisation and implementation of the CSR activities of all Jubilant Bhartia Group companies.

The CSR programs of Jubilant Ingrevia are strategised in line with the United Nations Sustainable Development Goals (SDGs), also known as 'Global Goals'.

With a thrust on CSR, the Company is continuously working towards its Economic, Environmental and Social performance. The Company's CSR projects are designed in a way to empower the communities around the area of operations of the Company and add value in their lives. The interventions work on a 4P model (Public-Private-People-Partnership). JBF's detailed activities are available on its website [www.jubilantbhartiafoundation.com](http://www.jubilantbhartiafoundation.com).

The Company's CSR programs are weaved in with a vision to bring progressive social change through strategic multi-stakeholders' partnership and bring about a social change involving, knowledge generation & sharing, experiential learning and entrepreneurial ecosystem through JBF.

During FY 2022, the Company continued working in the arena of Health, Education & Livelihood to improve the quality of the life of the community around the manufacturing locations.

The brief details of its initiatives are stated below:

**Providing affordable basic & preventive health care:** The Company aims to reach an approximate population of 1.78 lacs in 243 villages through its various health based CSR initiatives like Jubilant *Aarogya* (extending affordable healthcare services through mobile, static clinic through JUBICARE- a tele-clinic platform and need based health awareness camps) and sending audio messages & counselling to expecting mothers (*Swasthya Prahari* project).

*Swasthya Prahari* - This project aims to combat malnutrition among children of age group of 0-5 years. This program covers 32 villages around the Company's manufacturing facility in Gajraula (Uttar Pradesh). These CSR initiatives contribute towards the fulfilment of SDG with respect to Zero Hunger.

The project aims at improving the nutrition status of children under the age of 5 years in target villages. The growth monitoring of target children is done through mobile based biometric enabled IT platform by the select women health guard (*Swasthya Prahari*). This is followed by grading of the target children as per their weight. The malnourished children are counselled on how to improve their diet and nutrition. The children in Severe Acute Malnutrition (SAM) category are recommended to Nutrition Rehabilitation Center (NRC), a Government health facility where SAM children are admitted and cured.

Another initiative under this program is sending the pre-recorded voice messages to the expecting/pregnant mothers, providing information on their well-being and nutritional requirements.

*Jubilant Aarogya* - The goal of this health program is to provide basic healthcare services to the community. It is operational around the manufacturing units of the Company at Gajraula (Uttar Pradesh), Nira (Maharashtra), Savli & Bharuch (Gujarat).

The key objective of this health program is to extend basic healthcare services and awareness to the vulnerable communities. The preventive and curative health services are provided through JBF Medical Centre and mobile dispensary, JubiCare- Tele clinic and *Swasthya Prahari* initiatives.

JubiCare and the telemedicine app help in extending immediate healthcare support and also delivery of healthcare services to the community in the aftermath of the situation emerged owing to the COVID-19 pandemic.

**Supporting rural government primary education:**

This educational initiative has catered over 24,000 beneficiaries (students & teachers), covering 180 villages through *e-Muskaan* (School Digitisation), *Khushiyon Ki Pathshala* (Value education) & *Muskaan Fellowship* (Youth Leadership program).

*e-Muskaan*- The e-muskaan project was launched to promote digital education amongst the children in the community. It facilitates cognitive growth of a child. The project creates a hybrid model of learning by installing smart TVs across all the target government schools. These TVs are equipped with i-dream syllabus content to facilitate the digi-learning through audio-visuals means. The TV cabinet also acts as a writing board for the staff.

*Khushiyon Ki Pathshala*: A child centric program with teachers acting as facilitators. The project entails training of teachers on making the school more inclusive and thereby, creating a child friendly society. At the same time, it also helps in moulding the teachers' personality.

*Muskaan Fellowship*: Jubilant Youth Development program is a unique youth leadership training program that focuses on sensitising and enhancing the capacity of youth on community issues and value-based decision making.

**Working towards providing sustainable livelihood to the community:**

Sustainable livelihood opportunities are provided to the community through various initiatives like *Nayee Disha* (Skill Development), *Samridhhi* (Self Help Group & micro enterprise promotion), JUBI-farm (sustainable agriculture program having sub programs like *Pashu Sakhi* & *Paryavaran Sakhi*) initiatives, reaching out to a population of more than 21,000.

*Nayee Disha – Nayee Disha* is a skill development program, carried out in the vocational training centre based at Gajraula, Bharuch & Nira.

*Samridhhi* – The project aims to empower women by promoting entrepreneurial ventures. It thereby, promotes a sustainable income generation source by promoting a locally nurtured business. The project 'Neem Pulverisation', under Samridhhi, is operational in Gujarat.

**JubiFarm:** The aim of this initiative is to provide a source of livelihood by promoting agri-business in the remote areas. Under this umbrella, the project *Pashu Sakhi* was launched to increase income by promoting livestock farming among poor & marginal livestock farmers and also by providing a proper market linkage to the poultry farmers. *Prayavaran Sakhi* initiative under JubiFarm promotes rural women entrepreneurship through formation of Self Help Group on self - sustainable model. The project entails plantation of neem saplings on a waste land, by Self Help Group women.

The Company has constituted the Sustainability & CSR Committee to review and oversee the Sustainability and CSR initiatives of the Company.

As on date, the Committee comprises Ms. Sudha Pillai, Chairperson, Mr. Hari S Bhartia, Mr. Arun Seth, Mr. Sushil Kumar Roongta, Mr. Pradeep Banerjee, Ms. Ameeta Chatterjee, Mr. Priyavrat Bhartia, Mr. Arjun Shanker Bhartia and Mr. Rajesh Kumar Srivastava.

A detailed note on Sustainability & CSR Committee is given under '**Corporate Governance Report**'.

Annual Report on CSR for FY 2022 including contents of the CSR Policy is attached as **Annexure-4**.

**POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a Policy on Prevention of Sexual Harassment at Workplace for prevention, prohibition and redressal of sexual harassment at workplace and an Internal Complaints Committee has also been set up to redress any such complaints received.

The disclosure of complaints in relation to the Sexual Harassment of Women at Workplace is given under '**Corporate Governance Report**'.

**OTHER DISCLOSURES**

- Annual Return:** Pursuant to the provisions of Section 134(3)(a) of the Act, the annual return for FY 2022 has been uploaded on the Company's website and can be accessed at <https://www.jubilantingrevia.com/pdf/jubilantingrevia-annual-return%E2%80%93fy2021-22.pdf>.
- Public Deposits:** The Company has not accepted any deposits from the public during the year. The Company has no outstanding, overdue, unpaid or unclaimed deposits at the beginning and end of FY 2022.
- Loans, Guarantees and Investments:** Details of loans, guarantees/ securities and investments along with the purpose for which the loans, guarantees or securities are proposed to be utilised by the recipient have been disclosed in note no. 5 and 6 to the standalone financial statements.
- Particulars of contracts or arrangements with the Related Parties:** The Company has formulated a policy on Related Party Transactions ('RPTs'), which was amended on February 1, 2022, for dealing with the review and approval of RPTs. Prior omnibus approval is obtained for RPTs which are of repetitive nature. All RPTs are placed before the Audit Committee for review and approval in terms of the Act and Listing Regulations, as amended.

All RPTs entered into during FY 2022 were in the ordinary course of business and on arm's length basis. No material RPTs were entered into during FY 2022 by the Company as defined in the Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions. Accordingly, the disclosure of RPTs as required under Section 134(3)(h) of the Act in form AOC-2 is not applicable. Your Directors draw attention of the members to note no. 38 to the standalone financial statements which sets out the Related Party disclosures.

5. **Material Changes in Financial Position:** No material change or commitment has occurred after the close of the FY 2022 till the date of this Report, which affects the financial position of the Company.
6. **Orders passed by Courts/ Regulators:** No significant or material order has been passed by the regulators or courts or tribunals impacting the going concern status of the Company or its future operations.
7. **Secretarial Standards:** The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

## CORPORATE GOVERNANCE

As a responsible corporate citizen, the Company is committed to maintain the highest standards of Corporate Governance and believes in adhering the best corporate practices prevalent globally.

A detailed Report on Corporate Governance is attached as **Annexure-5** and forms part of this Report. A certificate from a Practising Company Secretary confirming compliance with the conditions of Corporate Governance, as stipulated in Clause E of Schedule V to the Listing Regulations is attached to the Corporate Governance Report.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report on the operations of the Company as provided under the Listing Regulations has been given separately and forms part of this Report.

## ACKNOWLEDGEMENTS

Your Directors acknowledge their gratitude for the co-operation and assistance received from the Central and State Government authorities. Your Directors thank the shareholders, debenture-holders, financial institutions, banks/ other lenders, debenture trustees, customers, vendors and other business associates for the confidence reposed by them in the Company and its management and look forward to their continued support. The Board also places on record its appreciation for the dedication and commitment of the Company's employees at all levels, which has continued to be our major strength and we look forward to their continued support in the future.

### For and on behalf of the Board

**Shyam S. Bhartia**

*Chairman*

(DIN: 00010484)

Place: Noida

Date: May 17, 2022

**Hari S. Bhartia**

*Co-Chairman*

(DIN: 00010499)

# SECRETARIAL AUDIT REPORT

## Annexure-1

For The Financial Year Ended March 31, 2022

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

To,  
The Members,  
**Jubilant Ingrevia Limited**  
CIN: L24299UP2019PLC122657  
Bhartiagram, Gajraula, District  
Amroha, Uttar Pradesh-244223

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Jubilant Ingrevia Limited** ("hereinafter called the Company"). 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.

### We report that-

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules, regulations and standards and happening of events etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) 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.

Based on our verification of the Company's books, papers, minutes 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 31<sup>st</sup> March, 2022 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:-

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



- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, where applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 {Not applicable during the audit period};
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 {Not applicable to the Company during the audit period};
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 {Not applicable to the Company during the audit period}; and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have also examined compliance with the applicable clauses of the Secretarial Standards on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India which has been generally complied with.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, to the extent applicable, as mentioned above.

- (vi) Jubilant Ingrevia, a global integrated Life Science products and Innovative Solutions provider and is engaged in the business of serving, Pharmaceutical, Nutrition, Agrochemical, Consumer and Industrial customers with customized products and solutions that are innovative, cost effective and conforming to premium quality standards. As informed by the management, following are some of the laws specifically applicable to the Company:

- Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989
- Hazardous Wastes (Management Handling and Transboundary Movement) Rules, 2008
- The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1966
- Special Economic Zone Act, 2005
- The Food Safety Standards Act, 2006
- Drugs and Cosmetics Act, 1940
- The Drugs Prices Control Order, 2013
- Narcotic Drugs and Psychotropic Substances Act, 1985
- Poisons Act, 1919
- The Explosives Act, 1884

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. On the basis of our test check, recording in the minutes of Board of Directors and management representation, we are of the view that the Company has ensured the compliance of laws specifically applicable on it.

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

Adequate notices were given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines.

**We further report that during the audit period** the Finance Committee of the Board of Directors held on December 2, 2021 approved the buy-back of 1,000 (7.90%) Secured, Rated, Listed, Redeemable Non-Convertible Debentures of ₹10,00,000 (Rupees Ten Lac) each aggregating to ₹100 Crore.

For **Sanjay Grover & Associates**

Company Secretaries

Firm Registration No.: P2001DE052900

**Devesh Kumar Vasisht**

Partner

Place: New Delhi

Date: May 17, 2022

CP No.: 13700 / Mem. No. F8488

UDIN: F008488D000333032



## Annexure-2

## Disclosures under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

**A. CONSERVATION OF ENERGY**

The Company is committed in conserving energy in its various operational activities. Energy efficiency improvement, Waste heat recovery, Process optimisation and alternate renewable energy sources are the major focus area identified for energy conservation. There is a dedicated energy conservation team consistently working with structured approach to reduce energy consumption across sites.

Gajraula & Bharuch Plants are having the upgraded Energy Management System of ISO: 50001:2018.

**(i) Steps taken or impact on conservation of energy**

- Successful operation of air preheater in acetic anhydride plant at Nira site.
- Energy reduction in acetyl plants through column reflux, efficient tray, auxiliary column optimisation and feed preheating at Nira Site
- Waste heat recovery system installation in incinerator at Bharuch Site
- Successfully completed second phase of energy efficient light replacement at Gajraula & Nira plant
- Installation of air preheater for recovery of waste heat from incinerator flue gas at Gajraula Site
- Fuel norms reduction in boiler at Savli Plant.
- Steam distribution losses minimisation at Gajraula through loss preventive measures, metering & effective digitalisation monitoring system
- Energy reduction in various products by Process re-engineering, waste heat recovery and heat integration projects across all sites.
- Steam norm reduction in processes by utilisation of flash steam at Nira Plant.
- Multi-pressure distillation operation in one of the Ethyl Plant reducing the steam consumption.
- Replacement of old motors with the efficient motors in Plants.
- Reducing the steam norms at Gajraula plant by installing dry vacuum pumps in the Speciality Chemical Plants.
- Generated wealth from waste by utilising residue in place of liquid fuels in Incinerators

The above steps have resulted in savings of ₹154.5 million during FY 2021-22.

**(ii) Steps taken by the Company for utilising alternate sources of energy**

The Company recognizes the reality of climate change and its impact. For bringing down the carbon foot print, the Company continuously strives to use following renewable energy resources:

- New Captive Solar Power Plant of 15.5 MWP has been setup for Nira location as a renewable energy source, reducing load on the grid electricity consumption.
- Biogas is the major renewable energy generation source that is consumed at the Company with consistent monitoring and various improvement projects to enhance production and effective utilization.
- Enhanced productivity of biogas as renewable source of energy at Nira and Gajraula locations to utilize in different furnaces & hot oil units in place of fossil fuels.
- 100% utilization of Agro waste to meet thermal energy requirement of Savli Site.
- Trials are going on for using the biomass in the boiler across the Company's sites for replacing coal and to achieve goal of reducing carbon footprints.

**(iii) Capital investment on energy conservation equipment**

Capital investment on energy conservation equipment during FY 2021-22 was ₹64.3 million.

**B. TECHNOLOGY ABSORPTION****(i) The efforts made towards technology absorption**

The key points on efforts with respect to individual research, development and technology ('RDT') arms can be summarised as below:

**Life Science Chemicals:** The Company developed and commercialised many acetyl-based products. Successfully developed process for various higher anhydrides. Further, the Company has successfully scaled-up & commercialised propionic anhydride process. In-house process development of food preservatives derived from in-house available raw material is also at advance stage. In Speciality ethanol business, the Company upgraded its in-house produced Rectified Spirit -- RS quality to cater its existing customers in agro, API & other chemical manufacturers.

**Speciality Ingredients:** The Company has Introduced flow chemistry process in development of new & existing products.

**Nutrition & HI business:** The Company is working to introduce derivatives of vitamin B3, Inositol Hexa nicotinate (flush free Niacin) in its Nutrition basket which is planned to be commercialized in FY 2023. The Company is continuously improving the efficacy of choline chloride commercial manufacturing process and its formulation making it lean and efficient. Choline salts for application in Human nutrition including Paediatric usage are also being developed. The Company is also working with in-house microencapsulated technology for developing target specific ingredients such as Leavening agents & preservatives for bakers & processed foods manufacturers. There is a continuous focus on "in-house technology development" of fortification premix with vitamins and minerals (eg. Vitamin AD2), Botanical/herbal extracts and compound ingredients to offer innovative solution to branded manufacturers in the Food, Feed & Nutraceutical field. The Company is also working on leveraging existing facility for development of amino acids which are major molecules in animal nutrition. It has also successfully developed product pipelines of few Herbal/phytosbased formulations which ensure safe bet for animal species replacing synthetic alternatives.

**Fine Chemicals:** The Company has successfully launched Diketene and two of its derivatives which are building blocks for molecules which find applications in Pharmaceuticals, Agrochemicals, Nutraceuticals, and Dyes. This launch also makes the Company one of the three companies in India with the Diketene technology platform and further the Company's plan to launch 15 more derivatives in the next 3 years. The Company has forward integrated Diketene building blocks to provide advanced intermediates for APIs such as Cefixime, Cefotaxime, Ceftriaxone, and Cefpodoxime. The Company is continuously working on cost improvement by yield improvement and process intensification initiatives for our top 5 products by revenue, and have been successful in making it more cost competitive in two such products. The Company has a clear strategy to develop 3 new products every year for the next 5 years and plan to launch a new vertical with High Performance Polymers (HPP) and Cosmetics this year.

**Crop Protection Chemicals:** The Company has successfully developed technical package for 3 insecticides and 1 herbicide and are planning for their commercial launch by the end of this year. Simultaneously, The Company is going strong on its mission of developing 3 new Agro actives every year and have chosen 3 new herbicides for this year. All the molecules align with its strength in Pyridine or Diketene chemistry and the Company's backward integrated to basic building blocks manufactured in its facility.

The Company has also started a new RDT set up at Bharuch site for development of five-six Agro actives and is coming up with two state of the art multipurpose facility at Bharuch for manufacturing of Agro actives. Additionally, to strengthen its Agro intermediates portfolio, which are also leveraged in the manufacturing of its planned Agro actives, the Company is working on capacity expansion of few of them and working on switching several of them from batch process to vapour phase using its unique strength in vapour phase chemistry thereby giving us a competitive edge. The Company has been also successfully collaborating with some multinational companies on FTE (full time equivalent) model for few of the Agro intermediates right from lab development to commercialisation.

**CDMO:** The Company's CDMO is technically and technologically equipped to deliver a wide range of chemistry expertise such as multi-step synthesis, chiral Chemistry, Pinner reaction, Sugar Chemistry, Lithiation, Cyanation, Methoxylation, Condensation and Cyclo-condensation, Diazotization, Hydrogenation, Halogenation, Alkylation, Grignard reaction, Reductive amination.

In FY 2022, the Company has launched Vonoprazan intermediate 5-(2-fluorophenyl)-1H-pyrrole-3-carbonitrile (FPN) at commercial scale. The Company has also developed fatty acid ester like Sucrose Monolaurate. The Company has developed molecules like 3-Methyl-N'-(1-(naphthalen-2-yl) ethylidene)benzohydrazide, 3,6-Dibromo pyridazine, Piroctone Olamine and its KSM, Methyl-3,3-dimethyl acrylate. In addition, the Company has increased the productivity of 2-Fluoro acetophenone, 5-Bromo-7-azaindole & Dihydrazone.

**Biocides:** For Biocide business growth related to Personal care and various Industrial applications, in particular to Paint & Coating Industry, following are the Company's capabilities:

- a. A Formulation/Application lab and skilled R&D team to identify and develop novel, non-infringing next generation biocidal combinations and their formulations at small scale to commercial scale.
- b. A fully equipped microbiology lab with its own microbial culture storage facility for performing all sorts of microbial analyses and evaluation studies related to biocides, preservatives and product prototypes as per AOAC, ASTM, EN and BIS standards.
- c. Knowledge on personal care and paints & coating antimicrobial systems, their advantages & disadvantages, what goes in and why? (skin & hair-care, in-can, interior & exterior dry film products), how to identify and develop antimicrobial combinations (synergy)?

- d. The Company can develop single or multi component (active) antimicrobial formulations and fine particle suspensions with varied particle size & viscosity.
- e. The Company's RDT is also equipped to develop, formulate and test prototypes like personal care [(Hair-shampoo, conditioner), (Skin-cream, lotion, shower gel, liquid hand- soap & sanitiser), (Home care-disinfectant & floor cleaner)] and paint & coating formulations to test compatibility and product efficacy.

In FY 2022, Amid Corona pandemic, the Company has created scope for antimicrobial business growth by shaping its recognition as responsible corporate group under CSR activity by distributing hand sanitizer free of cost and launching 1st direct to consumer product (D2C) at commercial scale. The Company has also developed and launched two new synergistic antimicrobial formulations, i.e., Jubithione ZPC+ and Jubithione DOZ for hygienic and/or anti-viral coatings and exterior dry-film preservation in decorative paint applications. These products are more safe, less hazardous than conventional biocides and hence more environment friendly, Non-VOC as well as show high efficacy at lower dosage levels. In addition to these new launches, following new antimicrobial products are being marketed:

- a. Jubithione ZPZ – Next Generation antimicrobial product for opaque anti-dandruff formulations (Patented)
- b. Jubiquat CLC – Transparent, synergistic anti-microbial product for clear anti-dandruff & OTC Pharma product's applications (Patent Pending)
- c. Jubithione NPB – Low cost multi-functional antimicrobial formulation for metal working fluids and In-can preservative for various industrial applications
- d. Jubithione ZPB – Next generation, eco-friendly antimicrobial product for hygienic coatings (Interior dry-film preservation) and in-can preservative for Pigment emulsions.
- e. Jubithione ZPT 40 FPS – Customised ZPTO based anti-dandruff (AD) composition with Platelet particle shape for more scalp coverage and better anti-dandruff efficacy.

The Company has developed Piroctone Olamine (also k/a Octopirox) for use in anti-dandruff applications. In addition, the Company has also created multiple anti-microbial efficacy data to promote various novel biocide products in many other new applications where so far conventional and hazardous biocides are being used and thus it has provided eco-friendly and cost effective solution to end users.

**Intellectual property:** To preserve the value of the Company's investment and its customer interest, the Company relies on the patent laws of the jurisdictions where it does business. In addition, The Company needs to continuously improve its production efficiencies. The Company's technologies incorporate specialised proprietary knowhow and developed intellectual property. The Company protects its technologies by filing domestic and foreign patent applications. They are pursued and maintained as per business interest. Till FY 2022, the Company has 29 patents. In addition, the Company has various trademarks in its name and in the names of its subsidiaries, in India and outside.

**(ii) Benefits derived like product improvement, cost reduction, product development or import substitution**

The Company's various processes ensure the quality and standards of its products. The Company has dedicated strategy to ensure the development of cost effective, new and improved environment friendly technologies, which in turn create value for its customers.

**(iii) Imported Technology:** Not Applicable.

**(iv) Expenditure incurred on Research and Development**

		(₹/ million)	
Sr. No.	Particulars	2021-22	2020-21
(a)	Capital	24	5
(b)	Recurring	208	32
<b>Total</b>		<b>232</b>	<b>37</b>

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

		(₹/ million)	
Particulars		2021-22	2020-21
Foreign exchange outgo in terms of actual out flows		19872	2,119
Foreign exchange earned in terms of actual inflows		17747	2,511

## Annexure-3

**Particulars prescribed under Section 197(12) of the Act read with the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**PART A:**

- (a) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for FY 2021-22 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary, in the FY 2021-22 are as under:

Sr. No.	Name and Designation of Director/ Key Managerial Personnel	Remuneration during FY 2022 (In ₹)	% increase in Remuneration	Ratio of Remuneration of each Director to Median Remuneration of Employees for FY 2022
1	Mr. Shyam S Bhartia Chairman	-		-
2	Mr. Hari S Bhartia Co- Chairman	-		-
3	Ms. Sudha Pillai Non-Executive Independent Director	16,85,000		2.26
4	Mr. Sushil Kumar Roongta Non-Executive Independent Director	18,15,000		2.43
5	Mr. Arun Seth Non-Executive Independent Director	16,90,000		2.26
6	Mr. Pradeep Banerjee Non-Executive Independent Director	19,35,000		2.59
7	Mr. Siraj Azmat Chaudhry Non-Executive Independent Director	19,05,000	Refer notes	2.55
8	Ms. Ameeta Chatterjee Non-Executive Independent Director	13,31,164		1.78
9	Mr. Priyavrat Bhartia Non-Executive Director	-		-
10	Mr. Arjun Shanker Bhartia Non-Executive Director	-		-
11	Mr. Rajesh Kumar Srivastava, CEO and Managing Director	6,24,97,792		83.78
12	Mr. Anant Pande, Whole-time Director	3,25,19,189		43.59
13	Mr. Prakash Chandra Bisht, President & Chief Financial Officer	2,11,67,078		N.A.
14	Ms. Deepanjali Gulati, Company Secretary	44,43,437		N.A.

**Notes:**

- Mr. Shyam S. Bhartia, Chairman, Mr. Hari S Bhartia, Co-Chairman, Mr. Priyavrat Bhartia and Mr. Arjun Shankar Bhartia, Non-Executive Directors have opted not to take commission and sitting fees for FY 2022.
  - Remuneration of Non-Executive Independent Directors consists of sitting fees and commission payable.
  - Ms. Ameeta Chatterjee was appointed as Non-Executive Independent Director effective from April 17, 2022. Therefore, the commission payable to her is payable on pro-rata basis.
  - The Board was reconstituted effective from February 6, 2021. Therefore, the percentage increase in remuneration is not applicable.
  - Pursuant to the Composite Scheme of Arrangement, the employees were transferred in the Company effective from February 1, 2021. Therefore, the percentage increase in their remuneration during FY 2022 cannot be determined.
- President & Chief Financial Officer was appointed effective from February 16, 2021. Therefore, the percentage increase in his remuneration during FY 2022 cannot be determined.

- (b) Median of Total Cost to Company (CTC) on payable basis has been taken for all on-roll employees as on March 31, 2022. Median salary of all on-roll employees is Rs. 7.46 lacs (estimated on per annum basis).
- (c) The percentage increase in the median remuneration of employees in the FY 2022: was 6.4%
- (d) 2,182 permanent employees were on the rolls of the Company as on March 31, 2022.
- (e) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average increase in the remuneration of employees other than managerial personnel was 10.2% in FY 2021-22.

Average increase in the remuneration of managerial personnel was 6% in FY 2021-22.

**(f) Affirmation that the remuneration is as per the remuneration policy of the Company:**

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

Sr. No.	Employee Name	Designation & Nature of Duties	Qualification	Total Work Experience (Years)	Date of Commencement of Employment	Age	Remuneration (₹)	Previous Employment held	
								Designation	Name of the Company
<b>A. Top Ten Employees in terms of remuneration drawn during the Financial Year 2021-22</b>									
1	Mr. Rajesh Kumar Srivastava	CEO and Managing Director	B. Tech (Chemical Engineering), Master's degree in Marketing Management	35	19-Aug-00	57	6,24,97,792	Marketing Manager	Ranbaxy Fine Chemicals Limited
2	Mr. Anant Pande	Whole-time Director	B.E, M.Sc.	37	25-Jul-18	59	3,25,19,189	President Tech & Manufacturing	Atul Limited
3	Mr. Chandan Singh Sengar	President- Life Science Chemicals	B.Sc., MBA	36	13-Jul-88	58	2,92,25,811	Assistant Officer	J.K. Synthetics Limited
4	Mr. Anil Khubchandani	President- Specialty Chemicals	B.Tech (Chemical Engineering), Leadership Certified qualification by Northwestern University - Kellogg School of Management, Chicago and Senior Business Management Program from the IIM, Calcutta	30	19-Jul-02	52	2,55,32,694	Plant Manager- Technical	Duncans Industries Limited
5	Mr. Prakash Chandra Bisht	President & Chief Financial Officer	CA, IFRS	33	16-Feb-21	58	2,11,67,078	EVP & CFO	Jubilant Foodworks Limited
6	Mr. Chandra Bose Bhardwaj	Chief of Manufacturing (Life Science Ingredients)	B.E, M.E	26	15-Oct-10	57	1,61,00,025	Vice President Operations	Bhansali Engineering Polymers Limited
7	Mr. Prasad Vasant Joglekar	Executive Vice President - Supply Chain	B.E, M.B.A	29	20-Aug-14	53	1,56,20,125	Senior GM- Procurement	Jindal Films Limited
8	Mr. Gopalakrishnan Kasiraman	Executive Vice President & Head - Corporate Affairs	BBA, Diploma in Patent	24	29-Jan-20	51	1,46,87,936	EVP- Corporate Affairs	Arvind Group Industries

Sr. No.	Employee Name	Designation & Nature of Duties	Qualification	Total Work Experience (Years)	Date of Commencement of Employment	Age	Remuneration (₹)	Previous Employment held	
								Designation	Name of the Company
9	Mr. Satish Bhat	Site Head- Nira	B.E, MBA	24	16-Jun-17	56	1,37,23,308	AVP	United Beveries Limited
10	Mr. Neeraj Tiwari	Senior Vice President- Design & Engineering	B.Tech.	34	7-Dec-89	57	1,35,12,537	Engineer	Hindustan Aluminium Corporation

**B. Employed for full year and in receipt of remuneration for the year which in aggregate was not less than ₹ 1,02,00,000 per annum (other than those mentioned in Para A above)**

1	Mr. Sumit Das	Vice President & SBU Head - Vitamins	B.Sc ( Hons.) Physics, MBA , Masters in International Business	30	5-Jun-12	55	1,33,28,530	GM-Intl Marketing - Business Head	Gujarat Fluorochem Ltd
2	Mr. M N Nataraj	Senior Vice President- Projects and Designs	BE (Chemical Engineering) degree, diploma in Environmental Protection	34	13-Feb-08	57	1,27,04,842	Head - Engineering & Projects	AstraZeneca (AZ) India
3	Mr. Suresh Kumar Sirohi	Senior Vice President- Commercial	MBA. Diploma in Material Management	37	2-Oct-98	59	1,20,24,524	Assistant Manager - Commercial	Bhor IND Limited
4	Mr. Narendra Kumar Shantilal Jain	Vice President - Environment	BE (Chemical Engineering)	19	2-Sep-13	49	1,18,19,597	GM-Head Environment	Hindustan Zinc Limited
5	Mr. Ashish Kumar Sinha	Vice President & SBU Head- ANU & HNU	MBA, ICWA (Inter)	24	10-Jun-19	48	1,26,75,677	Business Head- Child Nutrition	Reckitt Benkiser

**C. Employed for part of the year and in receipt of remuneration which in aggregate was not less than Rs. 8,50,000 per month (other than those mentioned in Para A above)**

1	Mr. Vimal Deep Kulshrestha	Senior Vice President & SBU Head – Speciality Ethanol	B.Tech (Chemical Engineering.)	35	28-Jun-95	57	1,52,69,457	Assistant. Manager - Poly	Modipon Fibers Company
2	Mr. Dhileep Krishnamurthy	Executive Vice President & CSO	PHD, MSC	24	4-Sep-20	56	1,25,70,579	CSO	NHU
3	Mr. Ashok Varma	Senior Vice President & Head HR - Life Science Ingredients	PGDM	30	1-Aug-14	55	1,11,43,203	Head - HR Operations	Heinz India
4	Mr. R. Kumar	President - Nutrition & Health Solutions	B.Com, M.B.A	36	3-Feb-14	58	85,88,345	Director	Management Consultant
5	Mr. Neeraj Katare	Executive Vice President & Head Nutritional Products Business	DIPL, BE	27	25-Nov-19	51	19,51,387	CEO	Drstore.in

**Notes:**

1. Employment of Mr. Rajesh Kumar Srivastava and Mr. Anant Pande is contractual. Employment of other officials is governed by the rules and regulations of the Company from time to time.
2. None of the employee mentioned above is related to any Director of the Company.
3. None of the above employees are covered under Rule 5(2)(iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
4. Remuneration comprises salary, allowances, perquisites/ taxable value of perquisites, etc.
5. Abbreviations: CEO - Chief Executive Officer; CSO – Chief Scientific Officer, EVP - Executive Vice President; AVP- Assistant Vice President and GM - General Manager.

## Annexure-4

## Annual Report on Corporate Social Responsibility Activities-FY 2021-22

1. **Brief outline on CSR policy of the Company:** Corporate Social Responsibility ('CSR') is an integral part of the sustainability framework of 'Jubilant Ingrevia'. CSR activities at 'Jubilant Ingrevia' are established in line with the provisions of Section 135 read with Schedule VII to the Act.

Jubilant Bhatia Foundation ('JBF'), established in the year 2007, a not-for-profit arm of the Jubilant Bhartia Group is responsible for conceptualisation and implementation of CSR activities of all Jubilant Bhartia Group companies.

The CSR programs of Jubilant Ingrevia are strategised in line with the United Nations Sustainable Development Goals (SDGs), also known as 'Global Goals'.

With a thrust on CSR, the Company is continuously working towards Economic, Environmental and Social performance. The CSR projects are designed in a way to empower the communities around the area of operations of the Company and add value in their life. The projects work on 4P model (Public-Private-People-Partnership). JBF's detailed activities are available on its website [www.jubilantbhartiafoundation.com](http://www.jubilantbhartiafoundation.com).

The Company's CSR programs are weaved-in with a vision to bring progressive social change through strategic multi-stakeholders' partnership and bring about a 'social change' involving knowledge generation & sharing, experiential learning and entrepreneurial ecosystem through JBF.

During FY 2022, the Company continued working in the areas of Health, Education & Livelihood to improve the quality of the life of the community around its manufacturing facilities.

The brief details of CSR initiatives taken by the Company are stated below:

**Providing affordable basic & preventive health care-** The Company aims to reach an approximate population of 1.78 lacs in 243 villages through various health based initiatives like Jubilant *Aarogya* (extending affordable healthcare services through mobile, static clinic through JUBICARE, a tele-clinic platform and need based health awareness camps) and sending audio messages & counselling to expecting mothers (*Swasthya Prahari* project).

**Supporting rural government primary education-** This educational initiative has catered over 24,000 beneficiaries (students & teachers), covering 180 villages through *e-Muskaan* (School Digitisation), *Khushiyon Ki Pathshala* (Value education) and *Muskaan Fellowship* (Youth Leadership) programs.

**Working towards providing sustainable livelihood to the community -** The Company through its livelihood initiatives aims to reach a population of more than 21,000 through initiatives like *Nayee Disha* (Skill Development), *Samridhi* (Self Help Group ('SHG') & micro enterprise promotion), *Jubifarm* (Sustainable Agricultural program having sub programs like Pashu Sakhi & Paryavaran Sakhi).

2. **Composition of Sustainability & CSR Committee:**

S.No.	Name of the Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Sudha Pillai	Chairperson	2	2
2	Mr. Shyam S Bhartia*	Member	2	2
3	Mr. Hari S Bhartia	Member	2	2
4	Mr. Arun Seth	Member	2	2
5	Mr. Sushil Kumar Roongta	Member	2	2
6	Mr. Pradeep Banerjee	Member	2	2
7	Ms. Ameeta Chatterjee**	Member	NA	NA
8	Mr. Priyavrat Bhartia	Member	2	2
9	Mr. Arjun Shanker Bhartia**	Member	NA	NA
10	Mr. Rajesh Kumar Srivastava	Member	2	2

\*Mr. Shyam S Bhartia has ceased to be the member of Sustainability and CSR Committee effective from February 1, 2022.

\*\* Ms. Ameeta Chatterjee and Mr. Arjun Shanker Bhartia have been appointed as the members of the Sustainability & CSR Committee effective from February 1, 2022.



3. Provide the web-link where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company <https://www.jubilantingreva.com/investors/corporate-governance/policies-and-codes/corporate-social-responsibility-policy>
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) NA
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
		NA	

6. Average net profit of the Company as per section 135(5) ₹276.87 million
7. (a) Two percent of average net profit of the Company as per section 135(5) ₹5.54 million
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil
- (c) Amount required to be set off for the financial year, if any Nil
- (d) Total CSR obligation for the financial year (7a+7b-7c) ₹5.54 million
8. (a) CSR amount spent or unspent for the financial year:

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

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project State District	Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency Name CSR Registration number
										NA

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project State District	Amount spent for the project (₹ in million)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency Name CSR Registration number
1	Health (Arogya, Swasthya Prahari)	Eradicating hunger, poverty and malnutrition; promoting health care and sanitation and making available safe drinking water	Yes	Uttar Pradesh, Maharashtra and Gujarat	Amroha, GB Nagar Pune, Vadodara, Bharuch	4.24	No Jubilant Bhartia Foundation CSR00001657
2	Education (Muskaan)	Promoting education including special education and employment enhancing vocational skills especially among children, women, elderly and the differently able persons and livelihood enhancement projects	Yes	-do-	-do-	1.00	No -do- CSR00001657
3	Livelihood (Nayee Disha)	-do-	Yes	-do-	-do-	0.36	No -do- CSR00001657
<b>Total</b>						<b>5.60</b>	

- (d) Amount spent in Administrative Overheads : NIL  
 (e) Amount spent on Impact Assessment, if applicable : NIL  
 (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : NIL  
 (g) Excess amount for set off, if any

Sr. No.	Particulars	Amounts (₹ in million)
(i)	Two percent of average net profit of the company as per section 135(5)	₹5.54 million
(ii)	Total amount spent for the Financial Year	₹5.60 million
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹0.06 million
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

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

Sr. No.	Preceding Financial Year (in ₹)	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
				NA			

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

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

- 10 In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

- (a) Date of creation or acquisition of the capital asset(s). : NA  
 (b) Amount of CSR spent for creation or acquisition of capital asset. : NIL  
 (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : NIL  
 (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). : NIL

- 11 Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5). : NA

For Jubilant Ingrevia Limited

**Rajesh Kumar Srivastava**  
 CEO and Managing Director  
 (DIN: 02215055)

**Sudha Pillai**  
 Chairperson - Sustainability & CSR Committee  
 (DIN: 02263950)

# REPORT ON CORPORATE GOVERNANCE

## Annexure-5

### A) COMPANY'S PHILOSOPHY

At Jubilant Ingrevia Limited, Corporate Governance is both, a tradition and a way of life. We believe in delivering on Our Promise of Caring, Sharing, Growing, which is elaborated as follows:

*"We will, with utmost care for the environment and society, continue to enhance value for our customers by providing innovative products and economically efficient solutions; and for our stakeholders through growth, cost effectiveness and wise investment of resources."*

The Company's Corporate Governance philosophy is led by the core principles of:

- Caring for the environment, which includes caring for the society around us;
- Enhancement of stakeholders' value through pursuit of excellence, efficiency of operations, quest for growth and continuous innovation;
- Transparency, promptness and fairness in its disclosures and communication with all stakeholders including shareholders, government authorities, customers, suppliers, lenders, employees and the community at large; and
- Complying with laws in letter as well as in spirit.

### Highlights of Company's Corporate Governance regime are:

- Appropriate mix of Executive and Non-Executive Directors on the Board;
- Constitution of several committees for focused attention and proactive flow of information;
- Emphasis on ethical business conduct by the Board, management and employees;
- Employees Stock Option Plans - to attract, reward and retain key senior executives;
- Active employee participation in place; two top executives on the Board of Directors;
- The Company is certified by DNV for RC 14001:2015 (Responsible Care®14001:2015) system at its Corporate Office in Noida and Manufacturing Sites at Gajraula, Uttar Pradesh, Bharuch, Gujarat and Nira, Maharashtra;
- The Company's Corporate Office in Noida and Manufacturing Facilities at Gajraula, Bharuch, Nira, Savli & Ambarnath have been awarded Responsible Care Logo (RC Logo) by Indian Chemical Council (ICC);
- Most of our manufacturing sites are certified under ISO 14001 and ISO 45001 and all our manufacturing sites are ISO 9001 certified. In addition, several of our plants are certified under ISO 50001, FSCC 22000, FAMI-QS, HALAL, KOSHER and many others to meet our stakeholder's requirement, our customers in particular.

- The Company engaged with an external expert agency for strengthening safety management system as part of the OHS Strategy. The 2-year project includes implementation of global OHS Standards, competency building of the people, development of safety KPIs and driving safety governance across all the levels of the organization till top management level.
- Sustainability Report for the FY 2021 was prepared for Jubilant Ingrevia Limited following the latest GRI Standards in accordance with the 'Comprehensive' option and was assured by Ernst & Young Associates LLP and the application level was checked by GRI.
- Established Sustainability Goals 2024 inspired from Sustainable Development Goals ('SDGs'), India's Intended Nationally Determined Contributors (IINDC) and NITI Aayog.
- A robust Control Self-assessment (CSA) process is implemented through deployment of 'Controls Manager software'. Quarterly online controls self-assessment is initiated which enables process owners to perform self-assessment against the Risk and Control Matrices (RCMs). The CSA process enables the Company to monitor the adequacy and effectiveness of the internal control environment. Additionally, internal control over financial reporting are tested and verified by the auditors.
- Timely, transparent and regular disclosures;
- Effective control on statutory compliances by online reporting and quarterly presentations;
- Paperless meetings of Board and Committees;
- Comprehensive Corporate Sustainability Management System;
- Established Code of Conduct for Directors and Senior Management as also for other employees;
- Robust Vigil Mechanism and Ombudsperson Process;
- Detailed Policy for Disclosure of Material Events and Information;
- Code of Conduct for Prevention of Insider Trading;
- Focus on hiring, retaining and nurturing best talent and to promote a culture of excellence across the organisation. Exhaustive HR policies cover succession planning, training and development, employee grievance handling, etc.; and
- Regular communication with shareholders including e-mailing of quarterly results and press releases just after release to the Stock Exchanges, e-mailing of Annual Reports and Corporate Sustainability Reports and obtaining online feedback from the shareholders.

The Securities and Exchange Board of India ('SEBI') regulates Corporate Governance practices and disclosure for the listed companies through the Listing Regulations. The Company is in full compliance with the Listing Regulations.

## B) BOARD OF DIRECTORS

### (i) Composition

The Board of the Company presently comprises twelve members of which six are Non-Executive Independent Directors (including two Independent Women Directors), four Non-Executive Non-Independent Directors, one CEO and Managing Director and one Co-CEO and Whole-time Director.

The tenure of Independent Directors is five consecutive years from the date of their appointment. The dates of appointment and tenure of the Independent Directors are given below:

Sr. No.	Name of Independent Director	Date of Appointment	Date of Completion of Tenure
1	Mr. Sushil Kumar Roongta	February 6, 2021	February 5, 2026
2	Ms. Sudha Pillai	February 6, 2021	February 5, 2026
3	Mr. Arun Seth	February 6, 2021	February 5, 2026
4	Mr. Pradeep Banerjee	February 6, 2021	February 5, 2026
5	Mr. Siraj Azmat Chaudhry	February 6, 2021	February 5, 2026
6	Ms. Ameeta Chatterjee	April 17, 2021	April 16, 2026

**Note:** Shareholders have, at the Annual General Meeting ('AGM') held on September 22, 2021, approved the appointment of Ms. Ameeta Chatterjee as an Independent Director for a term of five consecutive years effective from April 17, 2021.

The letters of appointment are issued to the Independent Directors and the terms and conditions thereof are posted on the Company's website.

The Board of Directors along with its Committees provide effective leadership and strategic guidance to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the

management adheres to the high standards of ethics, transparency and disclosures.

### (ii) Key functions of the Board

The Board performs various statutory and other functions in connection with managing the affairs of the Company. The key functions performed by the Board of the Company are:

- a. Reviewing and guiding corporate strategy, major plans of action, annual budgets and business plans, setting performance objectives, monitoring corporate performance and overseeing major capital expenditures, acquisitions and divestments.
- b. Monitoring effectiveness of the Company's governance practices and making changes as needed.
- c. Selecting, compensating, monitoring and when necessary, replacing Key Managerial Personnel and overseeing succession planning.
- d. Aligning remuneration of the Key Managerial Personnel and the Board with long term interests of the Company and its shareholders.
- e. Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.
- f. Monitoring and managing potential conflicts of interest of management, Board members and shareholders, including misuse of corporate assets and abuse in related party transactions.
- g. Ensuring integrity of the Company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational controls and compliance with the law and relevant standards.
- h. Overseeing the process of disclosure and communications.
- i. Monitoring and reviewing Board Evaluation framework.

### (iii) Meetings of the Board

In the wake of continuing COVID-19 pandemic as well as to adhere to the lockdown and social distancing norms,

the directors participated in the meetings of the Board and Committees held during FY 2021-22 through video conferencing/ other audio-visual means. The meetings and agenda items taken up during the meetings complied with the applicable provisions of the Act and Listing Regulations read with various circulars issued by MCA and SEBI from time to time. During the year, Company's Board met four times i.e. on June 7, 2021, July 20, 2021, October 19, 2021 and February 1, 2022.

The Company has held a minimum of one Board Meeting in each quarter and maximum gap between two consecutive meetings did not exceed 120 days which is in compliance with the Listing Regulations and provisions of the Act.

An annual calendar of meetings is prepared well in advance and shared with the Directors before commencement of the year to enable them to plan their attendance at the meetings. Directors are expected to attend the Board and Committee meetings, spend necessary time and meet as frequently as the situation warrants to properly discharge their responsibilities.

Concerned executives of the Company communicate to the Company Secretary matters requiring approval of the Board, well in advance, so that these can be included in the agenda for the scheduled Board/ Committee meetings.

Agenda papers are sent electronically to the Directors, well in advance, before the meetings. Draft minutes of the Board and Committee meetings are circulated to the Directors of the Company for their comments and thereafter, noted by the Board/Committees at the next meeting.

Composition of the Board of Directors as on March 31, 2022 and attendance at the Board meetings held during the financial year ended March 31, 2022 and at the last AGM are given below:

Name and Designation	Category	Attendance at Meetings		
		No. of Board Meetings		Last AGM Attended
		Held During Tenure	Attended	
Mr. Shyam S Bhartia <sup>1</sup> <i>Chairman</i> (DIN 00010484)	Non-Executive and Promoter	4	4	Yes
Mr. Hari S Bhartia <sup>1</sup> <i>Co-Chairman</i> (DIN 00010499)	Non-Executive and Promoter	4	4	Yes
Mr. Sushil Kumar Roongta <i>Director</i> (DIN 00309302)	Non-Executive Independent	4	4	Yes
Ms. Sudha Pillai <i>Director</i> (DIN 02263950)	Non-Executive Independent	4	4	Yes
Mr. Arun Seth <i>Director</i> (DIN 00204434)	Non-Executive Independent	4	3	No

Name and Designation	Category	Attendance at Meetings		
		No. of Board Meetings		Last AGM Attended
		Held During Tenure	Attended	
Mr. Pradeep Banerjee <i>Director</i> (DIN 02985965)	Non-Executive Independent	4	4	Yes
Mr. Siraj Azmat Chaudhry <i>Director</i> (DIN 00161853)	Non-Executive Independent	4	4	Yes
Ms. Ameeta Chatterjee <sup>2</sup> <i>Director</i> (DIN 03010772)	Non-Executive Independent	4	4	Yes
Mr. Priyavrat Bhartia <sup>1</sup> <i>Director</i> (DIN 00020603)	Non-Executive	4	4	No
Mr. Arjun Shanker Bhartia <sup>1&amp;3</sup> <i>Director</i> (DIN 03019690)	Non-Executive	4	4	Yes
Mr. Rajesh Kumar Srivastava <i>CEO and Managing Director</i> (DIN 02215055)	Executive	4	4	Yes
Mr. Anant Pande <sup>4</sup> <i>Whole-time Director</i> (DIN 08186854)	Executive	4	4	Yes

**Notes:**

1. Mr. Shyam S Bhartia and Mr. Hari S Bhartia are related to each other, being brothers. Further, Mr. Priyavrat Bhartia is son of Mr. Shyam S. Bhartia and Mr. Arjun Shanker Bhartia is son of Mr. Hari S. Bhartia.
2. Ms. Ameeta Chatterjee has been appointed as Independent Director effective from April 17, 2021.
3. Mr. Arjun Shanker Bhartia has been appointed as Non-Executive Director in the category of Non-Independent Director effective from April 17, 2021.
4. Mr. Anant Pande ceased to be the Whole-Time Director on the Board of the Company effective from May 17, 2022 and Mr. Anil Khubchandani has been appointed as Co-CEO and Whole-Time Director on the Board of the Company effective from May 17, 2022.

**(iv) Other Directorships**

Details of directorships in other bodies corporate and chairmanship/ membership of the Board Committees held by the Directors as on March 31, 2022 are given below:

Name of Director	No. of Directorships in Other Bodies Corporate				No. of Chairmanships/ Memberships of Committees		Directorships in other listed companies and Category of Directorships
	Public Listed	Public Unlisted	Private	Foreign	Chairmanship	Membership	
Mr. Shyam S Bhartia	3	2	10	12	0	2	1. Jubilant FoodWorks Limited - Non-Executive Director 2. Chambal Fertilisers and Chemicals Limited - Non-Executive Director 3. Jubilant Pharmova Limited - Non-Executive Director
Mr. Hari S Bhartia	3	2	8	3	0	2	1. Jubilant FoodWorks Limited - Non-Executive Director 2. Shriram Pistons and Rings Limited- Independent Director 3. Jubilant Pharmova Limited - Managing Director

Name of Director	No. of Directorships in Other Bodies Corporate				No. of Chairmanships/ Memberships of Committees		Directorships in other listed companies and Category of Directorships
	Public Listed	Public Unlisted	Private	Foreign	Chairmanship	Membership	
Mr. Sushil Kumar Roongta	5	3	0	0	2	6	<ol style="list-style-type: none"> <li>1. Titagarh Wagons Limited - Independent Director</li> <li>2. ACC Limited - Independent Director</li> <li>3. JK Paper Limited - Non-Executive Director</li> <li>4. Zuari Global Limited - Independent Director</li> <li>5. Jubilant Pharmova Limited - Independent Director</li> </ol>
Ms. Sudha Pillai	4	4	1	0	4	10	<ol style="list-style-type: none"> <li>1. Dalmia Bharat Limited (Formerly Odisha Cement Limited) - Independent Director</li> <li>2. Amber Enterprises India Limited - Independent Director</li> <li>3. Indian Energy Exchange Limited-Independent Director</li> <li>4. Jubilant Pharmova Limited - Independent Director</li> </ol>
Mr. Arun Seth	3	6	8	0	1	10	<ol style="list-style-type: none"> <li>1. Narayana Hrudayalaya Limited - Independent Director</li> <li>2. Jubilant Pharmova Limited - Independent Director</li> <li>3. Cyber Media (India) Limited - Independent Director</li> </ol>
Mr. Pradeep Banerjee	3	2	1	0	2	5	<ol style="list-style-type: none"> <li>1. Gabriel India Limited - Independent Director</li> <li>2. Whirlpool of India Limited - Independent Director</li> <li>3. Chambal Fertilisers and Chemicals Limited - Independent Director</li> </ol>
Mr. Siraj Azmat Chaudhry	3	3	3	3	1	8	<ol style="list-style-type: none"> <li>1. Tata Coffee Limited - Independent Director</li> <li>2. Tata Consumer Products Limited - Independent Director</li> <li>3. Dhanuka Agritech Limited - Independent Director</li> </ol>



Name of Director	No. of Directorships in Other Bodies Corporate				No. of Chairmanships/ Memberships of Committees		Directorships in other listed companies and Category of Directorships
	Public Listed	Public Unlisted	Private	Foreign	Chairmanship	Membership	
Ms. Ameeta Chatterjee	2	4	5	0	3	6	1. Nippon Life India Asset Limited - Independent Director 2. MTAR Technologies Limited - Independent Director
Mr. Priyavrat Bhartia	5	2	9	0	0	5	1. Jubilant Industries Limited - Non-Executive Chairman 2. HT Media Limited- Non-Executive Director 3. Hindustan Media Ventures Limited - Non-Executive Director 4. Digicontent Limited - Non-Executive Director 5. Jubilant Pharmova Limited - Non-Executive Director
Mr. Arjun Shanker Bhartia	1	0	2	0	0	1	Jubilant Pharmova Limited - Non-Executive Director
Mr. Rajesh Kumar Srivastava	0	2	0	0	0	1	Nil
Mr. Anant Pande	0	2	0	0	0	0	Nil

**Notes:**

- Directorships include Directorships in Section 8 companies.
- Pursuant to Regulation 26 of the Listing Regulations, Chairmanship/ Membership of the Audit Committee and the Stakeholders Relationship Committee of Indian Public Companies (excluding Section 8 companies), whether listed or not, have been considered. Chairmanship/Membership of the Audit Committee and Stakeholders Relationship Committee held by the Directors in the Company are also included.

**(v) Information given to the Board**

The Board and its Committees have complete access to all relevant information. Such information is submitted either as a part of the agenda papers prior to the meetings or by way of presentations and discussion material during the meetings. Such information, *inter alia*, includes the following:

- Annual operating plans, budgets and updates thereon;
- Capital budgets and updates thereon;
- Quarterly results of the Company and its operating divisions and business segments;
- Minutes of the meetings of Audit Committee and other committees of the Board of Directors;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal and serious accidents, dangerous occurrences, any material effluent and pollution problems;
- Material defaults in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Issues which involve possible public or product liability claims of substantial nature;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;



**Skills and Expertise of the Board**

	Mr. Shyam S. Bhartia	Mr. Hari S. Bhartia	Mr. Sushil Kumar Roongta	Ms. Sudha Pillai	Mr. Arun Seth	Mr. Pradeep Banerjee	Mr. Siraj Azmat Chaudhry	Ms. Ameeta Chatterjee	Mr. Priyavrat Bhartia	Mr. Arjun Shanker Bhartia	Mr. Rajesh Kumar Srivastava	Mr. Anant Pande*	Mr. Anil Khubchandani**
Understanding of the processes and systems for defining high corporate governance standards	√	√	√	√	√	√	√	√	√	√	√	√	√
Understanding rights of Shareholders and obligations of the Management	√	√	√	√	√	√	√	√	√	√	√	-	√
Knowledge in global standards on Corporate Sustainability and Sustainability Reporting based on Global Reporting Initiatives (GRI) Standards	√	√	√	√	√	√	√	√	√	√	√	√	√
Experience in Risk Management/ Operational Risk Management/ Financial Risk Assessment experience	√	√	√	√	√	√	√	√	√	√	√	√	√
Information Technology skills	√	√	√	√	√	√	-	-	√	√	-	-	√

\* Mr. Anant Pande ceased to be the Whole-Time Director on the Board of the Company effective from May 17, 2022.

\*\* Mr. Anil Khubchandani has been appointed as Co-CEO and Whole-Time Director on the Board of the Company effective from May 17, 2022.

**(ix) Confirmation of Independence**

In the opinion of the Board, Independent Directors fulfil the criteria of independence specified in the Listing Regulations and are independent of the Management of the Company.

**(x) Certificate from Practicing Company Secretary on qualification of Directors**

The Company has obtained a certificate from the Practicing Company Secretary, Mr. Tanuj Vohra, Partner, TVA & Co. LLP, Company Secretaries confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority. The Certificate is attached as **Annexure-A**.

- Sustainability & CSR Committee
- Risk Management Committee
- Listing Compliance Committee
- Finance Committee

Recommendations made by these Committees have been accepted by the Board. The Company Secretary officiates as the Secretary of these Committees. Terms of reference, composition, quorum, meetings, attendance and other relevant details of these Committees are as under:

**Audit Committee**

The Audit Committee primarily constitutes a formal and transparent arrangement for accurate financial reporting and strong internal controls. The Audit Committee through regular interaction with the external and internal auditors and review of various financial statements ensures that the interests of stakeholders are properly protected.

All the members of the Audit Committee are financially literate and have accounting or financial management expertise.

**(i) Terms of Reference**

The Audit Committee functions according to its terms of reference that define its authority, responsibility and reporting functions in accordance with the provisions of the Act and Regulation 18 read with Part C of Schedule II to the Listing Regulations. The terms of reference of the Committee, *inter alia*, include the following:

1. Oversight of the Company's financial reporting process and disclosure of the financial information to ensure that the financial statements are correct, sufficient and credible.

**C) COMMITTEES OF THE BOARD**

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees of Directors with specific terms of reference. The Committees operate as empowered agents of the Board as per their terms of reference that set forth their purposes, goals and responsibilities. Committee members are appointed by the Board with the consent of individual Directors. These Committees meet as often as required or as statutory required.

The Committees of the Board are:

- Audit Committee
- Nomination, Remuneration and Compensation Committee
- Stakeholders Relationship Committee

2. Recommendation for appointment, remuneration and terms of appointment of cost auditors and statutory auditors including their replacement or removal.
3. Approval for payment to statutory auditors for any other permitted services rendered by statutory auditors.
4. Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Directors' Responsibility Statement forming part of the Board's report;
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgement by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Draft auditors' reports including modified opinion(s), if any.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take steps in this matter.
7. Reviewing and monitoring with the management, independence and performance of statutory and internal auditors, adequacy of internal control systems and effectiveness of the audit processes.
8. Reviewing adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with internal auditors on any significant findings and follow up thereon.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. To review functioning of the Whistle Blower Policy (Vigil Mechanism).
14. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.
15. Approval or any subsequent modification of transactions of the Company with related parties.
16. Scrutiny of inter-corporate loans and investments.
17. Valuation of undertakings or assets of the Company, wherever it is necessary.
18. Evaluation of internal financial controls and risk management system.
19. Review of management discussion and analysis of financial condition and results of operations.
20. Review of management letters/ letters of internal control weaknesses issued by the statutory auditors.
21. Review of internal audit reports relating to internal control weaknesses.
22. Review of financial statements, in particular, investments made by the subsidiary company(ies).
23. Reviewing the utilisation of loans and/ or advances from / investment by the Company in any subsidiary exceeding ₹100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
24. Review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and verify that the systems for internal controls are adequate and are operating effectively.
25. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
26. Discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

**(ii) Composition**

As on date, the Audit Committee comprises Mr. Sushil Kumar Roongta, Chairman, Mr. Arun Seth, Mr. Pradeep Banerjee, Mr. Siraj Azmat Chaudhry, Ms. Ameeta Chatterjee and Mr. Arjun Shanker Bhartia.

**Invitees**

The Statutory Auditors, representatives of the Internal Audit firm and Head of the Management Assurance Services Department attend the Committee meetings. The Cost Auditors and other executives including Mr. Rajesh Kumar Srivastava, CEO and Managing Director, Mr. Arvind Chokhany, Group Chief Financial Officer and Whole-time Director, Jubilant Pharmova Limited and Mr. Prakash Chandra Bisht, President & Chief Financial Officer, as desired by the Committee, attend the Committee meetings as invitees.

**(iii) Meetings, Quorum and Attendance**

The Audit Committee meets at least four times in a year with a gap of not more than 120 days between two consecutive meetings. The quorum for the meetings is two members or one-third of members whichever is higher, with atleast two Independent Directors.

During the year, the Committee met five times i.e. on June 7, 2021, June 10, 2021, July 20, 2021, October 19, 2021 and February 1, 2022.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held during Tenure	Meetings Attended
Mr. Sushil Kumar Roongta, Chairman	5	5
Mr. Arun Seth, Member	5	4
Mr. Pradeep Banerjee, Member	5	5
Mr. Siraj Azmat Chaudhry, Member	5	5
Mr. Priyavrat Bhartia, Member*	5	4
Ms. Ameeta Chatterjee, Member**	-	-
Mr. Arjun Shanker Bhartia, Member**	-	-

\* Mr. Priyavrat Bhartia ceased to be the member of Audit Committee effective from February 1, 2022.

\*\* Ms. Ameeta Chatterjee and Mr. Arjun Shanker Bhartia have been appointed as the members of the Audit Committee effective from February 1, 2022.

**Nomination, Remuneration and Compensation Committee**

The Nomination, Remuneration and Compensation ('NRC') Committee functions according to its terms of reference that define its authority, responsibility and reporting functions in accordance with the provisions of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations.

**(i) Terms of Reference**

The role of the NRC Committee is:

1. To identify persons who are qualified to become directors in accordance with the criteria laid down

and recommend to the Board, their appointment/ removal.

2. To identify persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board, their appointment/ removal.
3. Specify manner for effective evaluation of performance of the Board, its committees and Directors and review its implementation and compliance.
4. To formulate the criteria for determining qualifications, positive attributes and independence of a director.
5. Devising a policy on Board diversity.
6. To formulate and recommend to the Board, policies relating to the remuneration of Directors, Key Managerial Personnel and other employees of the Company.
7. To discharge the role envisaged under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
8. Recommend to the board, all remuneration, in whatever form, payable to the senior management.
9. Extend or continue the term of appointment of the independent director on the basis of report of the performance evaluation.
10. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
11. Discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

**(ii) Composition**

As on date, the Committee comprises Mr. Pradeep Banerjee, Chairman, Mr. Shyam S Bhartia, Mr. Hari S Bhartia, Ms. Sudha Pillai, Mr. Siraj Azmat Chaudhry and Ms. Ameeta Chatterjee.

### Invitees

Mr. Rajesh Kumar Srivastava, CEO and Managing Director and Mr. Arvind Chokhany, Group Chief Financial Officer and Whole-time Director, Jubilant Pharmova Limited are invitees to the Nomination, Remuneration and Compensation Committee meetings.

### (iii) Meetings, Quorum and Attendance

The Committee meets as frequently as circumstances necessitate with at least one meeting in a year. The quorum for the meetings is two members or one-third of members, whichever is greater including at least one Independent Director.

During the year, the Committee met three times i.e. on June 7, 2021, July 20, 2021 and October 19, 2021.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held during Tenure	Meetings Attended
Mr. Pradeep Banerjee, Chairman	3	3
Mr. Shyam S Bhartia, Member	3	3
Mr. Hari S Bhartia, Member	3	3
Ms. Sudha Pillai, Member	3	3
Mr. Siraj Azmat Chaudhry, Member	3	3
Ms. Ameeta Chatterjee, Member*	-	-

\* Ms. Ameeta Chatterjee has been appointed as the member of the Nomination, Remuneration and Compensation Committee effective from December 20, 2021.

### Stakeholders Relationship Committee

The Stakeholders Relationship Committee oversees various aspects of interest of security holders like review of adherence to the service standards adopted for shareholder services, measures taken for reducing the quantum of unclaimed dividends, redressal of shareholder and investor grievances and related matters in accordance with the provisions of the Act and Regulation 20 read with Part D of Schedule II to the Listing Regulations. Additionally, the Board has authorised the Chief Financial Officer and the Company Secretary to jointly exercise the powers of approving transfer/ transmission of shares. Normally, transfers/ transmissions are approved once in a fortnight.

### (i) Terms of Reference

The role of the Committee is:

1. Resolving grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
2. Review of measures taken for effective exercise of voting rights by the shareholders.

3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.
5. To discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

### (ii) Composition

As on date, the Committee comprises Mr. Siraj Azmat Chaudhry, Chairman, Mr. Sushil Kumar Roongta, Mr. Arun Seth, Ms. Sudha Pillai and Mr. Rajesh Kumar Srivastava.

### Invitee

Mr. Arvind Chokhany, Group Chief Financial Officer and Whole-time Director, Jubilant Pharmova Limited and Mr. Prakash Chandra Bisht, President & Chief Financial Officer are invitees to the meetings of the Committee.

### Compliance Officer

Ms. Deepanjali Gulati, Company Secretary and Compliance Officer, officiates as the Secretary to the Committee.

### (iii) Meetings, Quorum and Attendance

The Committee meets as frequently as circumstances necessitate with at least one meeting in a year. The quorum for the meeting is two members or one-third of members, whichever is higher.

During the year, the Committee met on November 19, 2021.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held during Tenure	Meetings Attended
Mr. Siraj Azmat Chaudhry, Chairman	1	1
Mr. Sushil Kumar Roongta, Member	1	1
Mr. Arun Seth, Member	1	1
Ms. Sudha Pillai, Member*	-	-
Mr. Rajesh Kumar Srivastava, Member	1	1

\* Ms. Sudha Pillai has been appointed as the member of the Stakeholders Relationship Committee effective from February 1, 2022 and ceased to be member of the Stakeholders Relationship Committee effective from March 31, 2022.

### (iv) Investor Complaints

During the year, the Company received 1 complaint, which was duly resolved to the satisfaction of the shareholder. No complaint was pending as on March 31, 2022.

**(v) Transmission of shares**

During the year, the Company received 7 cases representing 3,650 shares for share transmission, of which, all cases were approved.

The Company has 1,91,477 shareholders as on March 31, 2022.

**Sustainability & CSR Committee**

Sustainability & CSR Committee has been constituted to review and oversee the Sustainability and Corporate Social Responsibility ('CSR') initiatives of the Company.

**(i) Terms of Reference**

The role of the Committee is:

**i. Sustainability:**

To take all steps and decide all matters relating to triple bottom line indicators viz. Economic, Environmental and Social factors.

**ii. CSR:**

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013;
- To recommend the Annual Action Plan including amount of expenditure to be incurred on the activities referred to in the CSR Policy and review the same;
- To monitor the CSR Policy including CSR projects/ program.

**iii. Business Responsibility Policies:**

- To review and implement Business Responsibility policies; and

**iv. Any other role as may be decided by the Board from time to time.****(ii) Composition**

As on date, the Committee comprises Ms. Sudha Pillai, Chairperson, Mr. Hari S Bhartia, Mr. Arun Seth, Mr. Sushil Kumar Roongta, Mr. Pradeep Banerjee, Ms. Ameeta Chatterjee, Mr. Priyavrat Bhartia, Mr. Arjun Shanker Bhartia and Mr. Rajesh Kumar Srivastava.

**Invitees**

Mr. Arvind Chokhany, Group Chief Financial Officer and Whole-time Director, Jubilant Pharmova Limited and Mr. Prakash Chandra Bisht, President & Chief Financial Officer are invitees to the meetings of the Committee.

**(iii) Meetings, Quorum and Attendance**

The Committee meets as frequently as circumstances necessitate. The quorum for the meetings is two members or one-third of members, whichever is higher.

During the year, the Committee met on June 7, 2021 and October 19, 2021.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held during Tenure	Meetings Attended
Ms. Sudha Pillai, Chairperson	2	2
Mr. Shyam S Bhartia, Member*	2	2
Mr. Hari S Bhartia, Member	2	2
Mr. Arun Seth, Member	2	2
Mr. Sushil Kumar Roongta, Member	2	2
Mr. Pradeep Banerjee, Member	2	2
Ms. Ameeta Chatterjee, Member**	-	-
Mr. Priyavrat Bhartia, Member	2	2
Mr. Arjun Shanker Bhartia, Member**	-	-
Mr. Rajesh Kumar Srivastava, Member	2	2

\* Mr. Shyam S Bhartia has ceased to be the member of Sustainability and CSR Committee effective from February 1, 2022.

\*\* Ms. Ameeta Chatterjee and Mr. Arjun Shanker Bhartia have been appointed as the members of the Sustainability & CSR Committee effective from February 1, 2022.

**Risk Management Committee**

The Risk Management Committee has been constituted in compliance with the provisions of the Listing Regulations.

**(i) Terms of Reference**

The role of the Committee is:

1. To formulate a detailed Risk Management Policy which shall include:
  - a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;



5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. To advise the Board on the Company's overall risk tolerance and strategy.
7. To oversee and advise the Board on the current risk exposures and future risk strategy of the Company.
8. To review the Company's overall risk assessment processes, the parameters used in these measures and the methodology adopted.
9. To establish key enterprise risk management objectives, strategies and guiding principles.
10. To ensure proper identification & prioritization of key risks. Risk identification shall include more extreme versions or more uncommon type of risks.
11. To perform Sensitivity analysis and Stress testing.
12. To ensure the ability to satisfy its liabilities when they become due, in both normal and stress testing conditions, without incurring unacceptable losses or risking damage to the company's reputation
13. For key risks, co-ordinate development of mitigation plans with the risk owner
14. To oversee key risk management activities
15. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
16. To safeguard the shareholders' interests and the Company's assets, and assist the Board in determining the nature and extent of the significant risks, including credit risk, liquidity and funding risk, market risk, product risk and reputational risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks.
17. To receive and review, as and when appropriate, reports from the Company's internal audit function on the results of risk management reviews and assessments as well as all relevant risk reports of the Company.
18. Review the Company's procedures for detection and resolution of fraud. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.
19. To discharge any other duties or responsibilities as may be prescribed by the law or as may be delegated to the Committee by the Board, from time to time.

## (ii) Composition

As on date, the Committee comprises Mr. Arun Seth, Chairman, Ms. Sudha Pillai, Mr. Sushil Kumar Roongta,

Mr. Pradeep Banerjee, Mr. Siraj Azmat Chaudhry, Ms. Ameeta Chatterjee, Mr. Priyavrat Bhartia, Mr. Arjun Shanker Bhartia, Mr. Rajesh Kumar Srivastava and Mr. Prakash Chandra Bisht.

## Invitee

Mr. Arvind Chokhany, Group Chief Financial Officer and Whole-time Director, Jubilant Pharmova Limited is invitee to the meetings of the Committee.

## (iii) Meetings, Quorum and Attendance

The Risk Management Committee meets at least twice in a year with a gap of not more than 180 days between two consecutive meetings. The quorum for the meetings is two members or one-third of members, whichever is higher, with atleast one Independent Director.

During the year, the Committee met on May 26, 2021 and November 19, 2021.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held during Tenure	Meetings Attended
Mr. Arun Seth, Chairman	2	2
Mr. Hari S Bhartia, Member*	2	2
Ms. Sudha Pillai, Member	2	2
Mr. Sushil Kumar Roongta, Member	2	2
Mr. Pradeep Banerjee, Member	2	2
Mr. Siraj Azmat Chaudhry, Member	2	2
Ms. Ameeta Chatterjee, Member**	-	-
Mr. Priyavrat Bhartia, Member**	-	-
Mr. Arjun Shanker Bhartia, Member**	-	-
Mr. Rajesh Kumar Srivastava, Member	2	2
Mr. Prakash Chandra Bisht, Member	2	2

\* Mr. Hari S Bhartia has ceased to be the member of Risk Management Committee effective from February 1, 2022.

\*\* Ms. Ameeta Chatterjee, Mr. Priyavrat Bhartia and Mr. Arjun Shanker Bhartia have been appointed as the members of the Risk Management Committee effective from February 1, 2022.

## Listing Compliance Committee

The Board has constituted the Listing Compliance Committee which functions according to its terms of reference that define its authority and responsibility which, *inter alia*, include the following:

### (i) Terms of Reference

The role of the Committee is:

1. To approve the Information Memorandum and its execution and submission to Stock Exchanges and SEBI.
2. Approval of the Listing and Trading Applications and related documents for submission to Stock Exchanges/ SEBI.
3. Approval for signing of the Listing Agreement with the Stock Exchanges.

4. Approving cancellation of present share capital of ₹5 Lac (held by Jubilant Pharmova Limited) and allotment of shares pursuant to the demerger.
5. Approval of newspaper advertisement prescribed under the SEBI Regulations on receipt of SEBI approval for listing of the Company.
6. To authorise such other actions as may be required for listing and facilitating the trading on the Stock Exchanges including authorisation to the Directors, officers or representatives of the Company for completing any of the above actions and for completing listing and trading of shares of the Company on the Stock Exchanges.

## (ii) Composition

As on date, the Committee comprises Mr. Shyam S Bhartia, Chairman, Mr. Hari S Bhartia and Mr. Rajesh Kumar Srivastava.

## (iii) Meetings, Quorum and Attendance

The Committee meets as frequently as circumstances necessitate. The quorum for the meetings is two members or one-third of members, whichever is higher.

During the year, no Committee meeting was held.

## Finance Committee

The Board of Directors of the Company has delegated the powers to borrow money and to avail financial assistance from banks, financial institutions, etc. to the Finance Committee.

## (i) Terms of Reference

- (i) Financial assistance from the Consortium Banks including apply, accept, renew, review and avail and finalise with Consortium of Banks and/or such other Banks the fund based and non-fund based facilities in terms of the working capital cash credit facilities, FCNR(DL), EPC etc. within the WCDL enjoyed from the said Consortium Banks and revise the terms and conditions from time to time in terms of Reserve Bank of India's guidelines.
- (ii) Financial assistance by way of Term Loans, NCD's and under various Schemes viz. Asset Credit Scheme, Equipment Finance Scheme, Suppliers Credit Scheme, Buyers Credit Scheme, FCNR, Working Capital Term Loans, Factoring of Receivables, Discounting of Bills, Equipment Credit Scheme, any other funding methods/ schemes etc with Financial Institutions, Banks, NBFC, Mutual Funds, Insurance Company, Body Corporate, Trust or any other Lender, in India or abroad in Indian Rupees or Foreign Currency.
- (iii) Renewal/Roll over of Financial facilities availed by the Company from SIDBI/Financial Institutions/ Banks/ Mutual Funds and/or or such other institutions including apply, accept, renew, review and avail and finalise with them the terms and

conditions of renewal of facilities, Short term Loans/ Deposits etc. and revise the terms and conditions from time to time.

- (iv) Finalise with other Bodies Corporate to accept and place intercorporate deposits and other matters related thereto.
- (v) Short Term Loans/Deposits/ Intercorporate Deposits, any other short term Financial Assistance from Financial Institutions/ Banks and other Bodies Corporate/ NBFCs, Mutual Funds, Insurance Company or any other Lender, in India or abroad in Indian Rupees or Foreign Currency.
- (vi) To negotiate, finalise and settle with Financial Institutions, Banks, NBFC, Mutual Funds, Insurance Company, Body Corporate, Trust or any other Lender, in India or abroad in Indian Rupees or Foreign Currency and to execute all deeds and documents for creating the mortgage (s) and/ or charges in their favour and to do all such acts, deeds and things, in the manner as may be necessary or proper.
- (vii) To give corporate guarantees to banks/ financial institutions for financial assistance availed by wholly-owned subsidiaries.
- (viii) To give loans to, make investments in and provide guarantee/ security to wholly-owned subsidiaries or any other person/ body corporate.
- (ix) To issue commercial papers.
- (x) To review, revise and modify the terms and conditions of financial facilities and borrowings including NCDs, Commercial Papers and other instruments and to approve redemption, repayment or buy-back of such financial facilities and borrowings in various forms on such terms and conditions as deemed appropriate.
- (xi) To approve various documents including but not limited to Transaction documents, Information Memorandum and execution thereof as may be necessary for the purpose and to take such other actions as may be necessary or appropriate in this regard.
- (xii) Any other power delegated to the Committee by the Board from time to time.

## (ii) Composition

As on date, the Committee comprises Mr. Shyam S Bhartia, Chairman, Mr. Hari S Bhartia, Mr. Priyavrat Bhartia, Mr. Arjun Shanker Bhartia and Mr. Rajesh Kumar Srivastava.

## (iii) Meetings, Quorum and Attendance

The Committee meets as frequently as circumstances necessitate. The quorum for the meetings is two members. During the year, the Committee met ten times i.e. on April 1, 2021, April 15, 2021, May 15, 2021, May 25, 2021, July 22, 2021, October 1, 2021,

November 30, 2021, December 2, 2021, January 3, 2022 and March 29, 2022.

**Attendance details of the members are given in the table below:**

Name of the Committee Member	Meetings held during tenure	Meetings attended
Mr. Shyam S Bhartia, Member	10	6
Mr. Hari S Bhartia, Member	10	7
Mr. Priyavrat Bhartia, Member	10	9
Mr. Arjun Shanker Bhartia, Member*	1	1
Mr. Rajesh Kumar Srivastava, Member	10	9

\*Mr. Arjun Shanker Bhartia has been appointed as the member of the Finance Committee effective from February 1, 2022

#### D) PERFORMANCE EVALUATION AND ITS CRITERIA

Pursuant to the provisions of the Act, the Listing Regulations and the Performance Evaluation Policy of the Company, the Board has carried out annual evaluation of its performance, its committees, Chairperson and Directors through structured questionnaire.

Performance of the Board was evaluated by each Director on the parameters such as its role and responsibilities, business risks, contribution to the development of strategy and effective risk management, understanding of operational program, availability of quality information in a timely manner, regular evaluation of progress towards strategic goals and operational performance, adoption of good governance practices and adequacy and length of meetings, etc. Independent Directors also carried out evaluation of the Board performance.

Board committees were evaluated by the respective committee members on the parameters such as its role and responsibilities, effectiveness of the committee vis-a-vis assigned role, appropriateness of committee composition, timely receipt of information by the committee, effectiveness of communication by the committee with the Board, Senior Management and Key Managerial Personnel.

Performance of the Chairperson was evaluated by the Independent Directors on the parameters such as demonstration of effective leadership, contribution to the Board's work, communication with the Board, use of time and overall efficiency of Board meetings, quality of discussions at the Board meetings, process for settling Board agenda, etc.

Directors were evaluated individually by the Board of Directors (excepting the Director himself) on the parameters such as his/her preparedness at the Board meetings, attendance at the Board meetings, devotion of time and efforts to understand the Company and its business, quality of contribution at the Board meetings, application of knowledge and experience while considering the strategy, effectiveness of follow-up in the areas of concern, communication with Board members, Senior Management and Key Managerial Personnel, etc. Independent Directors were additionally evaluated for their performance and fulfilment of criteria of independence and their independence from the Management. Also, the performance evaluation of the Non Independent Directors was carried out by the Independent Directors.

The results of evaluation showed high level of commitment and engagement of Board, its various committees and senior leadership. The results of the evaluation were shared with the Board, Chairman of respective Committees and individual Directors. Based on the outcome of the evaluation, the Board and Committees have agreed on an action plan to further improve the effectiveness and functioning of the Board and Committees.

The Directors expressed their satisfaction with the evaluation process. During the year under review, the Committee ascertained and reconfirmed that the deployment of "questionnaire" as a methodology, is effective for evaluation of performance of Board and Committees and Individual Directors..

#### E) REMUNERATION OF DIRECTORS

The details of remuneration paid to Executive and Non-Executive Directors during the FY 2021-22 are given below:

##### (i) Remuneration to CEO and Managing Director/ Whole-Time Director

Sr. No.	Particulars	(Amount in ₹)	
		Mr. Rajesh Kumar Srivastava, CEO and Managing Director	Mr. Anant Pande, Whole-time Director
1	Salary	1,51,36,020	92,58,900
2	Commission Payable (as a % of profit)	-	-
3	House Rent Allowance	90,81,612	55,55,340
4	Contribution to Provident Fund	18,16,322	11,11,068
5	Gratuity	-	-
6	Leave Encashment	-	-
7	Perquisite Value of Stock Options	-	-
8	Allowances/ Perquisites	1,00,87,890	88,42,316
9	Variable Pay	2,63,75,948	77,51,565
<b>Total</b>		<b>6,24,97,792</b>	<b>3,25,19,189</b>

Note: Remuneration comprises salary, allowances, commission, perquisites/ taxable value of perquisites, etc.

**Service Contracts, Notice Period and Severance Fees**

Appointment of CEO and Managing Director and Whole-time Director are contractual.

Appointment of CEO and Managing Director and Whole-time Director are terminable on 3 months' notice or by payment of Basic Salary in lieu thereof. No severance fee is payable to CEO and Managing Director and Whole-time Director.

**Long Term Incentive Plan**

In FY 2021, the Company introduced Long Term Incentive Plan ('LTIP') to attract, reward and retain the senior leadership team. Under this Plan, Mr. Rajesh Kumar Srivastava, CEO and Managing Director was granted long term incentive valuing ₹1,40,66,423. 50% of LTIP Value i.e ₹1,40,66,423 was granted in the form of ESOPs, (26,641 No.) which has a graded vesting over 3 years i.e. 20%, 30% & 50% and remaining 50% was granted in the form of Restricted Stock Units (12,600 No.) with vesting at the end of 3rd year from the date of grant.

Mr. Anant Pande, Whole-time Director was granted long term incentive valuing ₹56,04,170. 70% of LTIP Value was granted in the form of Restricted Stock Units (7028 No.) with vesting at the end of 3rd year from the date of grant and 30% i.e ₹16,81,251 was granted as cash award payable at the end of 3rd year from the grant date.

**Details of Equity Shares held**

Name of Director	No. of Equity Shares (of ₹1) held
Mr. Rajesh Kumar Srivastava, CEO and Managing Director	11
Mr. Anant Pande, Whole-time Director	1,476

**Remuneration Criteria**

The remuneration of the Executive Directors is fixed keeping in view their qualification, experience, capabilities, their past performance and achievements and also remuneration paid to the Executive Directors of other companies which are similar to the Company in terms of nature of business, size and complexity. A suitable component of remuneration payable to the Executive Directors comprises of variable pay is linked to their performance and performance of the business and the Company.

**(ii) Remuneration to Non-Executive Directors**

The Company considers the time and efforts put in by the Non-Executive Directors in deliberations at the Board/ Committee meetings. They are remunerated by way of sitting fees for attending the meetings and commission on profit, as approved by the Board and shareholders of the Company.

Details of Equity Shares held by the Non- Executive Directors in the Company as on March 31, 2022 are given in the table below:

Name of Director	No. of Equity Shares (of ₹1) held
Mr. Shyam S Bhartia	13,99,925
Mr. Hari S Bhartia	3,60,885
Mr. Sushil Kumar Roongta	Nil
Ms. Sudha Pillai	Nil
Mr. Arun Seth	2,000
Mr. Pradeep Banerjee	1,080
Ms. Ameeta Chatterjee	Nil
Mr. Siraj Azmat Chaudhry	Nil
Mr. Priyavrat Bhartia	3,085
Mr. Arjun Shanker Bhartia	Nil

Details of commission and sitting fees of the Non-Executive Directors for the year ended March 31, 2022 are given in the table below:

Name of Director	Sitting Fees ₹	Commission payable ₹	Total ₹
Mr. Shyam S Bhartia	-	-	-
Mr. Hari S Bhartia	-	-	-
Mr. Sushil Kumar Roongta	8,15,000	10,00,000	18,15,000
Ms. Sudha Pillai	6,85,000	10,00,000	16,85,000
Mr. Arun Seth	6,90,000	10,00,000	16,90,000
Mr. Pradeep Banerjee	9,35,000	10,00,000	19,35,000
Ms. Ameeta Chatterjee	3,75,000	9,56,164	13,31,164
Mr. Siraj Azmat Chaudhry	9,05,000	10,00,000	19,05,000
Mr. Priyavrat Bhartia	-	-	-
Mr. Arjun Shanker Bhartia	-	-	-
<b>Total</b>	<b>44,05,000</b>	<b>59,56,164</b>	<b>1,03,61,164</b>

**Notes:**

- Mr. Shyam S. Bhartia, Chairman, Mr. Hari S. Bhartia, Co-Chairman, Mr. Priyavrat Bhartia and Mr. Arjun Shanker Bhartia, Directors have opted not to take commission and sitting fees for FY 2021-22.
- Other than holding shares indicated above, the Non-Executive Directors did not have any pecuniary relationship or transactions with the Company during the Financial Year.

**F) GENERAL BODY MEETINGS****(i) Date, time and location of the AGM(s) held since incorporation.**

Financial Year	Date	Time	Location
2019-20 (1 <sup>st</sup> AGM)	December 1, 2020	05:00 p.m	Registered Office: Bhartiagram, Gajraula, District Amroha – 244 223, Uttar Pradesh
2020-21 (2 <sup>nd</sup> AGM)	September 22, 2021	03:00 p.m.	Video Conferencing/ Other Audio Visual Means

No Special Resolution was passed at the 1<sup>st</sup> and 2<sup>nd</sup> AGM(s) of the Company.

## (ii) Special Resolutions passed through Postal Ballot in FY 2021-22

Following Special Resolutions were passed through Postal Ballot during FY 2021-22.

Sr. No.	Subject Matter of Special Resolutions Passed
1	Approval for Jubilant Ingrevia Employees Stock Option Plan 2021 for Employees of the Company
2	Approval of Jubilant Ingrevia Employees Stock Option Plan 2021 for Employees of the subsidiary companies of the Company
3	Implementation of Jubilant Ingrevia Employees Stock Option Plan 2021 through the Trust
4	Authorization to the Trust for Acquisition of shares through Secondary Market
5	Approval for provision of money by the Company to the Trust

## (iii) Whether any Special Resolution is proposed to be passed through Postal Ballot

Special Resolution(s) as may be necessary under the Act and/ or the Listing Regulations would be passed through Postal Ballot.

## (iv) Procedure for Postal Ballot

- In accordance with the provisions of Section 108 and Section 110 of the Act read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, read with the Circulars issued by the Ministry of Corporate Affairs and Regulation 44 of the Listing Regulations, as amended from time to time read with SEBI Circulars, Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, the notices containing the proposed resolutions and explanatory statement were sent in electronic mode to the shareholders whose e-mail address were registered with the Company or the Depository Participant(s).
- The communication of assent / dissent received by the shareholders through the remote e-voting within 30 days of sending the notice are considered by the Scrutiniser;
- The Scrutiniser submits his report to the Chairman/ Co-Chairman of the Company or a person authorised by them, who on the basis of the report, announces the results; and
- The Company has entered into an agreement with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') for providing e-voting facility to its shareholders. Under this facility, shareholders are provided an

electronic platform to participate and vote on the resolutions to be passed through Postal Ballot.

## G) CODES AND POLICIES

The Company has established a robust framework of Codes and Policies that facilitates and reflects adoption of good governance practices. The salient Codes and Policies adopted by the Company are mentioned below:

### i. Code of Conduct for Directors and Senior Management

The Company has formulated and implemented a Code of Conduct for the Board members and Senior Management. Requisite annual affirmations of compliance with the Code have been received from the Directors and Senior Management of the Company. A declaration to this effect signed by Mr. Rajesh Kumar Srivastava, CEO and Managing Director is enclosed as **Annexure-B**. The Code of Conduct is posted on the Company's website and can be accessed at <https://www.jubilantingrevia.com/investors/corporate-governance/policies-and-codes/code-of-conduct>.

### ii. Code of Conduct for Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities of the Company by the Designated Persons. During the year, the Code has been adopted by the Board, pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the 'SEBI Insider Trading Regulations'), as amended. Salient changes in the revised Code include additional requirements in Structured Digital Database, prescribed format for reporting of trading in the securities of the Company, reporting of violations to the stock exchanges in place of SEBI, etc. The Company has also implemented the Policy and Procedure for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information ('UPSI'), pursuant to the SEBI Insider Trading Regulations.

Dealing in the shares of the Company by the Designated Persons is effectively monitored for ensuring compliance with the Code. Report on dealing in the shares of the Company by the Designated Persons is placed before the Chairman of the Audit Committee and the Board on a quarterly basis. Pursuant to the SEBI Insider Trading Regulations, the Company has established a Structured Digital Database with adequate internal controls and checks such as time stamp and audit trails. The Company has also established effective internal controls to ensure compliance with the SEBI Insider Trading Regulations. These internal controls are reviewed annually by the Audit committee and the Board of Directors to ensure effectiveness of such controls. The compliances with the SEBI Insider Trading Regulations for the financial year ended March 31, 2022 were independently reviewed by the Secretarial Auditors of the Company.

### iii. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

The Company has adopted a Code of Practices and Procedures for Fair Disclosure of UPSI with a view to facilitate prompt, uniform and universal dissemination of UPSI. The Code also includes the Policy for Determination of Legitimate Purposes. The Code is posted on the Company's website and can be accessed at <https://www.jubilantingrevia.com/investors/corporate-governance/policies-and-codes/code-of-fair-disclosures>.

### iv. Policy for Determining Materiality of Events and Information

The Company has adopted the Policy for Determining Materiality of Events and Information. This policy aims to ensure timely and adequate disclosure of all material and price sensitive information to the Stock Exchanges. The Policy is displayed on the Company's website and can be accessed at <https://www.jubilantingrevia.com/investors/corporate-governance/policies-and-codes/policy-for-determination-of-materiality-of-events-and-information>.

### v. Whistle Blower Policy

Jubilant has a robust Whistle Blower Policy and Ombudsman Process to make the workplace at Jubilant conducive to open communication regarding business practices. It enables the Directors and full time employees to voice their concerns or disclose or report fraud, unethical behaviour, violation of the Code of Conduct, questionable accounting practices, grave misconduct, etc. without fear of retaliation/ unlawful victimisation/ discrimination which is a sine qua non for an ethical organisation.

The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee.

The Whistle Blower Policy has been posted on the Company's website and can be accessed at <https://www.jubilantingrevia.com/investors/corporate-governance/policies-and-codes/whistle-blower-policy>. The Audit Committee periodically reviews the functioning of the Policy and the Ombudsman Process. During the financial year, no Director or full time employee was denied access to the Chairman of the Audit Committee.

### vi. Appointment and Remuneration Policy

The Company has a Policy on appointment and remuneration of Directors, Key Managerial Personnel ('KMP') and Senior Management/ other employees ('Employees') of the Company. The Policy aims to ensure that the persons appointed as Directors, KMPs and Employees possess the requisite qualifications, experience, expertise and attributes commensurate to

their positions and level and that the remuneration of such persons is fair, reasonable and sufficient to attract, retain and motivate the personnel to manage the Company successfully. The Policy contains, *inter alia*, provisions pertaining to qualification, attributes and process of their appointment and removal as well as remuneration. The Policy is displayed on the Company's website and can be accessed at <https://www.jubilantingrevia.com/investors/corporate-governance/policies-and-codes/appointment-and-remuneration-policy>.

### vii. Policy for Determining Material Subsidiaries

Policy for Determining Material Subsidiaries is displayed on the Company's website and can be accessed at <https://www.jubilantingrevia.com/investors/corporate-governance/policies-and-codes/policy-for-determining-material-subsiidiaries>.

As on March 31, 2022, the Company did not have any material subsidiary.

### viii. Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions

Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions is displayed on the Company's website and can be accessed at <https://www.jubilantingrevia.com/investors/corporate-governance/policies-and-codes/policy-on-rpts>.

### ix. Dividend Distribution Policy

The Company has formulated and implemented the Dividend Distribution Policy in accordance with the Listing Regulations. The Policy has been posted on the Company's website and can be accessed at <https://www.jubilantingrevia.com/investors/corporate-governance/policies-and-codes/dividend-distribution-policy>.

### x. Policy for Preservation of Documents

The Company has a Policy for Preservation of Documents. The Policy facilitates preservation of documents in compliance with the laws applicable to various functions and departments of the Company.

### xi. Archival Policy

The Company has an Archival Policy that lays down the process and manner of archiving the disclosures made to the Stock Exchanges under the Listing Regulations. The Policy provides that such disclosures shall be hosted on the website of the Company for a period of five years from the date of disclosure to the Stock Exchanges. The Policy also lays down the manner of archiving these disclosures after the period of 5 years. The Policy has been posted on the Company's website and can be accessed at <https://www.jubilantingrevia.com/investors/corporate-governance/policies-and-codes/archival-policy>.



- xii. Corporate Social Responsibility Policy is displayed on the Company's website and can be accessed at <https://www.jubilantingrevia.com/investors/corporate-governance/policies-and-codes/corporate-social-responsibility-policy>.
- xiii. Risk Management Policy.
- xiv. Policy on Board Diversity.
- xv. Succession Plan for Board Members and Senior Management.
- xvi. Performance Evaluation Policy
- xvii. Code of Conduct for Employees.
- xviii. Policy for Prevention of Sexual Harassment.

## H) DISCLOSURES

- (i) There are no materially significant transactions with the related parties viz. promoters, directors, their relatives or the management, subsidiaries, etc. that may have a potential conflict with the interests of the Company at large. Related Party Transactions are given at Note No. 38 to the Standalone Financial Statements;
- (ii) Listing fees for FY 2021-22 have been paid to the Stock Exchanges on which securities of the Company are listed;
- (iii) Detailed note on the risk management is included in the Management Discussion and Analysis section;
- (iv) Commodity Price Risks/ Foreign Exchange Risk and Hedging Activities: Your Company was exposed to foreign exchange risks on its import of raw materials/ trading goods/ capital items, export receivables and borrowings denominated in foreign exchange during FY 2021-22.

The Company did not use any derivative financial instruments or other hedging techniques to cover the potential exposure as the net foreign currency exposure is balanced structurally. Volatility in prices of imported raw material has resulted in increase in net current foreign currency exposure during the year but the Company expects it to return to balanced levels in medium term.

As per the Company's Policy for Determination of Materiality of Events and Information, your Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

- (v) Fees paid to Statutory Auditors: The Company and its subsidiaries have paid aggregate fees of ₹74.39 Lacs to

the Statutory Auditors and its network firms/ entities for audit and non-audit services availed during FY 2021-22;

- (vi) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as under:

Sr. No.	Particulars	Details
1	Number of complaints filed during FY 2021-22	1
2	Number of complaints disposed of during FY 2021-22	1
3	Number of complaints pending as at end of FY 2021-22	0

- (vii) The Company has complied with the requirements pertaining to Corporate Governance specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- (viii) Loans and advances in nature of loans to firms/ companies in which Directors are interested: Please refer details under disclosure of related party transactions in notes forming part of the financial statements.

## I) MEANS OF COMMUNICATION

- (i) The quarterly results are regularly submitted to the Stock Exchanges and are published in leading business newspaper of the country 'Mint' and regional newspaper 'Hindustan' in compliance with the Listing Regulations.
- (ii) The official news releases including the quarterly, half yearly and annual results and presentations are posted on the Company's website [www.jubilantingrevia.com](http://www.jubilantingrevia.com).
- (iii) Various sections of the Company's website [www.jubilantingrevia.com](http://www.jubilantingrevia.com) keep the investors updated on material developments of the Company by providing key and timely information like details of Directors, financial information, press releases, presentations, stock information, etc.
- (iv) Regular communications are sent to shareholders including e-mailing of quarterly results and press release just after release to the Stock Exchanges, e-mailing of Annual Reports and Corporate Sustainability Reports.
- (v) Earnings Presentation and Release detailing the quarterly results, and Conference Call Transcript Document & audio files are duly uploaded on the website of the Company [www.jubilantingrevia.com](http://www.jubilantingrevia.com). Earnings call is typically conducted post announcement of the results to the stock exchanges as per the schedule mentioned in the Con-call Invite which is also uploaded on the website of the Company. Earnings call playback is made available on the Dial-in numbers shared in the Con-call Invite and transcripts are uploaded on the website of the Company;



- (vi) Disclosures made to the Stock Exchanges are promptly uploaded on the website of the Company for information of the Investors.
- (vii) Online feedback form is placed on the website of the Company to enable the shareholders to provide feedback about shareholder services.
- (viii) The Company diligently works towards excellence in stakeholder communication. It believes in sharing all material information that may directly or indirectly affect the financial and operational performance of the Company and consequently the share price.
- (ix) A detailed docket on the financials and business highlights is released to the stock exchanges after the Board approves the results every quarter. We host a quarterly conference call to share the financial results of the Company along with discussion on the performance of the businesses by the leadership team. This is followed by question and answer session such that whosoever has a question for the management can raise it in the forum. During FY 2021-22, we conducted 4 post results conference calls, wherein over 100 participants from leading brokerage houses, foreign and domestic institutional investors, banks, insurance and portfolio management companies and rating agencies, besides media and others logged into the conference each time to listen to the management's discussion and analysis. Transcripts and audio recordings (from FY 2022-23) of the earnings conference call are also made available on the Company's website. The Company, as a process, disseminates material information on specific business updates through press releases, as appropriate
- (x) A dedicated e-mail address viz. [investors.ingrevia@jubl.com](mailto:investors.ingrevia@jubl.com) for interacting on various matters with respect to share transfer, transmission, dividends and other related issues with the Company Secretary and Compliance Officer.

## J) GENERAL SHAREHOLDER INFORMATION

### (i) Date, time and venue of 3<sup>rd</sup> Annual General Meeting

As per the notice of 3<sup>rd</sup> Annual General Meeting.

### (ii) Financial Year and Financial Calendar

The Company observes April 1 to March 31 as its financial year. The financial calendar for FY 2022-23 is as follows:

Item	Tentative Date*
First Quarter Results	Friday, August 5, 2022
Second Quarter Results	Thursday, October 20, 2022
Third Quarter Results	Tuesday, January 31, 2023
Audited Annual Results for the year	Tuesday, May 16, 2023

\*As approved by the Board. These dates are subject to change.

### (iii) Dividend Payment Dates

As per the notice convening the 3<sup>rd</sup> Annual General Meeting, the Dividend, if declared, will be paid within 30 days from the date of the Annual General Meeting.

### (iv) Listing

The names of the Stock Exchanges at which the securities of the Company are listed and the respective stock codes are as under:

Sr. No.	Name and Address of the Stock Exchange	Security Listed	Stock Code
1.	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	Equity Shares	543271
2.	National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	Equity Shares	JUBLINGREA

### (v) Market Information

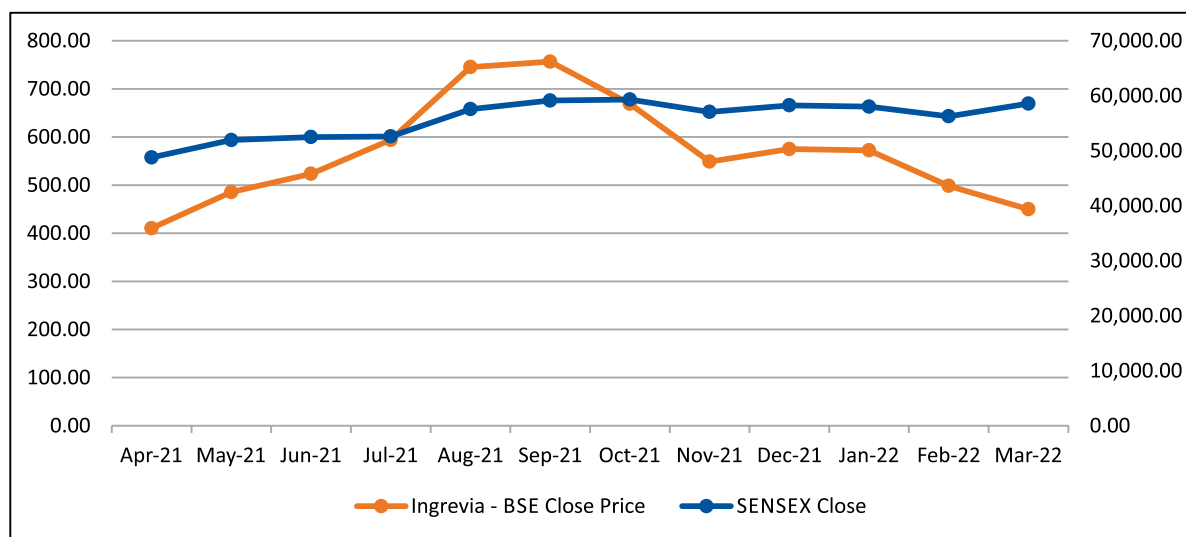
The monthly high/ low of the market price of the Company's Equity Shares (of ₹1 each) traded on the Stock Exchanges during FY 2021-22 is given hereunder:

(Amount in ₹)

Month	BSE Limited		National Stock Exchange of India Limited	
	High	Low	High	Low
Apr-21	432.60	255.10	432.00	260.00
May-21	503.35	392.80	503.70	392.65
Jun-21	611.90	460.00	611.60	461.00
Jul-21	671.00	515.20	671.60	515.00
Aug-21	770.80	596.15	770.00	592.25
Sep-21	803.35	695.30	803.40	695.00
Oct-21	877.95	626.50	838.75	629.20
Nov-21	680.50	518.00	678.10	532.05
Dec-21	614.20	519.75	614.30	518.00
Jan-22	647.50	521.55	647.75	519.00
Feb-22	614.90	456.40	615.00	456.00
Mar-22	527.00	401.35	527.40	401.20

**(vi) Performance of the Company's Equity Shares vis-a-vis BSE Sensex during 2021-22**

The above graph is based on the monthly closing prices of equity shares of the Company on BSE and monthly closing BSE Sensex.

**(vii) Compliance Officer**

Ms. Deepanjali Gulati, Company Secretary, is the Compliance Officer. She can be contacted for any investor related matter relating to the Company. Her contact no. is +91-120-4361000; Fax no. +91-120-4234895 and e-mail ID is [investors.ingrevia@jubl.com](mailto:investors.ingrevia@jubl.com).

**(viii) Debenture Trustee**

Axis Trustee Services Limited is the Debenture Trustee for 1,000 secured rated listed redeemable, non-convertible debentures aggregating to ₹1,000 million. The details of Debenture Trustee are given below:

Registered office: Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai-400025

Branch office: 2nd Floor, Plot No 25, Pusa Road, Karol Bagh, New Delhi-110005

Email: [kamal.paul@axistrustee.com](mailto:kamal.paul@axistrustee.com)

**(ix) Registrar and Transfer Agent**

For securities related matters, investors are requested to correspond with the Company's Registrar and Transfer Agent - Alankit Assignments Limited quoting their Folio No. / DP ID & Client ID at the following address: Mr. J.K. Singla, Deputy General Manager, Alankit Assignments Limited (Unit: Jubilant Ingrevia Limited), 205-208 Anar Kali Complex, Jhandewalan Extension, New Delhi-110055; Tel: +91-11-42541234; E-mail: [rta@alankit.com](mailto:rta@alankit.com).

**(x) Share Transfer System**

Trading in equity shares of the Company is permitted only in dematerialised form. The dematerialised shares are directly transferred by the depositories to the beneficiaries. Members holding shares in physical

form are, therefore, advised to convert their shares in dematerialised form.

It has been mandated by SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 that all listed companies shall henceforth issue the securities in dematerialized form only (vide Gazette Notification no. SEBI/LADNRO/GN/2022/66 dated January 24, 2022) while processing the following service request:

- i. Issue of duplicate securities certificate;
- ii. Claim from Unclaimed Suspense Account;
- iii. Renewal / Exchange of securities certificate;
- iv. Endorsement;
- v. Sub-division / Splitting of securities certificate;
- vi. Consolidation of securities certificates/folios;
- vii. Transmission;
- viii. Transposition;

The RTA /Company shall verify and process the service requests and thereafter issue a 'Letter of confirmation' in lieu of physical securities certificate(s), to the securities holder/claimant. The 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the said securities.

**(xi) Shareholder Satisfaction Survey**

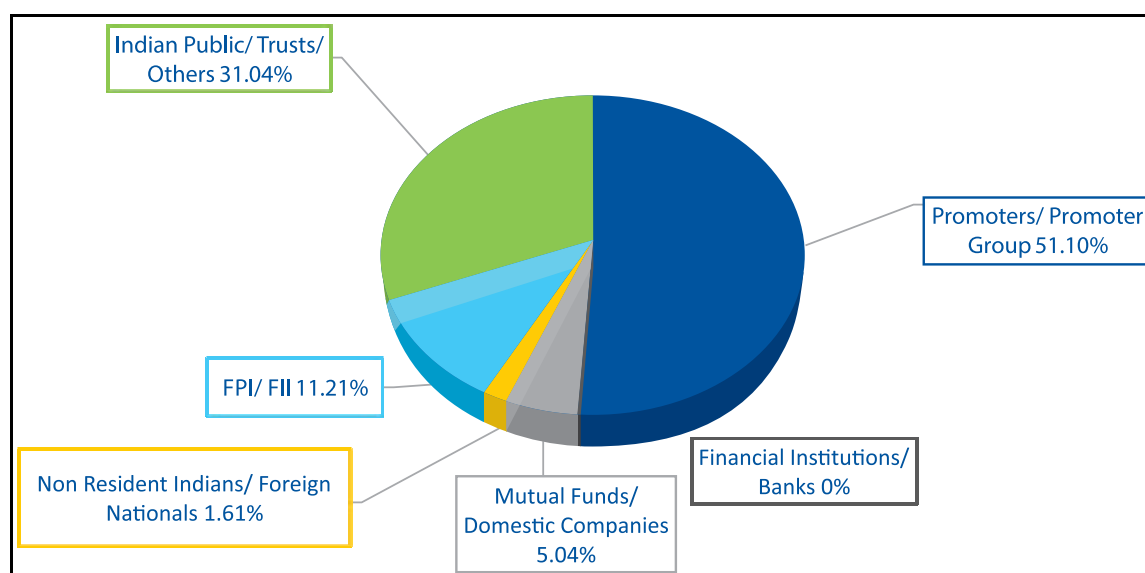
The Company offers the facility of online survey to assess the shareholders' satisfaction level for the investor services rendered by the Company. The shareholders can submit their feedback for investor services by accessing the web-link: <https://jubilantingrevia.com/investors/investor-feedback-form>

**(xii) Distribution of Shareholding as on March 31, 2022****(a) Value wise**

Shareholding of Nominal Value in ₹	Shareholders		Shareholding	
	Number	% of Total	Number	% of Total
Upto 5,000	1,90,443	99.46	2,91,78,900	18.32
5,001 to 10,000	537	0.28	38,65,623	2.43
10,001 to 20,000	232	0.12	33,13,024	2.08
20,001 to 30,000	87	0.05	21,78,945	1.37
30,001 to 40,000	20	0.01	7,00,606	0.44
40,001 to 50,000	21	0.01	9,48,328	0.60
50,001 to 100,000	58	0.03	40,68,103	2.55
100,001 and above	79	0.04	11,50,27,610	72.22
<b>Total</b>	<b>1,91,477</b>	<b>100.00</b>	<b>15,92,81,139</b>	<b>100.00</b>

**(b) Category wise**

Sr. No.	Category	No. of Shares	Shareholding as a Percentage of Total Number of Shares
A	Promoters & Promoter Group	8,13,94,156	51.10
B	Public Shareholding:		
	1. Financial Institutions/ Banks	2,965	0.00
	2. Mutual Funds/ Domestic Companies	80,19,487	5.04
	3. Non Resident Indians/ Foreign Nationals	25,66,061	1.61
	4. FPI / FII	1,78,50,153	11.21
	5. Indian Public/ Trusts/ Others	4,94,48,317	31.04
<b>Grand Total</b>		<b>15,92,81,139</b>	<b>100.00</b>

**Graphic depiction of the shareholding:****(xiii) Unclaimed Dividends**

Pursuant to the Scheme of Arrangement, 1,979,743 equity shares of the Company were transferred to the Investors Education and Protection Fund Authority.

The final dividend for FY 2021 and interim dividend for FY 2022 in respect to these shares have also been transferred to Investors Education and Protection Fund, established by the Government of India.

**(xiv) Compliance Certificate of Practicing Company Secretary**

The Company has obtained a certificate from the Practicing Company Secretary, Mr. Tanuj Vohra, Partner, TVA & Co. LLP, Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated in Schedule V(E) of the Listing Regulations. The Certificate is attached as **Annexure-C**.

**(xv) (a) Dematerialisation of Shares**

The equity shares of the Company fall under the category of compulsory delivery in dematerialised mode by all categories of investors. The Company has signed agreements with NSDL and CDSL for dematerialisation connectivity. As on March 31, 2022, 15,86,67,487 Equity Shares of the Company (99.62% of the Paid-up capital) were in dematerialised form.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's equity shares is INE0BY001018.

**(b) Liquidity**

The equity shares of the Company are frequently traded on the NSE as well as on BSE.

**(xvi) Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity**

**(a)** As on March 31, 2022, no FCCBs / GDRs / ADRs / Warrants or convertible instruments were outstanding.

**(b) Paid-up Share Capital**

The Paid-up Share Capital as on March 31, 2022 stands at ₹159,281,139 comprising of 159,281,139 equity shares of ₹1 each.

**(xvii) Location of the Manufacturing Facilities**

Uttar Pradesh	
1	Bhartiagram, Gajraula, District Amroha - 244 223
Gujarat	
1	Block 133, Village Samlaya, Taluka Savli, District Vadodara - 391 520
2	Plot No. P1-L1, P1-L13 to L16, P1-L19 (Jubilant SEZ, Plot No-5), Vilayat GIDC, Taluka Vagra, District Bharuch - 392 012
Maharashtra	
1	Village Nimbut, Railway Station Nira, Taluka - Baramati, District Pune - 412 102
2	B-34, Vadolgaon, MIDC, Behind Reliance Petrol Pump, Ambernath(W) - 421 501, District Thane
3	N34, MIDC Anand Nagar, Addl. Ambernath, Ambernath (E) - 421 506, District Thane

**(xviii) R&D Centre**

Bhartiagram, Gajraula, District Amroha - 244 223, Uttar Pradesh

**(xix) Address for Correspondence****Jubilant Ingrevia Limited**

1A, Sector 16A

Noida - 201 301, Uttar Pradesh

Tel: +91-120-4361000

Fax: +91-120-4234895

E-mail: [investors.ingrevia@jubl.com](mailto:investors.ingrevia@jubl.com)

Website: [www.jubilantingrevia.com](http://www.jubilantingrevia.com)

**(xx) Corporate Identification Number (CIN)**

L24299UP2019PLC122657

**(xxi) Details of Credit Ratings obtained by the Company alongwith revisions thereof during the year are mentioned below:**

Sr. No.	Instrument	Amount in ₹/ Crore	Rating Agency	Rating	Outlook	Remarks
1	Bank Loan Facilities	460	CRISIL Ratings Limited	CRISIL AA	Stable	Rating has been assigned vide letter dated May 6, 2021
2	Non-Convertible Debentures	100	CRISIL Ratings Limited	CRISIL AA	Stable	Rating has been assigned vide letter dated May 6, 2021
3	Commercial Paper	400	CRISIL Ratings Limited	CRISIL A1+		Rating has been assigned vide letter dated May 6, 2021
4	Fund-based limits	475	India Ratings and Research	IND AA/Stable/IND A1+	Stable	Rating has been assigned vide letter dated June 4, 2021
5	Non-Fund-based limits	772.5	India Ratings and Research	IND A1+		Rating has been assigned vide letter dated June 4, 2021
6	Fund-based limits	440 (reduced from 475 Crs)	India Ratings and Research	IND AA/Stable/IND A1+	Stable	Rating has been affirmed vide letter dated February 15, 2022
7	Non Fund-based limits	807.50 (Increased from 772.5 Crs)	India Ratings and Research	IND A1+		Rating has been affirmed vide letter dated February 15, 2022

**(xxii) Equity Shares in Suspense Account**

Details of outstanding shares in the Unclaimed Suspense Account:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and outstanding shares in the Unclaimed Suspense Account lying as on April 1, 2021	261	2,19,730
Number of shareholders who approached the Company for claiming shares from the Unclaimed Suspense Account during 2021-22	Nil	Nil
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during 2021-22	Nil	Nil
Number of shares transferred to Investors Education and Protection Fund (the 'Fund') during 2021-22	Nil	Nil
Aggregate number of shareholders and outstanding shares lying in the Unclaimed Suspense Account as on March 31, 2022	261	2,19,730

Note:

- The voting rights on the shares lying in Jubilant Ingrevia Limited-Unclaimed Suspense Account shall remain frozen till the rightful owners of such shares claim the shares.
- These shares were transferred in Jubilant Ingrevia Limited-Unclaimed Suspense Account pursuant to the Composite Scheme of Arrangement.

**K) COMPLIANCE WITH THE REGULATIONS RELATED TO CORPORATE GOVERNANCE IN THE LISTING REGULATIONS****(a) Mandatory Requirements**

The Company is complying with the mandatory requirements relating to Corporate Governance as prescribed in the Listing Regulations.

**(b) Extent to which Non-Mandatory requirements have been adopted**

The status of adoption of non-mandatory requirements as specified in Regulation 27(1) read with Part E of Schedule II to the Listing Regulations is given below:

**1. The Board****Non-Executive Chairman's Office**

The Chairman is Non-Executive Promoter Director.

**2. Shareholders' Rights**

Quarterly and year to date results along with press releases are sent to those shareholders whose e-mail addresses are available with the Company.

**3. Modified opinion(s) in the audit reports**

Audit Reports on the Financial Statements of the Company do not contain any modified opinion.

**4. Reporting of Internal Auditors**

Internal Auditors report to the Audit Committee.

**(c) CEO/CFO Certification**

In compliance with Regulation 17(8) read with Schedule II (B) of the Listing Regulations, a declaration by CEO and Managing Director and Chief Financial Officer, is enclosed as **Annexure-D** which, *inter alia*, certifies to the Board about accuracy of the financial statements and adequacy of internal controls for the financial reporting purpose.

For and on behalf of the Board

**Shyam S Bhartia**

Chairman  
(DIN: 00010484)

Place: Noida  
Date: May 17, 2022

**Hari S Bhartia**

Co-Chairman  
(DIN: 00010499)

## Annexure-A

**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  
**Jubilant Ingrevia Limited**  
CIN: L24299UP2019PLC122657  
Bhartiagram, Gajraula,  
District Amroha – 244223,  
Uttar Pradesh, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Jubilant Ingrevia Limited (CIN: L24299UP2019PLC122657) having registered office at Bhartiagram, Gajraula, District Amroha - 244223, Uttar Pradesh, India (hereinafter referred to as 'the Company') and produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers and the representations made by the management, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment
1.	Mr. Shyam Sunder Bhartia	00010484	06/02/2021
2.	Mr. Hari Shanker Bhartia	00010499	06/02/2021
3.	Mrs. Sudha Pillai	02263950	06/02/2021
4.	Mr. Sushil Kumar Roongta	00309302	06/02/2021
5.	Mr. Arun Seth	00204434	06/02/2021
6.	Mr. Pradeep Banerjee	02985965	06/02/2021
7.	Mr. Siraj Azmat Chaudhry	00161853	06/02/2021
8.	Mrs. Ameeta Chatterjee	03010772	17/04/2021
9.	Mr. Priyavrat Bhartia	00020603	06/02/2021
10.	Mr. Arjun Shanker Bhartia	03019690	17/04/2021
11	Mr. Rajesh Kumar Srivastava	02215055	23/10/2019 Re-designated as CEO and Managing Director effective from February 6, 2021 for a period of 5 years
12.	Mr. Anant Pande	08186854	23/10/2019 Re-designated as Whole-time Director effective from February 6, 2021 for a period of 5 years

It is solemnly the responsibility of Directors to submit relevant declarations and disclosures with complete and accurate information in compliance with the relevant provisions. Further, ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **TVA & Co. LLP**  
Company Secretaries

**Tanuj Vohra**  
Partner

M. No.: F5621, C.P. No.: 5253  
UDIN: F005621D000333190  
RP: L2015UP000900

Place: Delhi  
Date: May 17, 2022

**Annexure-B****TO WHOMSOEVER IT MAY CONCERN**

This is to confirm that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company for the financial year ended March 31, 2022.

For **Jubilant Ingrevia Limited**

Place: Noida  
Date: May 17, 2022

**Rajesh Kumar Srivastava**  
CEO and Managing Director

**Annexure-C****CERTIFICATE BY PRACTICING COMPANY SECRETARY ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER SCHEDULE V(E) OF THE LISTING REGULATIONS**

To,  
The Members of  
**Jubilant Ingrevia Limited**  
CIN: L24299UP2019PLC122657  
Bhartiagram, Gajraula,  
District Amroha – 244223,  
Uttar Pradesh, India

1. We have examined the compliance of the conditions of Corporate Governance by Jubilant Ingrevia Limited (the 'Company') for the financial year ended on March 31, 2022, as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to the review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and the representation made by the directors and the management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. 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 **TVA & Co. LLP**  
Company Secretaries

**Tanuj Vohra**  
Partner

M. No.: F5621, C.P. No.: 5253  
UDIN: F005621D000333212  
RP: L2015UP000900

Place: Delhi  
Date: May 17, 2022



**Annexure-D****CERTIFICATE OF CEO - CFO**

This is to certify that:

- A. We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2022 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee:
1. significant changes in internal control over financial reporting during the financial year;
  2. significant changes in accounting policies during the financial year and that the same have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Jubilant Ingrevia Limited**

Place: Noida  
Date : May 17, 2022

**Rajesh Kumar Srivastava**  
*CEO and Managing Director*

**Prakash Chandra Bisht**  
*President & Chief Financial Officer*

# BUSINESS RESPONSIBILITY REPORT

The Directors are pleased to present the 2<sup>nd</sup> Business Responsibility ('BR') Report of the Company for FY 2022.

The details on the aspects discussed in this BR Report are available in the Company's Sustainability Report for FY 2022. The Sustainability Report of the Company is available on the Company's website [www.jubilantingrevia.com](http://www.jubilantingrevia.com)

## COMMITMENT TO SUSTAINABLE AND INCLUSIVE GROWTH

The Company's continued focus on sustainability aims at improving stakeholders' value through optimum use of capital and natural resources. Our promise of Caring, Sharing, Growing is the essence of our activities that are directed towards sustainable growth. The Company's approach towards sustainable development focuses on the triple bottom line of Economic, Environment and Social performance. We are committed and working on various areas of energy conservation, climate change mitigation and water conservation measures. Prior to demerger

of Life Science Ingredients (the 'LSI') business into the Company, the sustainability performance of the LSI business was covered under Sustainability Report of Jubilant Pharmova Limited (earlier known as Jubilant Life Sciences Limited). From last year separate consolidated Sustainability Report is prepared & published for the Company covering the LSI business and other subsidiaries of the Company. Since 2003, Sustainability efforts of the LSI business are being reported through Corporate Sustainability Report of Jubilant Pharmova Limited (earlier known as Jubilant Life Sciences Limited). Sustainability Report for FY 2021 was prepared for the Company following the latest GRI Standards in accordance with the 'Comprehensive' option which was assured by Ernst & Young Associates LLP and the application level was checked by GRI. The Sustainability Report for FY 2022 is prepared on the similar lines. This reflects our commitment towards sustainable development and continued efforts directed towards protecting the environment wherever we operate.

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L24299UP2019PLC122657
2.	Name of the Company	Jubilant Ingrevia Limited
3.	Registered Address	Bhartiagram, Gajraula, District Amroha-244 223, Uttar Pradesh, India
4.	Website	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>
5.	E-mail Address	<a href="mailto:satish.kanagala@jubl.com">satish.kanagala@jubl.com</a>
6.	Financial Year Reported	2021-22
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Basic Organic Chemicals (2011)

8.	List three key products / services that the Company manufactures / provides (as in balance sheet)	(i) Pyridine & Picolines and their derivatives (ii) Acetic Anhydride (iii) Niacinamide
9.	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (Provide details of major 5)	The Company's businesses and operations are spread across the Country. Details of plant locations of the Company are provided in the section 'General Shareholder Information' in the Corporate Governance Report forming part of the Annual Report.
	(b) Number of National Locations	
10	Markets served by the Company – Local / State / National / International	The Company's products have both national and international presence.

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (in ₹)	159.28 million
2.	Total Turnover (in ₹)	48,604 million
3.	Total profit after taxes (in ₹)	4,523 million
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	5.60 million 0.12%
5.	List of activities in which expenditure in 4 above has been incurred:	<ul style="list-style-type: none"> <li>Eradicating hunger, poverty and malnutrition; promoting health care and sanitation and making available safe drinking water</li> <li>Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently able persons and livelihood enhancement projects</li> <li>Local Area Development</li> </ul>

## SECTION C: OTHER DETAILS

### 1. Does the Company has any Subsidiary Company/ Companies?

Yes, the Company has 6 Subsidiaries as on March 31, 2022.

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

Business Responsibility Report also includes sustainability performance of subsidiaries of the Company which has impact on the sustainability performance of the organisation. The key subsidiary companies covered in the report are as follows:

- Jubilant Infrastructure Limited
- Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)
- Jubilant Life Sciences (USA) Inc.
- Jubilant Life Sciences International Pte. Limited
- Jubilant Life Sciences (Shanghai) Limited
- Jubilant Life Sciences NV

### 3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

The Company engages with all its key stakeholders (e.g. suppliers, employees, investors, community, etc.) and take note of their concerns while designing the business strategy. The Company also communicates its business responsibility policies and approaches to the concerned stakeholders

from time to time. For example, holding Suppliers' Meet, publication of Annual Sustainability Report, Customer CSR Assessment, etc. The Green Supply Chain Policy is an example of engaging our suppliers in the Company's business responsibility journey. The percentage of such stakeholders is < 30%.

## SECTION D: BR INFORMATION

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

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

The Board of Directors has assigned implementation of the BR Policies to the Sustainability & CSR Committee of the Board of Directors. As on date, the Sustainability & CSR Committee comprises of the following members:

Name of the Member(s)	DIN	Designation
Ms. Sudha Pillai	02263950	Chairperson
Mr. Shyam Sunder Bhartia*	00010484	Member
Mr. Hari Shanker Bhartia	00010499	Member
Mr. Arun Seth	00204434	Member
Mr. Sushil Kumar Roongta	00309302	Member
Mr. Pradeep Banerjee	02985965	Member
Ms. Ameeta Chatterjee**	03010772	Member
Mr. Priyavrat Bhartia	00020603	Member
Mr. Arjun Shanker Bhartia**	03019690	Member
Mr. Rajesh Kumar Srivastava	02215055	Member

\*Mr. Shyam S Bhartia has ceased to be the member of Sustainability and CSR Committee effective from February 1, 2022.

\*\* Ms. Ameeta Chatterjee and Mr. Arjun Shanker Bhartia have been appointed as the members of the Sustainability & CSR Committee effective from February 1, 2022.

(b) Details of the BR Head

Name	Mr. KVS Satish Kumar
Designation	Chief Sustainability Officer
Director Identification Number	NA
Phone Number	+91-120-4361000
Email ID	satish.kanagala@jubl.com

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

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

Principle 1: (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2: (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3: (P3)	Businesses should promote the well-being of all employees
Principle 4: (P4)	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
Principle 5: (P5)	Businesses should respect and promote human rights
Principle 6: (P6)	Businesses should respect, protect and make efforts to restore the environment
Principle 7: (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8: (P8)	Businesses should support inclusive growth and equitable development
Principle 9: (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner

(b) **Details of compliance (Reply in Y/N)**

Principle-wise Policies	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>1 Do you have a policy/ policies for:</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>2 Has the policy been formulated in consultation with the relevant stakeholders?</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
	The relevant policies have been evolved over a period of time by taking inputs from the concerned internal stakeholders. The Company engages with the key external stakeholders on a regular basis and their concerns are noted and discussed internally which help in shaping our policies.								
<b>3 Does the policy conform to any national / international standards? If yes, specify? (50 words)</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
	All applicable national and international laws as well as international conventions are captured in the policies articulated by the Company. In addition, they reflect the purpose and intent of the United Nations Global Compact (UNGC) principles and Sustainable Development Goals (SDGs), GRI standards and international standards such as ISO 14001, ISO 9001, ISO 22000, ISO 50001, RC 14001, ISO 45001 and others.								
<b>4 Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
	The policies are approved by the Board/Competent Authority for which the requisite authority has been delegated by the Board.								
<b>5 Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
	The Company has set-up various Committees of the Board of Directors or of Senior Executives to oversee implementation of these policies. Sustainability & CSR Committee is one such committee that reviews Sustainability and CSR performance of the Company on half-yearly basis.								
<b>6 Indicate the link for the policy to be viewed online?</b>	All employee related policies are uploaded on the intranet portal of the Company for communication and implementation. Other policies are uploaded on the Company's website <a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a> .								

Principle-wise Policies		P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>7</b>	<b>Has the policy been formally communicated to all relevant internal and external stakeholders?</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
Policies are communicated to the relevant stakeholders through Company website, meetings, emails, annual report, etc.										
<b>8</b>	<b>Does the company has in-house structure to implement the policy/ policies?</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>9</b>	<b>Does the Company has a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>10</b>	<b>Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y

#### List of Existing Policies

<b>Following are the key policies which provide broad guidelines for smooth and transparent functioning of the Board</b>	<b>Approved by</b>	<b>On-line view</b>
Code of Conduct for Directors and Senior Management	Board	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>
Code of Conduct for Prevention of Insider Trading	Board	Intranet portal of the Company
Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions	Board	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>
Corporate Social Responsibility Policy	Board	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>
Policy for Determination of Materiality of Events and Information	Board	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>
Policy on Board Diversity	Board	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>
Succession Plan for Board Members and Senior Management	Board	-
Performance Evaluation Policy	Board	-
Appointment and Remuneration Policy	Board	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>
Whistle Blower Policy	Board	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a> and Intranet portal of the Company
Policy for Determining Material Subsidiaries	Board	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>
Archival Policy	Board	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>
Policy for Preservation of Documents	Board	-
Dividend Distribution Policy	Board	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('UPSI')	Board	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>
Policy and Procedure for inquiry in case of leak or suspected leak of UPSI	Board	Intranet portal of the Company
Code of Conduct for Employees	Board	Intranet portal of the Company
Policy for Prevention of Sexual Harassment	Board	Intranet portal of the Company
Risk Management Policy	Board	-
<b>Other policies adopted by the Company for ensuring effective governance in regular operations</b>	<b>Approved by</b>	<b>On-line view</b>
Sustainability Policy	Chairman and Co-Chairman	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>
Climate Change Mitigation Policy	Chairman and Co-Chairman	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>
Environment, Occupational Health and Safety Policy	Chairman and Co-Chairman	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>

Other policies adopted by the Company for ensuring effective governance in regular operations	Approved by	On-line view
Responsible Care Policy	Chairman and Co-Chairman	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>
Green Supply Chain Policy	Chairman and Co-Chairman & Managing Director	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>
Quality Policy	Chairman and Co-Chairman	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>
Energy Policy	Chairman and Co-Chairman	<a href="http://www.jubilantingrevia.com">www.jubilantingrevia.com</a>

### 3. Governance related to BR

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

There are several committees of the Board of Directors and of Senior Executives that meet at regular frequency to review the BR performance of the Company. Sustainability & CSR Committee of the Board reviews the Sustainability and CSR performance of the Company on a half-yearly basis. This Committee comprises Executive, Non-Executive and Independent Directors.

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

Prior to demerger of LSI business into the Company, the sustainability performance of LSI business was covered under sustainability report of Jubilant Pharmova Limited (earlier known as Jubilant Life Sciences Limited). From FY 2021 separate consolidated sustainability report has been prepared & published for the Company covering LSI business of the Company and businesses of other subsidiaries of the Company. Sustainability efforts of the LSI business are being reported through Corporate Sustainability Report of Jubilant Pharmova Limited since 2003. Sustainability Report for FY 2021 covering LSI business was prepared for the Company following the latest GRI Standards in accordance with the 'Comprehensive' option which was assured by Ernst & Young Associates LLP and the application level was checked by GRI. The Report for FY 2022 is published on similar lines along with the Annual Report of the Company for FY 2022. Sustainability Reports of the Company are available on the Company's website at the following link: <https://jubilantingrevia.com/about-us/sustainability/sustainability-report>

#### Business Responsibility Report Index on Social, Environmental and Economic Issues

BRR Principle	Section in BR Report	Page No.	Details in Company's Sustainability Report
P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	Corporate Governance - Ethics, Transparency & Accountability	159	√
P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	Sustainability of Products and Services across Life-Cycle	159-160	√
P3 Businesses should promote the well-being of all employees	Employee well being	161	√
P4 Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised	Stakeholder Prioritisation and Engagement	162-163	√
P5 Businesses should respect and promote human rights	Promote Human Rights	163	√
P6 Businesses should respect, protect and make efforts to restore the environment	Respect, Protect and Restore the Environment	164	√
P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	Public Policy Advocacy	165	√
P8 Businesses should support inclusive growth and equitable development	Corporate Social Responsibility	165	√
P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner	Customer Satisfaction	165	√

### SECTION E: PRINCIPLE-WISE PERFORMANCE

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

**Corporate Governance – Ethics, Transparency & Accountability:**

**Composition of the Board:** The Board of Directors (the 'Board') is the apex and highest governing body in the Company. The Board along with its Committees provides leadership and strategic guidance to the Company's management while discharging its fiduciary responsibilities thereby ensuring that the management adheres to high standards of ethics, transparency and disclosures. The Board's objective is to create sustainable value for all stakeholders, provide vision to the Company and oversee implementation of the Board's decisions.

The Company is led by a team of distinguished individuals who inspire, lead and contribute to the growth of the Company. The Board of Directors of the Company has an optimal mix of Executive, Non-Executive, Independent and Non-Independent Directors. As on March 31, 2022, the Board comprised 2 Executive Directors and 4 Non-Executive Directors. The Board had 6 Independent Directors that includes 2 Woman Directors. All members of the Board are well experienced and bring expertise in the fields of Life Sciences, Pharmaceuticals, Chemical Engineering, Banking, Accounts, Taxation, Administration, and so on.

The Independent Directors are not associated with the Company in any executive capacity. The Independent Directors, by furnishing a Certificate of Independence to the Board, affirm their independence on an annual basis.

**Senior Leadership Team:** The CEO and Managing Director is the highest Executive Officer of the Company. The CEO and Managing Director of the Company is responsible for smooth functioning of business. This also includes development of business strategies keeping in view the interests of all the stakeholders. The business strategies and plans are reviewed during the annual Strategy Meet by the Chairman, Co-Chairman and Executive Directors.

**Board Committees for effective governance:** To focus effectively on the issues and to ensure expedient resolution of diverse matters, the Board has constituted several Committees with clearly defined terms of reference and scope. The Committee members are appointed by the Board with the consent of the individual Directors. Major Committees of the Board are:

- Audit Committee
- Nomination, Remuneration and Compensation Committee
- Stakeholders Relationship Committee
- Sustainability & CSR Committee
- Risk Management Committee
- Finance Committee

**Codes and Policies:**

There are several codes and policies framed by the Board in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Following are the key codes and policies which provide broad guidelines for smooth and transparent functioning of the Board:

- Code of Conduct for Directors and Senior Management
- Code of Conduct for Prevention of Insider Trading
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('UPSI')
- Policy and Procedure for inquiry in case of leak or suspected leak of UPSI
- Policy for Determining Materiality of Events and Information
- Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions
- Corporate Social Responsibility Policy
- Policy on Board Diversity
- Succession Plan for Board Members and Senior Management
- Performance Evaluation Policy
- Appointment and Remuneration Policy
- Whistle Blower Policy
- Policy for Determining Material Subsidiaries
- Dividend Distribution Policy
- Policy for Preservation of Documents
- Archival Policy
- Risk Management Policy
- Policy on Prevention of Sexual Harassment
- Code of Conduct for Employees on issues like prohibition of child labour, forced & compulsory labour, non-discrimination, anti-bribery & corruption, preventing money laundering and others.

Good governance is a tradition and a way of life in the Company and 'Our Promise' and 'Our Vision' set the overall direction for corporate governance of the Company. The Vision, Values and Promise statements of the Company are adopted by the businesses and all other functions of the Company. In addition to the above mentioned policies framed by the Board, there are several other policies adopted by the Company for ensuring effective corporate governance in regular operations. These include:

- Sustainability Policy
- Climate Change Mitigation Policy
- Environment, Occupational Health and Safety Policy
- Responsible Care Policy
- Green Supply Chain Policy
- Quality Policy
- Energy Policy

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

**Sustainability of Products and Services across Life-Cycle**

Ingrevia is born out of a union of 'Ingredients' and 'Life' ('Vie' in French). The Company is committed to offering high quality and innovative life science ingredients to enrich all forms of life. Jubilant Ingrevia, a global integrated Life Science products and Innovative Solutions provider is focused on bringing value to its



stakeholders in a sustainable manner. A science active company with five state-of-the-art manufacturing facilities and R&D centres in India. Through its businesses of Specialty Chemicals, Nutrition & Health Solutions and Chemical Intermediates, it is serving fast-growing and diverse industries such as Pharmaceuticals, Agrochemicals, Nutrition, Consumer and Industrial applications.

The Company's progress in diverse businesses has been made possible through the contribution of R&D which is focused on product development and cost reduction through process innovation. Innovation in the Company is backed by strong chemistry, bio science expertise and the knowledge bank created over the years. We have harnessed our strengths - a strong R&D team, modern R&D facilities, command over cost effective technologies and economies of scale into a synergistic organic entity, continuously creating and nurturing high quality products and technologies.

#### Material in Use

The Company sources its materials, machinery, spares, stores, etc. from across the globe without compromising on quality and value. In FY 2022, in value terms, 32.56% of the material was sourced domestically whereas, 67.44% was sourced from other countries for Indian operations.

#### On the Road to 'Green Chemistry'

The Company manufactures Pyridine using alcohol produced from agricultural feedstock (molasses) instead of using alcohol produced by conventional petro route. As per the Life Cycle based carbon footprint study, in FY 2012, it was evident that Pyridine manufactured by the Company through ethanol (biogenic source) route has a much lesser carbon footprint than similar products which are manufactured through conventional petro route. The Company is also conducting LCA based product carbon footprint assurance of 26 products by third party to address its commitment towards climate change through regular monitoring of its carbon performance.

#### Energy Consumption and Conservation

Cost of energy and its linkage with climate change impact is a major business concern in the Company like any other industry. To optimise its energy consumption and decouple climate change impact from energy usage, the Company has decided to focus on improving process energy efficiency, find alternate sources of uninterrupted low cost energy and increasing the percentage of renewable energy in the present energy mix. In FY 2016, the Company's first inducted solar energy in its existing renewable energy mix of bio-gas and biomass. Gradually, the Company is trying to incorporate more solar power in its facilities considering its techno economic viability.

In line with the established practice, the Company took up several resource saving initiatives at its manufacturing facilities. During the year under review, 42 energy saving projects of the Company led to an estimated saving of ₹243 million.

#### Water and Waste Water Management

The Company is aware of the growing conflict for water usage between industry and public at large across the globe. In its bid to become water sustainable, the Company is continuously striving to follow zero discharge strategy. Majority of its plants have already achieved zero discharge. At all the plants, we try to optimise water

consumption and maximise effluent recycle and reuse. In addition to process modification, the site management has also put in place the best available effluent treatment technologies for better recycling and reuse. Further, the Company has also implemented rainwater harvesting structures at several locations to support its commitment in water conservation. Please refer the Sustainability Report of the Company for details of water and waste-water performance.

#### Waste Management

Waste minimisation, waste recovery and reuse and scientific disposal of waste are the three approaches adopted by the Company for all types of wastes, whether hazardous or non-hazardous. The Company, while continuing the waste treatment, is laying emphasis on waste minimisation. However, the non-hazardous wastes are either recycled or reused by the third parties. Fly ash, metal scrap, plastic scrap, paper and wooden material scraps are a few major contributors of non-hazardous waste. For hazardous waste generated at its facilities, the Company follows the methods stated below for its proper disposal depending on their nature and local regulations:

- Recycle and reuse through authorised third party
- Co-processing at cement kiln
- Secured land fill
- Incineration (both solid & liquid)

Co-processing of hazardous waste with high calorific value in cement kilns result in reducing the carbon footprint which would have otherwise generated during treatment of the waste through Multi Effect Evaporator (MEE) and incinerator.

#### Sustainable Supply Chain

The principal goal of supply chain management in the Company is to provide a substantial and sustainable value contribution for the success of our businesses. In line with our vision to do business sustainably, the Company is keen to take its partners along in this sustainability journey. We have processes and systems in place to engage with them on a continuous basis. Various categories of suppliers include raw material and packaging vendors, engineering item suppliers, transporters, contractors and other service providers. Considering the growing demand for a sustainable supply chain globally, the Company has already developed and communicated its Green Supply Chain Policy to its suppliers.

We also regularly updating our suppliers on the latest sustainable procurement requirements. Suppliers' concerns are addressed through various interactions on a continual basis. To fulfil our Green Supply Chain commitments, the Company is engaging extensively with its suppliers since 2014 for ensuring compliance of applicable laws pertaining to Environment, Health and Safety, Human Rights and Social Requirements. The standard terms and conditions of contracts with the suppliers cover clauses for ensuring compliance with the laws pertaining to EHS, Human Rights and Social requirements since 2014. Supplier sustainability audits are conducted annually to cover critical vendors and at least 10% of critical suppliers are to be evaluated every year. All external manufacturers are audited at least once in a year for their environmental & social performance. During the reporting year, 13 contract manufacturers & critical suppliers were audited against their environmental & social performances.

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

#### Employee Well-Being

Engaged and committed workforce is key to our success. It onsets from recruiting qualified professionals, designed on-boarding and regular training, periodic performance discussions and rewarding meritocracy. Our Business Principles commit us to provide our people with a safe working environment, respecting their human rights, promoting their professional development and creating an inclusive work environment. Human Resource policies and benefits have been articulated in the 'HR Policy Manual'. The manual defines eligibility, entitlement, terms & conditions and associated documentation for each policy.

#### Employee Benefits

To improve the employee satisfaction and retention, the Company has put in place several employee benefit schemes. These include maternity leave for female employees, disability and invalidity coverage as per the Maternity Benefit Act, 1961, as amended, Industrial Disputes Act, 1947, the Employee's Compensation Act, 1923 and Group Medical Insurance for employees and their

dependents. All female employees in Indian units are entitled to parental leave. Long term employee benefits include Pension, Provident Fund, Superannuation and Gratuity. These constitute the key elements of employee's post-retirement benefits in India.

#### Head Count and Break-up

All permanent employee records are maintained in our PeopleSoft database in HRIS system. Details of category-wise head count, attrition and new joiners of the Company are available in the Sustainability Report of the Company.

As Chemical manufacturing sites of the Company are hazardous in nature, the Company does not encourage employment of differently abled persons on these sites. However, in line with local regulatory requirements, our manufacturing facility at Bharuch had employed 4 differently abled persons (with more than 30% physical disability).

#### Region wise Employee head count

Region	Number of Permanent Employees(P)			Number of Contractual Employees (C)			Overall (P+C)
	Executives	Workmen	Total (P)	Temp & Labour Supply	Job Contracts/ Projects	Total (C)	
India	1,692	418	2,110	1,241	1,216	2,457	4,567

#### Employee Association

As on March 31, 2022, 288 employees of the Company were covered by Collective Bargaining Agreements with Trade Unions and Worker Committees. During the year, we enjoyed cordial relations with our employees and there have been no instances of labour unrest or disputes at any of the manufacturing sites.

#### Safety and Skill Upgradation Training

Imparting periodic quality training to employees is fundamental to improve the existing talent pool. As a part of learning and development opportunities, the Company organises various internal and external trainings on a regular basis which include key capability development programs such as leadership development programs, strategic initiatives programs, self-development program and other customised programs. The

Company has a dedicated in-house learning and development team which identifies the training needs of the employees, prepares training calendars and conducts trainings. The Company also organises induction programs for new employees at regular intervals and it has been made mandatory to participate in the induction training after joining the organisation. Please refer the Sustainability Report of the Company for details of training imparted to the employees. During the previous year, the Company engaged with an external expert agency for strengthening safety management system as part of the OHS Strategy. The two years' project includes implementation of global OHS Standards, competency building of the people, development of safety KPIs and driving safety governance across all the levels of the organization till top management level.

Manufacturing Location	Executive	Workmen	TOTAL	Training Hours	Man-Days	Avg. Man-Days per Employee per year
Gajraula	671	192	863	17,029	2128.7	2.47
Bharuch	353	116	469	23,950	2993.7	6.38
Nira	223	65	288	6,488	811.0	2.82
Savli	54	30	84	1,973	246.6	2.94
Ambarnath	27	15	42	931	116.4	2.77
Corporate office	293	0	293	1,132	141.5	0.48
R&D (Noida part of the Company))	43	0	43	76	9.5	0.22
Branch offices	28	0	28	164	20.5	0.73
Total	1,692	418	2,110	51,743	6467.9	3.07

Please refer the Sustainability Report of the Company for further details of training imparted to the employees.

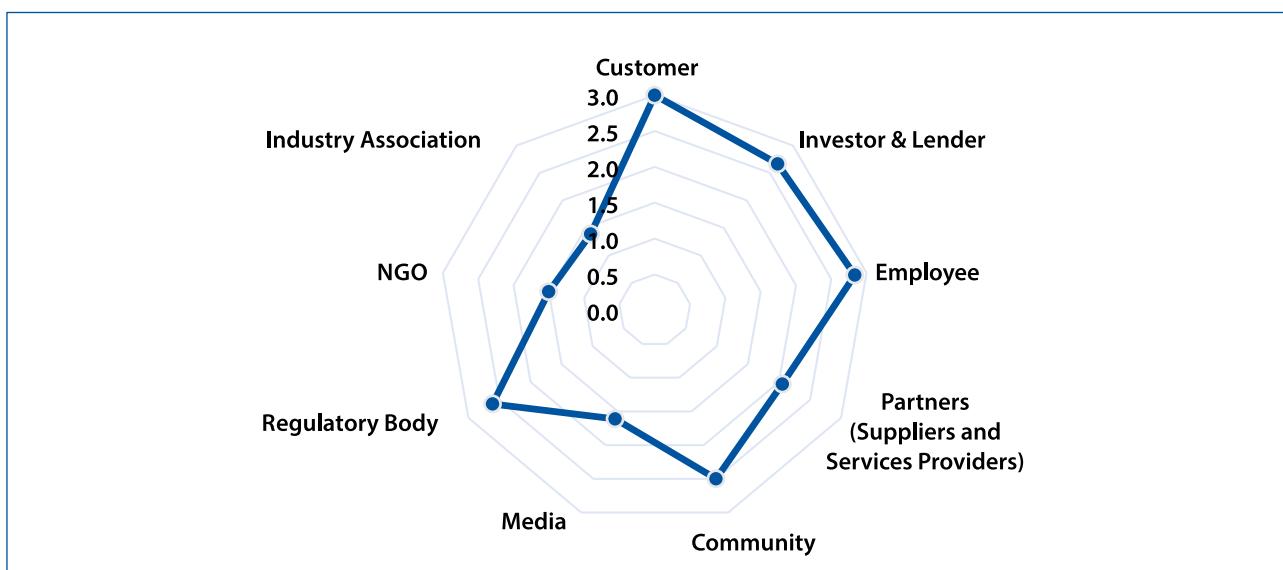
**Principle 4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised**

**Stakeholder Prioritisation and Engagement**

Stakeholder engagement is the foundation of every sustainable business model. The Company recognises the essence and invests significant time and efforts in improving the mode of stakeholder engagement. The Company has always strived to engage in an active dialogue with all its stakeholders. Stakeholders' aspirations and concerns are important elements of the Company's decision-making process. The Company has a robust system for maintaining a progressive relationship with its stakeholders.

The Company appreciates the need for a formal and systematic approach towards stakeholder prioritisation and materiality assessment for better understanding of the ever changing expectations of our stakeholders. In this regard, a practice was developed and introduced in FY 2015 on Stakeholder Prioritisation and Materiality Assessment involving Life Science Ingredients (LSI) business. In Phase-I, the Stakeholder Prioritisation & Materiality Assessment Survey was conducted, internally engaging the senior leadership team to assess the Company's key stakeholders and key issues influencing decisions of stakeholders. In FY 2018, internal materiality assessment was conducted covering Heads of Departments of all Sites as well as Site Heads across all LSI manufacturing operations.

**Stakeholder Prioritization:**



**Stakeholder Engagement:**

Stakeholder	Modes of engagement (frequency)	Needs/expectations of stakeholders
Customers	<ul style="list-style-type: none"> <li>Two virtual fairs: INDIA-AFRICA Dyes, Chemical &amp; Ceramic Virtual Fair (June 21, 2022-June 23, 2022), and the INDIA – ASEAN Dyes, Chemical &amp; Ceramic Virtual Fair by TPCI (June 28, 2022-June 30, 2022)</li> </ul>	<ul style="list-style-type: none"> <li>Quality</li> <li>Packaging and labelling</li> <li>Climate change</li> <li>Timely delivery</li> </ul>
Investors and Shareholders	<ul style="list-style-type: none"> <li>Regular investor meetings and calls during FY 2022</li> <li>Four conference calls (for Q4'21, Q1'22, Q2'22, Q3'22) and an analyst meet call with investors, attended by the Chairman, CCMD, Group CFO, CFO &amp; Business CEOs – with over 100 participants in each call</li> <li>AGM with investors, on September 22, 2021</li> <li>A dedicated Investor Relations team that looks after interaction with investors and analysts</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable business growth to create long-term value</li> <li>Timely receipt of dividends and shares</li> <li>Timely receipt of financial reports (e.g. Annual Report)</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Reward &amp; Recognition</li> <li>Virtual Chairmen's Award event</li> <li>Virtual Quarterly R&amp;R</li> <li>Virtual Long Service Awards</li> <li>COVID YODDHA recognition</li> <li>COVID Management</li> <li>Employee Wellness Programs – awareness sessions, counselling initiative</li> <li>Virtual success celebrations</li> <li>Virtual festival/special days celebrations</li> </ul>	<ul style="list-style-type: none"> <li>Faster decision making</li> <li>Talent pool</li> <li>Collaboration</li> <li>Job enrichment</li> <li>Career growth</li> <li>No discrimination</li> </ul>

Stakeholder	Modes of engagement (frequency)	Needs/expectations of stakeholders
Partners (Suppliers and Service Providers)	<ul style="list-style-type: none"> <li>One to one meeting with the suppliers.</li> <li>Virtual meetings/Audits with the suppliers and contract manufacturers</li> <li>Mailers</li> </ul>	<ul style="list-style-type: none"> <li>Transparency with respect to RFQ</li> <li>Ethical behaviour</li> <li>Timely payment</li> </ul>
Regulatory bodies	<ul style="list-style-type: none"> <li>Industry bodies and other related platforms</li> </ul>	<ul style="list-style-type: none"> <li>Compliance related to EHS, TAX, labour practice</li> </ul>
Community	<ul style="list-style-type: none"> <li>Meetings during formal community engagements</li> <li>Public hearings</li> <li>Community interface meet</li> <li>Suggestion box at gate</li> </ul>	<ul style="list-style-type: none"> <li>Road safety</li> <li>Local employability</li> <li>Environmental pollution</li> <li>Health and hygiene</li> <li>Vocational training</li> <li>Water</li> </ul>

The Company has operations in various locations across India. The Company supports local culture and heritage of the respective regions. There have been no violations involving rights of indigenous people or those related to human rights in the Company during the reporting period.

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

**Promote Human Rights**

The Company recognises and promotes universal respect for and observance of human rights and fundamental freedom. We are committed to our Sustainability Mission and are signatory to the United Nations Global Compact (UNGC). We have formulated policies and developed systems to ensure protection of Human Rights for all concerned; these principles are defined in the Business Code of Conduct. The Company’s policies on Human Rights cover issues related to child labour, forced and compulsory Labour, non-discrimination, bribery and corruption. The Company has made the Business Code of Conduct available to all the employees through the Company’s webiste.

**Highlighted below are a few Human Rights topics specified in the Company’s Code of Conduct:**

Free of Discrimination & Harassment	Child Labour	Forced and Compulsory Labour
<p>Jubilant Ingrevia prohibits any form of discrimination or harassment on the basis of age, caste, sex, religion or any other ground. Our Code highlights a zero tolerance policy. However, 1 incident involving sexual harassment were recorded and resolved during the reporting period.</p> <p>Equal remuneration is provided to the male and female members of the workforce for the similar set of work.</p> <p>During FY 2021-22 no case of discrimination was reported to the Ombudsperson’s office.</p>	<p>It is Code not to employ children as labour. In order to ensure this, in certain jurisdictions, every applicant is required to submit a proof of age. Further, the Company is committed to work in a proactive manner to eradicate child labour by actively contributing to the improvement of children’s social situation. To promote this, the Company encourages its suppliers also to work towards a no child-labour policy.</p> <p>There were no cases of child labour reported within the organisation or came to Company’s notice involving its suppliers during FY 2021-22.</p>	<p>The Company respects the dignity of labour and denounces all forms of forced and compulsory labour. The Company therefore, ensures that the terms of employment are transparent and voluntary. The Company encourages its suppliers and service providers to adhere to a no forced and compulsory labour code.</p> <p>No incident of forced or compulsory labour at the supplier’s end came to Company’s notice during this reporting period.</p>

The Company has well established Whistle-blower Policy and a dedicated Ombudsperson team for addressing the grievances reported by the directors and employees. During FY 2022, one incident involving sexual harassment was reported to Ombudsperson Office and that was resolved. No cases of human rights violation and complaint on corruption were reported during this reporting year.

**Operational Responsibility and Ombudsperson:**

Jubilant Ingrevia has a Whistle-Blower policy and a dedicated Ombudsperson office for addressing employee grievances in neutral and unbiased manner. A charter of the Ombudsperson has been prepared and made available on the Company intranet. This charter allows stakeholders, including employees, to voice their concerns and guide the Company to resolve challenges efficiently. To maintain the reporting and anonymity of the whistle-blower, the Company has a dedicated portal and Ombudsperson email ID.



**Principle 6: Businesses should respect, protect and make efforts to restore the environment****Respect, Protect and Restore the Environment**

In response to its commitment towards better environmental performance, the Company's top management has designed and implemented several policies and communicated the same to its employees and other stakeholders. Environment, Occupational Health & Safety (EHS) Policy and the Climate Change Mitigation Policy set the overall tone of the Company's aspiration towards achieving excellence in environmental performance. In addition, the Company has also adopted and effectively communicated Green Supply Chain Policy to its suppliers, expecting them to be sensitive towards the environment. From FY2014, in the Life Science Ingredients (LSI) business, the Company has also adopted and communicated Responsible Care Policy, which depicts the Company's commitment towards reducing environmental impact due to its business activities beyond the boundaries of its manufacturing facilities. The largest manufacturing facility

at Gajraula and Corporate Office in Uttar Pradesh were certified for RC 14001 during FY2017. Another site located at Bharuch in Gujarat has also been certified for RC 14001 in April 2019. Last year, Nira site in Maharashtra has also been certified under RC 14001.

The Company recognises the significance of climate change impact on its business and monitors business risks and opportunities arising out of national and international regulations and protocols related to climate change. The Company is continuously striving to reduce its energy consumption for reducing its carbon footprint. The Company has engaged a dedicated team for identification and implementation of energy efficiency measures and cleaner technology to fulfil its commitment defined in the Climate Change Mitigation Policy. Our Gajraula and Bharuch sites have implemented ISO 50001 based energy management system and are certified for the same.

Environmental performance is reviewed regularly through internal and external audits. New projects are assessed for identifying any potential hazards related to environment, health and safety.

**Energy Consumption:**

		FY 2021	FY 2022
Total Direct Energy	Peta Joules	8.5	9.66
Total Indirect Energy	Peta Joules	0.55	0.51

**Specific Energy:**

	FY 2012-13	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018 -19	FY 2019 -20	FY 2020 -21	FY 2021-22
Specific Direct energy (GJ/MT)	20.4	18.8	17.6	17.2	16.9	17.1	15.1	16.26
Specific Indirect energy (GJ/MT)	1.0	1.2	1.1	1.1	1.1	1.0	1.0	0.86
Total energy (GJ/MT)	21.4	20.0	18.8	18.3	18.0	18.1	16.0	17.12

**Water Consumption:**

Water	Units	FY 2020-21	FY 2021-22
Water withdrawal			
Ground Water	Million m3	2.32	2.28
Surface Water	Million m3	1.76	1.69
Municipal Water	Million m3	0.01	0.01
Total	Million m3	4.09	3.98

**Water Recycled and Re-used**

Water Recycled and Re-used	Million m3	1.25	1.41
Treated Effluent Discharge	Million m3	0.13	0.18

	FY 2012-13	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018 -19	FY 2019 -20	FY 2020 -21	FY 2021-22
Specific Fresh water withdrawal (M3/MT)	11.5	10.3	10.2	8.5	8.3	7.7	7.3	6.7

**Waste Disposal:**

Hazardous waste	Units	2020-21	FY 2021-22
Hazardous waste disposal	MT	81,620	85,141
Solid waste incineration + Liquid waste incineration= total waste incinerated	MT	68,222	68,623
Co-processing in cement kiln	MT	623	705
To authorised agency	MT	4,949	7,503
Secure landfill	MT	7,825	8,310

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

**Public Policy Advocacy**

The Company engages with a variety of stakeholders like government, regulatory agencies, NGOs and industry associations. For interacting with these stakeholders, the Company participates in identifying and framing public policy matters. The Company also engages with the industry association forums to share its views about policies. Some of such business associations and NGOs are stated below:

- All India Distillers' Association (AIDA)
- All India Industrial Gases Manufacturers' Association (AIIGMA)
- Additional Ambarnath Manufacturer's Association (AAMA)
- Global Reporting Initiative (GRI)
- Global Compact Network of India (GCNI)
- Gujarat Employers' Organisation
- Lucknow Management Association (LMA)
- Savli East Waghodia West Association of Industries
- Uttar Pradesh Alcohol based Industries Association (UPABIDA)

**Principle 8: Businesses should support inclusive growth and equitable development**

**Corporate Social Responsibility (CSR)**

Corporate Social Responsibility ('CSR') is deeply imbibed in Jubilant Ingrevia's approach towards sustainable development where 'community' is considered as one of its apex stakeholders. The Company as a responsible corporate works in line of Sustainable Development Goals with a thrust on social performance. The CSR activities of the Company are in sync with the Companies Act, 2013.

**CSR Policy:** The Company has formulated its CSR Policy. The Sustainability & CSR Committee of the Board of Directors has accorded its approval for implementation of its CSR activities through Jubilant Bhartia Foundation. The CSR Policy is uploaded at the website [www.jubilantingrevia.com](http://www.jubilantingrevia.com).

During FY 2022, the Company has spent in CSR activities in healthcare, education, livelihood and rural development towards the community around the manufacturing locations.

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

**Customer Satisfaction**

**Customer Relationship Management:** Meeting customer requirements is essential for our inclusive growth. Recently, there has been a paradigm shift in the customer expectations and the management is meticulously reaching out to the customers for understanding their expectations and concerns and addressing them on time. The Company has implemented Salesforce.com-Customer Relationship Management (CRM) software. Salesforce.com gives the Company an effective digital platform to address customer queries more efficiently. Any customer can float a product query and dedicated business personnel respond to those queries online.

**Customer Feedback Mechanism:** Customer feedback is taken in both formal and informal ways depending on the type of business and products. A standard customer feedback form has been prepared under customer feedback system. Feedback forms are sent to the customers. Feedback is taken at least once in a year. Based on the feedback received, customer satisfaction index is calculated at the end of the year. The customer satisfaction index paves the way forward for respective businesses and gives direction to the sales and marketing teams to improve customer satisfaction.

**Labelling and Packaging:** The products are packed with proper labelling and bar-coding, wherever applicable. For communication of hazards, international labelling guidelines are followed depending on the requirements of the target customers. For the customers in Europe, CLP (Classification, Labelling and Packaging) is followed, whereas for Chinese customers - China GHS (Global Harmonised System), for Korean customers - Korea GHS and for USA & rest of the world, UN GHS is followed for classification and labelling of chemicals. Labels are also continuously updated as per the changes and updates in the relevant regulations. There was no incidence of non-compliance with the regulations or voluntary codes concerning product and service information and labelling in this year.

The Company adheres to all applicable laws, standards and voluntary codes related to marketing communications. The Company does not engage in sale of any banned or disputed products and adheres to the Government of India Competition Policy which protects the interests of consumers and producers by promoting and sustaining a fair competition. During the reporting year, there have been no legal actions concerning any anti-competitive behaviour, anti-trust and monopoly practices by the Company.

# INDEPENDENT AUDITOR'S REPORT

## To the Members of Jubilant Ingrevia Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

1. We have audited the accompanying standalone financial statements of Jubilant Ingrevia Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matter

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



## Independent Auditor's Report (Continued)

5. We have determined the matter described below to be the key audit matter to be communicated in our report.

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p><b>Revenue from sale of products</b></p> <p>Refer notes 2(i) and 21 to the standalone financial statements for accounting policy and revenue related disclosures respectively.</p> <p>The Company recognises revenue from the sale of products when control of products being sold is transferred to the customer and when there are no longer any fulfilled obligations.</p> <p>The Company has a large number of customers operating in various geographies and the sales contracts/arrangements with such customers have distinct/varying commercial terms that determine actual point in time for recognition of revenue. Accordingly, significant management judgment is required in determining the timing of transfer of control for revenue recognition in accordance with Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115').</p> <p>Further, the Company considers revenue as key benchmark for evaluating performances and hence, there is risk of revenue being overstated due to pressure to achieve targets and earning expectations.</p> <p>Owing to the amounts involved, volume of sales transactions and distinct/varied terms of contracts with customers and in line with the requirements of the Standards on Auditing, revenue is determined to be an area involving significant risk which requires significant auditor attention, revenue from sale of products is considered to be a key audit matter for current year's audit.</p>	<p>Our audit procedures in relation to revenue from sale of products included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>- Obtained understanding of the revenue business process of the Company;</li> <li>- Assessed the appropriateness of revenue recognition policy of the Company and ensured that it is in line with Ind AS 115 'Revenue from Contracts with Customers';</li> <li>- Involved our IT specialists to evaluate design and test operating effectiveness of IT general controls and key automated controls of the Company's IT system which govern revenue recognition;</li> <li>- Evaluated the design and tested the operating effectiveness of key manual internal controls over revenue recognition;</li> <li>- Performed substantive analytical procedures which includes ratio analysis and period-on-period variance analysis, on revenue recognised during the year to identify any unusual indicators/trends;</li> <li>- Performed test of details by selecting samples of revenue transactions pertaining to sale of products during the year, and verified the underlying supporting documents including contracts, agreements, sales invoices and dispatch/shipping documents;</li> <li>- Performed cut-off testing procedures by testing samples of revenue transactions recorded before the year end and after the year end to conclude there has not been overstatement/ understatement of revenue recorded for the year;</li> <li>- Tested all the manual sales-related adjustments made to revenue to ensure the appropriateness of revenue recognition during the year; and</li> <li>- Evaluated the appropriateness and adequacy of the related presentation and disclosures in the standalone financial statements.</li> </ul>

### Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

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.

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

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets

## Independent Auditor's Report (Continued)

of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
  - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
12. 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

15. We did not audit note 32(b) and 32(c) of the accompanying standalone financial statements of the Company for the year ended 31 March 2022, which includes supplementary information relating to the operations of the life science ingredients undertaking for the period from 1 April 2020 to 31 January 2021, that has been prepared by the management of the Company and has not been subjected to an audit or a review by us. Our opinion is not modified in respect of this matter.

## Independent Auditor's Report (Continued)

### Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the standalone financial statements dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
  - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;
  - f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company, as detailed in note 39 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022;
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
    - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022;
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 47 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 47 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement; and
- v. The interim dividend declared and paid by the Company during the year ended 31 March 2022 and until the date of this audit report is in compliance with section 123 of the Act. Further, as stated in note 36(b) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2022 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Ashish Gupta**

Partner

Membership No.: 504662

**UDIN:** 22504662AJBYOH2589

**Place:** Noida

**Date:** 17 May 2022

## Annexure I to the Independent Auditor's Report

### Annexure I referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Jubilant Ingrevia Limited on the standalone financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable

having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.

- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following properties, for which the Company's management is in the process of getting the registration in the name of the Company:

Description of property	Gross carrying value (₹ in million)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Plot No B34, MIDC industrial area, Ambarnath, Maharashtra	8.42	Jubilant Pharmova Limited	No	3-Jun-13	Pursuant to the Composite Scheme of Arrangement ('the Scheme') approved vide formal order dated 6 January 2021 by National Company Law Tribunal, Allahabad Bench, these immovable assets pertaining to the Life Science Ingredients undertaking were transferred and vested into the Company effective 1 February 2021. The Company is in process of getting the underlying title deeds of the aforesaid immovable properties transferred/registered in its name.
Plot No 17/33, MIDC, Taloja industrial area, Village Navde, Taluka Panvel, District Raigad, Maharashtra	1.80	VAM Organic Chemicals Limited	No	10-Oct-96	
501, Annasalai, Mount Road, Teynampet, Chennai	0.68	VAM Organic Chemicals Limited	No	5-Jun-89	
402, Samrudhi Apartment, Ahmedabad, Gujarat	0.39	VAM Organic Chemicals Limited	No	26-Aug-89	
WW 01, Rohtas golf link apartments 98, Park Road, Lucknow, Uttar Pradesh	1.58	VAM Organic Chemicals Limited	No	28-Jul-97	
204, Shah Sultan Complex, No.17, Ali Askar Road, Bangalore**	0.63	Jubilant Pharmova Limited	No	22-Apr-94	
No.11A, Rowdon Street, Sarojini naidu sarni, Kolkata**	0.54	Jubilant Pharmova Limited	No	25-Sep-89	
Flat No. 304 and 305. Land bearing no. 3-6-327 and 328. Bashherbagh. Hyderabad**	0.46	Jubilant Pharmova Limited	No	25-Sep-89	
Land at Nira - GAT No. /Hissa No - 32A/4C/3/4/1A	0.19	VAM Organic Chemicals Limited	No	07-Feb-00	
Land admeasuring 4.856 hectares situated in the revenue estate of Villages sadullapur, Naipura Khadar, Sahabazpur Dor, Tehsil Hasanpur & Tehsil Dhanora, District Amroha, Uttar Pradesh	0.18	VAM Organic Chemicals Limited	No	2-Feb-01	
Plot No. 1A, Sector 16A, Noida, Uttar Pradesh**	274.17	Jubilant Pharmova Limited	No	1-Oct-10	

\*\* Title deeds of these immovable properties has been transferred in the name of the Company subsequent to the year ended 31 March 2022.

## Annexure I to the Independent Auditor's Report (Continued)

- (d) The Company has not revalued its property, plant and equipment or right of use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods in transit and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.
- (b) The Company has a working capital limit in excess of ₹5 crore sanctioned by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were subject to either an audit or a review.
- (iii) (a) The Company has not provided any loans or provided any advances in the nature of loans, or guarantee, or security to any other entity during the year. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) The Company has not provided any guarantee or given any security or granted any loans or advances in the nature of loans during the year. However, the Company has made investment in two entities amounting to ₹93.30 million (year-end balance ₹93.50 million) and in our opinion, and according to the information and explanations given to us, such investments made are, prima facie, not prejudicial to the interest of the Company.
- (c) The Company does not have any outstanding loans and advances in the nature of loans at the beginning of the current year nor has granted any loans or advances in the nature of loans during the year. Accordingly, reporting under clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of loans, guarantees and security.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

## Annexure I to the Independent Auditor's Report (Continued)

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Amount (₹ in million)	Amount paid under Protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961**	Income-tax	273.21	-	Assessment year 1989-90, 2009-10 to 2012-13, and 2017-18	Income Tax Appellate Tribunal (ITAT), Delhi
Income-tax Act, 1961**	Income-tax	369.75	-	Assessment year 2000-2001 to 2010-11	Hon'ble High Court, Allahabad
Income-tax Act, 1961**	Income-tax	1,170.75	-	Assessment year 2004-05, and 2013-14 to 2016-17	Commissioner of Income Tax (Appeals)
Income-tax Act, 1961**	Income-tax	0.03	-	Assessment year 2009-10	Appeal effect proceedings before Assessing Officer pursuant to ITAT order
The Central Excise Act, 1944	Excise duty	34.85	-	Financial year 2012-13 to 2016-17	Customs, Excise and Service Tax Appellate Tribunal
The Central Excise Act, 1944	Excise duty	12.38	-	December 2011	Hon'ble High Court, Mumbai
The Finance Act, 1994	Service tax	3.60	-	Apr 2017 to June 2017	Assistant Commissioner, Division office, Bijnor
The Customs Act, 1962	Customs duty	12.04	6.50	Financial year 2012-13 and 2013-14	Customs, Excise and Service Tax appellate Tribunal
The Customs Act, 1962	Customs duty	0.00*	-	Financial year 2006-2007	Assistant Commissioner, Mumbai
The Customs Act, 1962	Customs duty	0.22	-	Financial Year 2013-2014	Assistant Commissioner, BRC Cell, Noida Commissionerate
The Customs Act, 1962	Customs duty	0.26	0.26	Financial Year 2019-2020 and April 2021	Principal Commissioner (Appeals), Mumbai
Uttar Pradesh Value Added Tax Act, 2008	Value added tax	66.97	-	Financial Year 2010-2011	Hon'ble Supreme Court of India
The Maharashtra Value Added Tax Act, 2002	Value added tax	0.27	-	Financial Year 2012-2013	Maharashtra Sales Tax Tribunal
The Maharashtra Value Added Tax Act, 2002	Value added tax	9.47	-	Financial Year 2014-2015	Joint Commissioner-Appeal, Pune
The Maharashtra Value Added Tax Act, 2002	Value added tax	12.96	0.66	Financial Year 2016-2017	Joint Commissioner, Pune



## Annexure I to the Independent Auditor's Report (Continued)

Name of the statute	Nature of dues	Amount (₹ in million)	Amount paid under Protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Uttar Pradesh Value Added Tax Act, 2008	Value added tax	0.57	-	Financial Year 2017-2018	Deputy Commissioner, Commercial Tax, Amroha/ Joint Commissioner-Appeal, Moradabad
The Central Goods and Service Tax Act, 2017	Goods and services tax	0.28	0.28	Financial Year 2017-2018	Hon'ble High Court, Allahabad
The Central Goods and Service Tax Act, 2017	Goods and services tax	0.35	0.35	Financial Year 2018-2019	Additional Commissioner (Appeal)
The Central Goods and Service Tax Act, 2017	Goods and services tax	39.02	-	Financial Year 2017-2018	Deputy Commissioner, Pune
The Central Goods and Service Tax Act, 2017	Goods and services tax	2.92	-	Financial Year 2021-2022	Commissioner (Appeals), Meerut
The United Provinces Excise Act, 1910	State excise duty	152.06	84.06	Financial Year 1982-2004	Additional Chief Secretary, Lucknow
The United Provinces Excise Act, 1910	State excise duty	90.00	-	Financial Year 2004-2005	Hon'ble Supreme Court of India
The Bombay Prohibition Act, 1949	State excise duty	217.67	2.51	Financial Year 2002-2022	Hon'ble Supreme Court of India
The Delhi Excise Act, 2009	State excise duty	90.12	93.63	Financial Year 2016-2021	Hon'ble High Court, Delhi
The United Provinces Excise Act, 1910	State excise duty	10.49	10.72	Financial Year 2016-2022	Hon'ble High Court, Allahabad
The United Provinces Excise Act, 1910	State excise duty	74.43	13.00	Financial Year 2004-05 to 2016-2022	Hon'ble Supreme Court of India
The Punjab Excise Act, 1914	State excise duty	10.28	10.28	Financial Year 2016-2018	The Financial Commissioner, Excise and Taxation, Panchkula.
The U P Sheera Niyam Adhinyam, 1964	State excise duty	67.78	-	Financial Year 2017-2022	Hon'ble High Court, Allahabad (Lucknow Bench)
Rajasthan State Excise Act, 1950	State excise duty	2.02	2.02	Financial Year 2018-2019	Hon'ble High Court, Rajasthan (Jaipur Bench)
The Bombay Prohibition Act, 1949	State excise duty	0.02	-	Financial Year 2018-2019	The Commissioner State excise, Maharashtra

\*rounded off

\*\* includes disputed dues amounting to ₹1,565.51 million for which no demand has been received.



## Annexure I to the Independent Auditor's Report (Continued)

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained, though idle/surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associate companies.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) The whistle blower complaints received by the Company during the year, as shared with us by the management have been considered by us while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
- (b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

## Annexure I to the Independent Auditor's Report (Continued)

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Ashish Gupta**

Partner

Membership No.: 504662

**UDIN:** 22504662AJBYOH2589

**Place:** Noida

**Date:** 17 May 2022

## Annexure II to the Independent Auditor's Report

### Annexure II

#### Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Jubilant Ingrevia Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

#### Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is 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 on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. 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 Standards on Auditing issued by ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. 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 includes 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.

5. 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

6. 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. 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

## Annexure II to the Independent Auditor's Report (Continued)

financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to the financial statements criteria established

by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Ashish Gupta**

Partner

Membership No.: 504662

**UDIN:** 22504662AJBYOH2589

**Place:** Noida

**Date:** 17 May 2022

## Balance Sheet as at 31st March 2022

(₹ in million)

	Notes	As at	
		31 March 2022	31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	16,523.50	16,452.83
Capital work-in-progress	3	1,617.14	629.10
Intangible assets	4	29.38	47.09
Intangible assets under development	4	49.63	19.14
Right-of-use assets	41	722.87	768.37
Financial assets			
i. Investments	5	1,391.94	1,348.94
ii. Loans	6	5.04	5.22
iii. Other financial assets	7	100.31	23.33
Income tax assets (net)		8.86	8.86
Other non-current assets	9	223.75	146.57
<b>Total non-current assets</b>		<b>20,672.42</b>	<b>19,449.45</b>
<b>Current assets</b>			
Inventories	10	7,626.25	5,206.23
Financial assets			
i. Trade receivables	11	5,850.78	4,802.85
ii. Cash and cash equivalents	12(a)	215.01	656.87
iii. Other bank balances	12(b)	29.20	199.59
iv. Loans	6	4.09	4.89
v. Other financial assets	7	631.05	504.97
Other current assets	13	1,492.50	1,574.83
<b>Total current assets</b>		<b>15,848.88</b>	<b>12,950.23</b>
<b>Total assets</b>		<b>36,521.30</b>	<b>32,399.68</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	159.28	159.28
Other equity		19,671.18	15,599.22
<b>Total equity</b>		<b>19,830.46</b>	<b>15,758.50</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
i. Borrowings	16(a)	2,956.81	6,468.28
ii. Lease liabilities		408.69	427.54
Provisions	17	649.51	659.96
Deferred tax liabilities (net)	8	1,366.13	278.82
<b>Total non-current liabilities</b>		<b>5,381.14</b>	<b>7,834.60</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Borrowings	16(b)	1,290.64	896.59
ii. Lease liabilities		29.62	24.80
iii. Trade payables	18		
Total outstanding dues of micro enterprises and small enterprises		204.60	129.58
Total outstanding dues of creditors other than micro enterprises and small enterprises		7,741.95	6,768.63
iv. Other financial liabilities	19	757.37	694.12
Other current liabilities	20	1,055.92	175.51
Provisions	17	165.97	117.35
Current tax liabilities (net)		63.63	-
<b>Total current liabilities</b>		<b>11,309.70</b>	<b>8,806.58</b>
<b>Total liabilities</b>		<b>16,690.84</b>	<b>16,641.18</b>
<b>Total equity and liabilities</b>		<b>36,521.30</b>	<b>32,399.68</b>
The accompanying notes form an integral part of the standalone financial statements			

As per our report of even date attached

For and on behalf of the Board of Directors of Jubilant Ingrevia Limited

For **Walker Chandiok & Co LLP**

Chartered Accountants

ICAI Firm Registration No.: 001076N/N500013

**Shyam S. Bhartia**

Chairman

DIN: 00010484

**Hari S. Bhartia**

Co-Chairman

DIN: 00010499

**Rajesh Kumar Srivastava**

CEO and Managing Director

DIN: 02215055

**Ashish Gupta**

Partner

Membership No.: 504662

**Prakash Chandra Bisht**

President and Chief Financial Officer

**Deepanjali Gulati**

Company Secretary

Place: Noida

Date: 17 May 2022

## Statement of Profit and Loss for the year ended 31st March 2022

(₹ in million)

	Notes	For the year ended	
		31 March 2022	31 March 2021#
Revenue from operations	21	48,604.22	6,689.28
Other income	22	288.21	24.53
<b>Total income</b>		<b>48,892.43</b>	<b>6,713.81</b>
<b>Expenses</b>			
Cost of materials consumed	23	27,981.75	3,634.59
Purchases of stock-in-trade	24	1,145.48	145.23
Changes in inventories of finished goods, stock-in-trade and work-in- progress	25	(908.86)	99.34
Employee benefits expense	26	2,924.09	431.09
Finance costs	27	462.44	94.46
Depreciation and amortisation expense	28	1,201.29	213.50
Other expenses	29	9,331.53	1,410.77
<b>Total expenses</b>		<b>42,137.72</b>	<b>6,028.98</b>
<b>Profit before exceptional items and tax</b>		<b>6,754.71</b>	<b>684.83</b>
Exceptional items	44	-	129.44
<b>Profit before tax</b>		<b>6,754.71</b>	<b>555.39</b>
Tax expense	30		
- Current tax		1,174.86	97.07
- Deferred tax charge		1,057.33	72.44
<b>Total tax expense</b>		<b>2,232.19</b>	<b>169.51</b>
<b>Profit for the year</b>		<b>4,522.52</b>	<b>385.88</b>
<b>Other comprehensive income (OCI)</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement loss on defined benefit obligations		(17.05)	(3.28)
Income tax relating to items that will not be reclassified to profit or loss	30	5.96	1.15
<b>Other comprehensive income for the year, net of tax</b>		<b>(11.09)</b>	<b>(2.13)</b>
<b>Total comprehensive income for the year</b>		<b>4,511.43</b>	<b>383.75</b>
<b>Earnings per equity share of ₹1 each</b>	52		
Basic (₹)		28.39	14.75
Diluted (₹)		28.39	14.75
# Refer note 32(b)			
The accompanying notes form an integral part of the standalone financial statements			

As per our report of even date attached

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
ICAI Firm Registration No.: 001076N/N500013

**Ashish Gupta**  
Partner  
Membership No.: 504662

Place: Noida  
Date: 17 May 2022

For and on behalf of the Board of Directors of **Jubilant Ingrevia Limited**

**Shyam S. Bhartia**  
Chairman  
DIN: 00010484

**Prakash Chandra Bisht**  
President and Chief Financial Officer

**Hari S. Bhartia**  
Co-Chairman  
DIN: 00010499

**Deepanjali Gulati**  
Company Secretary

**Rajesh Kumar Srivastava**  
CEO and Managing Director  
DIN: 02215055

## Statement of Changes in Equity for the year ended 31 March 2022

**A. Equity share capital**

	(₹ in million)
<b>Balance as at 31 March 2020</b>	<b>0.50</b>
Cancellation of equity shares pursuant to the Composite Scheme (refer note 32)	(0.50)
Issue of equity shares pursuant to the Composite Scheme (refer note 14 and note 32)	159.28
<b>Balance as at 31 March 2021</b>	<b>159.28</b>
Changes in equity share capital during the year	-
<b>Balance as at 31 March 2022</b>	<b>159.28</b>

**B. Other equity**

	Reserves and surplus (1)				Total
	Capital reserve	Securities premium	General reserve	Share options outstanding account (refer note 49)	
<b>Balance as at 31 March 2020</b>	-	-	-	-	(1.66)
Profit for the year	-	-	-	-	385.88
Other comprehensive income for the year, net of tax	-	-	-	-	(2.13)
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>383.75</b>
Transferred pursuant to the Composite Scheme (refer note 1 and 32)	-	5,719.13	7,375.72	-	2,121.78
Cancellation of the equity shares pursuant to the Composite Scheme (refer note 32)	0.50	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>0.50</b>	<b>5,719.13</b>	<b>7,375.72</b>	<b>-</b>	<b>15,216.63</b>
Profit for the year	-	-	-	-	4,522.52
Other comprehensive income for the year, net of tax	-	-	-	-	(11.09)
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>4,511.43</b>
Dividend	-	-	-	-	(453.95)
Share based payment expense (refer note 49)	-	-	-	14.48	-
<b>Balance as at 31 March 2022</b>	<b>0.50</b>	<b>5,719.13</b>	<b>7,375.72</b>	<b>14.48</b>	<b>19,671.18</b>

**Note:**

(1) Refer note 15 for nature and purpose of other equity

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

**For Walker Chandiook & Co LLP**

Chartered Accountants

ICAI Firm Registration No.: 001076N/N500013

**Ashish Gupta**

Partner

Membership No.: 504662

Place: Noida

Date: 17 May 2022

For and on behalf of the Board of Directors of **Jubilant Ingrevia Limited****Shyam S. Bhartia**

Chairman

DIN: 00010484

**Hari S. Bhartia**

Co-Chairman

DIN: 00010499

**Rajesh Kumar Srivastava**

CEO and Managing Director

DIN: 02215055

**Prakash Chandra Bisht**

President and Chief Financial Officer

**Deepanjali Gulati**

Company Secretary



## Statement of Cash Flows for the year ended 31st March 2022

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021 #
<b>A. Cash flows from operating activities</b>		
<b>Profit before tax</b>	<b>6,754.71</b>	<b>555.39</b>
Adjustments:		
Depreciation and amortisation expense	1,201.29	213.50
Loss on sale, disposal, discard of property, plant and equipment (net)	82.27	-
Finance costs	462.44	94.46
Share-based payment expense	14.48	-
Unrealised foreign exchange loss (net)	26.82	36.75
Interest income	(11.50)	(4.24)
Exceptional items	-	129.44
	<b>1,775.80</b>	<b>469.91</b>
<b>Operating cash flows before working capital changes</b>	<b>8,530.51</b>	<b>1,025.30</b>
Increase in trade receivables, loans, other financial assets and other assets	(1,083.45)	(408.05)
Increase in inventories	(2,420.03)	(176.74)
Increase in trade payables, other financial liabilities, other liabilities and provisions	1,952.21	707.14
<b>Cash generated from operations</b>	<b>6,979.24</b>	<b>1,147.65</b>
Income tax paid (net of refund)	(1,111.22)	(105.90)
<b>Net cash generated from operating activities</b>	<b>5,868.02</b>	<b>1,041.75</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment, intangible assets (including capital work-in-progress, intangible assets under development and capital advances)	(2,246.25)	(275.05)
Proceeds from sale of property, plant and equipment	25.79	0.37
Investment in subsidiaries and associate	(93.38)	(21.64)
Movement in other bank balances (net)	93.61	(6.90)
Interest received	12.68	9.20
<b>Net cash used in investing activities</b>	<b>(2,207.55)</b>	<b>(294.02)</b>
<b>C. Cash flows from financing activities ##</b>		
Repayment of long-term borrowings	(4,478.12)	(621.88)
Payment of principal balances of lease liabilities	(29.21)	(3.03)
Proceeds from short term borrowings (net)	1,290.64	-
Proceeds from borrowings taken from subsidiary	230.00	-
Repayment of borrowings to subsidiary	(180.00)	-
Dividend paid	(452.45)	-
Finance costs paid (including interest on lease liabilities)	(483.19)	(77.12)
<b>Net cash used in financing activities</b>	<b>(4,102.33)</b>	<b>(702.03)</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(441.86)</b>	<b>45.70</b>
Add: cash and cash equivalents at the beginning of year	656.87	0.50
Add: cash and cash equivalents acquired pursuant to the Composite Scheme (refer note 32)	-	610.67
<b>Cash and cash equivalents at the end of the year (refer note 12 (a))</b>	<b>215.01</b>	<b>656.87</b>

**Notes:**

1. Statement of Cash Flows has been prepared basis the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

2. For non-cash transaction pursuant to the Composite Scheme, refer note 32.

# Refer note 32(b)

## Refer note 16(c) for movement of liabilities arising from financing activities

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of **Jubilant Ingrevia Limited**

For **Walker Chandio & Co LLP**

Chartered Accountants

ICAI Firm Registration No.: 001076N/N500013

**Shyam S. Bhartia**

Chairman

DIN: 00010484

**Hari S. Bhartia**

Co-Chairman

DIN: 00010499

**Rajesh Kumar Srivastava**

CEO and Managing Director

DIN: 02215055

**Ashish Gupta**

Partner

Membership No.: 504662

**Prakash Chandra Bisht**

President and Chief Financial Officer

**Deepanjali Gulati**

Company Secretary

Place: Noida

Date: 17 May 2022

## Notes to the financial statements for the year ended 31 March 2022

### Note 1. Corporate information

Jubilant Ingrevia Limited ("the Company") is a public limited company incorporated under the provisions of Companies Act, 2013 ("the Act"). Effective 16 October 2020, the name of the Company was changed from Jubilant LSI Limited to Jubilant Ingrevia Limited (refer note 32). The Company is domiciled in India and registered office of the Company is situated at Bhartiagram, Gajraula, District Amroha, Uttar Pradesh – 244223.

The Company is a global integrated life science products and innovative solutions provider serving, pharmaceutical, nutrition, agrochemical, consumer and industrial customers with its customised products and solutions that are innovative, cost effective and conforming to premium quality standards. The Company is engaged in manufacturing and supply of speciality chemicals, nutrition & health solutions and chemical intermediates through five manufacturing facilities in India. The Company is well recognised as a 'Partner of Choice' by leading pharmaceuticals and life sciences companies globally.

During the year ended 31 March 2021, a Composite Scheme of Arrangement ("Composite Scheme") for amalgamation of certain promoter controlled entities into Jubilant Pharmova Limited, the Demerged Company and demerger of the Life Science Ingredients business from the Demerged Company into the Company was approved by Honourable National Company Law Tribunal ("NCLT"), Allahabad Bench vide its order dated 23 December 2020 (formal order received on 6 January 2021). The said NCLT order was filed with the Registrar of Companies by Jubilant Pharmova Limited and the Company on 1 February 2021, thereby making the Composite Scheme effective. Accordingly, all assets and liabilities of the Life Science Ingredients business were transferred and vested into the Company effective 1 February 2021, being the appointed date as per the Composite Scheme for demerger of the Life Sciences Ingredients business. The Company's equity shares got listed on 19 March 2021 with BSE Limited and National Stock Exchange of India Limited with a mirror shareholding as that of the Demerged Company (refer note 32).

### Note 2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The accounting policies adopted are consistent with those of the previous financial year, to the extent applicable.

#### (a) Basis of preparation

##### (i) Statement of compliance

The Standalone Financial Statements ("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 the Act, relevant other provisions of the Act and other accounting principles generally accepted in India.

All the amounts included in the financial statements are reported in millions of Indian Rupees ('Rupees' or '₹') and

are rounded to the nearest million, except per share data and unless stated otherwise.

The financial statements have been authorised for issue by the Company's Board of Directors on 17 May 2022.

##### (ii) Historical cost convention

The financial statements have been prepared under historical cost convention on accrual basis, unless otherwise stated.

#### (b) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current and non-current classification. An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current. A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current-non-current classification of assets and liabilities.

#### (c) Property, plant and equipment (PPE) and intangible assets

##### (i) Property, plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost, which includes capitalised finance costs, less accumulated depreciation and any accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of a PPE comprises its purchase price including import duty, and other non-

## Notes to the financial statements for the year ended 31 March 2022 (continued)

refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition of its intended use. Any discounts and rebates are deducted in arriving at the purchase price.

Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting year in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

### (ii) Intangible assets

- Internally generated goodwill is not recognised as an asset. With regard to other internally generated intangible assets:
  - Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Statement of Profit and Loss as incurred.
  - Development expenditure including regulatory cost and legal expenses leading to product registration and market authorisation relating to the new and/or improved product and/or process development capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable finance costs (in the same manner as in the case of PPE). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.
- Intangible assets (including intangible assets under development) that are acquired and implementation of software system are initially measured at cost.

- After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

### (iii) Depreciation and amortisation methods, estimated useful lives and residual value

Depreciation is provided on straight line basis on the original cost or acquisition cost of assets or other amounts substituted for cost of PPE as per the useful life specified in Part 'C' of Schedule II of the Act. The estimated useful lives considered for the assets are as under:

Type/category of assets	Useful lives - as per schedule II of the Act (in years)	Useful lives - as estimated by the Company (in years)
Buildings including factory buildings and roads	3-60	3-60
Plant and equipment	10-25	10-25
Railway sidings	15	15
Electrical installations and equipment	10	10
Furniture and fixtures	10	10
Office equipment including end user devices	3-5	2-5
Computer servers and networks (included in office equipment)	6	5
Vehicles	8	5
Employee perquisite related assets (except end user computers) (included in furniture and fixtures)	10	5

Software systems are being amortised over a period of five years being their useful life. Rights are amortised over the useful life.

Depreciation and amortisation on property, plant and equipment and intangible assets added/disposed off during the year has been provided on pro-rata basis with reference to the date/month of addition/disposal.

Depreciation and amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

### (iv) Derecognition

A property, plant and equipment and intangible assets is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Losses arising from retirement and gains or losses arising from disposal of a PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss.

## Notes to the financial statements for the year ended 31 March 2022 (continued)

### (d) 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 (i.e. corporate assets) 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 an asset or CGU 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 discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. 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 amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of non-financial assets for which impairment loss has been recognised in prior periods, the Company reviews at 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.

### (e) Financial instruments

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

#### (i) Financial assets

##### *Recognition and initial measurement*

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

##### *Subsequent measurement*

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

##### *Debt instruments at amortised cost*

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

##### *Debt instrument at FVOCI*

A 'debt instrument' is classified as FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

##### *Debt instrument at FVPL*

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified

## Notes to the financial statements for the year ended 31 March 2022 (continued)

as at FVPL. In addition, the Company, at initial recognition, may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

### *Equity investments*

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

### *Investment in subsidiaries and associate*

Equity investments in subsidiaries and associate are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associate, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

### *Impairment of financial assets*

The Company recognises loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets with contractual cash flows, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the

reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

### *Derecognition of financial assets*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

## **(ii) Financial liabilities**

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and 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.

### *Derecognition of financial liabilities*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified,

## Notes to the financial statements for the year ended 31 March 2022 (continued)

such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**(iii) 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.

**(iv) Share capital**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

**(f) Inventories**

Inventories are valued at lower of cost or net realisable value except scrap, which is valued at net estimated realisable value. The methods of determining cost of various categories of inventories are as follows:

Raw materials	Weighted average method
Stores and spares	Weighted average method
Work-in-progress and finished goods (manufactured)	Direct materials, direct labour and an appropriate proportion of variable and fixed production overheads, the later being allocated on the basis of normal operating capacity
Fuel, process chemicals, consumables, packing material etc.	Weighted average method
Finished goods (traded)	Weighted average method
Goods in transit	Cost of purchase

Cost includes all costs of purchase, costs of conversion and other costs including taxes that are not refundable incurred in bringing the inventories to their present location and condition.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory includes estimated shelf life, ageing, usability etc., to the extent each of these factors impact the Company business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined

with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost, except in cases where 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) Cash and cash equivalents**

Cash and cash equivalent comprise cash at banks and on hand (including imprest) and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**(h) Provisions and contingencies****(i) Provisions**

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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

**(ii) Contingent assets**

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**(iii) Contingent liabilities**

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**(i) Revenue recognition**

Revenue from sale of products is recognised when the Company satisfies a performance obligation upon transfer of control of products to customers at the time of shipment to or receipt of goods by the customers as per the terms of the underlying contracts. Service income is recognised when the Company satisfies a performance obligation as and when the underlying services are performed.



## Notes to the financial statements for the year ended 31 March 2022 (continued)

The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. Invoices are issued as per the general business terms and are payable in accordance with the contractually agreed credit period.

Revenues are measured based on the transaction price allocated to the performance obligation, which is the consideration, net of taxes or duties collected on behalf of the government and applicable discounts and allowances. The computation of these estimates using expected value method involves significant judgment based on various factors including contractual terms, historical experience, estimated inventory levels and expected sell-through levels in supply chain. The transaction price is allocated to each performance obligation in the contract on the basis of the relative standalone selling prices of the promised goods or services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes significant financing component.

A receivable is recognised by the Company when control of the goods and services is transferred and the Company's right to an amount of consideration under the contract with the customer is unconditional, as only the passage of time is required. When either party to a contract has performed, the Company presents the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the company's performance and the customer's payment.

Income in respect of entitlement towards export incentives is recognised in accordance with the relevant scheme on recognition of the related export sales. Such export incentives are recorded as part of other operating revenue.

### (j) Employee benefits

#### (i) Short-term employee benefits:

All employee benefits falling due within twelve months from the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

#### (ii) Post-employment benefits:

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

#### a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of gratuity is recognised in the books of accounts based on actuarial valuation by an independent actuary. The gratuity liability for certain employees of the Company is funded with Life Insurance Corporation of India.

#### b) Provident fund

This is treated as defined contribution plan. The Company makes contribution to Regional Provident Fund Commissioner. Company's contribution to the provident fund is charged to Statement of Profit and Loss.

#### (iii) Other long-term employee benefits:

##### *Compensated absences*

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits.

#### (iv) Termination benefits:

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

#### (v) Actuarial valuation:

The liability in respect of all defined benefit plans and other long term benefits is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses on other long term benefits are recognised in the Statement of Profit and



## Notes to the financial statements for the year ended 31 March 2022 (continued)

Loss in the year in which they arise. Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income. They are included in other equity in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

### (k) Share-based payments

The Company has opted the policy to account for Jubilant Ingrevia Employees Welfare Trust as a legal entity separate from the Company, but, as a subsidiary of the Company.

The Company recognises share based payment expenses basis grant date fair value of options (net of estimated forfeiture) and for those granted to the employees of subsidiaries is considered as the Company's equity contribution and is added to the carrying value of investment in the respective subsidiaries, with a corresponding increase in equity, over the vesting period. The increase in equity recognised in reference to share based payment transaction is presented as a separate component in equity under "share options outstanding account". For the option awards, grant date fair value is determined on the basis of option-pricing model (Black-Scholes-Merton). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.

The balance of a share options outstanding account is transferred to retained earnings upon expiry or upon exercise of grants, as the Company is operating the Employee Stock Option schemes through Jubilant Ingrevia Employees Welfare Trust, which has purchased share from the secondary market.

### (l) Finance costs and finance income

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. Finance costs that are directly attributable to the construction or production or development of a qualifying asset are capitalised as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other finance costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the finance costs eligible for capitalisation. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

Finance income consists of interest income. Interest income or expense is recognised using the effective interest method. In calculating interest income or expense, the EIR 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) Exceptional items

Exceptional items refer to items of income or expense within the Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

### (n) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent items recognised directly in equity or in OCI.

- *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 payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

## Notes to the financial statements for the year ended 31 March 2022 (continued)

Current tax assets and 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.

- **Deferred tax:**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to freehold land and investment in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is a tax liability of a company computed at specified rate on adjusted book profits as per applicable provisions of the Income Tax Act. A company is liable to pay MAT, if the income tax payable under normal provisions of the Income Tax Act is less than tax payable under MAT.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied 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 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.

For operations carried out in Special Economic Zones (SEZ), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

- (o) **Leases - Company as a lessee**

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.

The Company's lease asset classes primarily consist of leases for land, buildings, plant and equipment and vehicles which typically run for a period of 3 to 25 years, with an option to renew the lease after that date. For certain leases, the Company is restricted from entering into any sub-lease arrangements. At the date of commencement of the lease, the Company recognises a right-of-use asset 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). For these short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

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 tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The lease liability is initially measured at amortised 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 based on information available as at the date of commencement of the lease. 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 right-of-use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## Notes to the financial statements for the year ended 31 March 2022 (continued)

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

### (p) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The CEO and Managing Director of the Company is responsible for allocating resources and assessing performance of the operating segments, and accordingly, identified as the chief operating decision maker. Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ assets/ liabilities", as the case may be.

### (q) Foreign currency transaction and translation

#### (i) Functional and presentation currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupee (₹).

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at balance sheet date exchange rates are generally recognised in Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

### (r) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be

received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating revenue.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

### (s) Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

### (t) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

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).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing

## Notes to the financial statements for the year ended 31 March 2022 (continued)

all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team 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.

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 year during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

### (u) Critical estimates and judgments

The preparation of financial statements requires management to make 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 in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Assessment of useful life of property, plant and equipment and intangible asset - Note 2(c)
- Valuation of inventories - Note 2(f)
- Recognition of revenue and related accruals - Note 2(i)
- Fair value measurements - Note 2(t)
- Impairment of financial assets and non-financial assets - Note 2(d) and Note 2(e)
- Estimation of assets and obligations relating to employee benefits - Note 2(j) and Note 33
- Recognition and estimation of tax expense including deferred tax - Note 2(n), Note 8 and Note 30
- Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources - Note 39

- Lease term: whether the Company is reasonably certain to exercise extension options - Note 2(o) and Note 41

### (v) Recent accounting pronouncement issued but not made effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022 as below:

#### (i) Ind AS 103 - Business Combination

The amendments specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework), issued by the ICAI at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

#### (ii) Ind AS 16 - Property, Plant and Equipment (PPE)

The amendments clarifies that excess of net sale proceeds of items produced over the cost of testing while preparing the asset for its intended use (if any), shall not be recognise in the profit or loss but deducted from the directly attributable cost considered as part of cost of an item PPE. The Company has evaluated the amendment and there is no impact in recognition of its property, plant and equipment on its standalone financial statements

#### (iii) Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its standalone financial statements

#### (iv) Ind AS 109 - Financial Instruments

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability or to consider as modification of existing financial liability. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

## Notes to the financial statements for the year ended 31 March 2022 (continued)

## Note 3. Property, plant and equipment and capital work-in-progress

	Land - freehold	Building-factory	Building-other	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Railway sidings	Total
(₹ in million)									
<b>Gross carrying amount as at 1 April 2020</b>	-	-	-	-	-	-	-	-	-
Transferred pursuant to the Composite Scheme (refer note 32)	226.89	1,338.92	1,253.83	17,955.58	107.88	13.32	315.57	108.43	21,320.42
Additions (4)	50.11	33.94	30.82	176.03	1.23	-	0.85	-	292.98
Disposals	-	-	(0.13)	(207.00)	(1.31)	(0.07)	(0.16)	-	(208.67)
<b>Gross carrying amount as at 31 March 2021</b>	<b>277.00</b>	<b>1,372.86</b>	<b>1,284.52</b>	<b>17,924.61</b>	<b>107.80</b>	<b>13.25</b>	<b>316.26</b>	<b>108.43</b>	<b>21,404.73</b>
<b>Accumulated depreciation as at 1 April 2020</b>	-	-	-	-	-	-	-	-	-
Transferred pursuant to the Composite Scheme (refer note 32)	-	215.30	285.35	3,976.04	60.01	10.31	202.51	64.64	4,814.16
Depreciation charge for the year	-	14.45	32.17	143.23	1.78	0.17	6.16	1.84	199.80
Disposals	-	-	-	(60.89)	(1.03)	-	(0.14)	-	(62.06)
<b>Accumulated depreciation as at 31 March 2021</b>	<b>-</b>	<b>229.75</b>	<b>317.52</b>	<b>4,058.38</b>	<b>60.76</b>	<b>10.48</b>	<b>208.53</b>	<b>66.48</b>	<b>4,951.90</b>
<b>Net carrying amount as at 31 March 2021</b>	<b>277.00</b>	<b>1,143.11</b>	<b>967.00</b>	<b>13,866.23</b>	<b>47.04</b>	<b>2.77</b>	<b>107.73</b>	<b>41.95</b>	<b>16,452.83</b>
(₹ in million)									
<b>Gross carrying amount as at 1 April 2021</b>	<b>277.00</b>	<b>1,372.86</b>	<b>1,284.52</b>	<b>17,924.61</b>	<b>107.80</b>	<b>13.25</b>	<b>316.26</b>	<b>108.43</b>	<b>21,404.73</b>
Additions (4)	104.99	10.23	56.16	1,046.05	6.20	2.83	55.87	-	1,282.33
Disposals	-	(0.25)	-	(133.70)	(5.68)	-	(13.37)	-	(153.00)
<b>Gross carrying amount as at 31 March 2022</b>	<b>381.99</b>	<b>1,382.84</b>	<b>1,340.68</b>	<b>18,836.96</b>	<b>108.32</b>	<b>16.08</b>	<b>358.76</b>	<b>108.43</b>	<b>22,534.06</b>
<b>Accumulated depreciation as at 1 April 2021</b>	<b>-</b>	<b>229.75</b>	<b>317.52</b>	<b>4,058.38</b>	<b>60.76</b>	<b>10.48</b>	<b>208.53</b>	<b>66.48</b>	<b>4,951.90</b>
Depreciation charge for the year	-	52.88	139.31	859.90	9.89	1.01	40.16	11.08	1,114.23
Disposals	-	(0.16)	-	(39.34)	(4.02)	-	(12.05)	-	(55.57)
<b>Accumulated depreciation as at 31 March 2022</b>	<b>-</b>	<b>282.47</b>	<b>456.83</b>	<b>4,878.94</b>	<b>66.63</b>	<b>11.49</b>	<b>236.64</b>	<b>77.56</b>	<b>6,010.56</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>381.99</b>	<b>1,100.37</b>	<b>883.85</b>	<b>13,958.02</b>	<b>41.69</b>	<b>4.59</b>	<b>122.12</b>	<b>30.87</b>	<b>16,523.50</b>
<b>Capital work-in-progress (CWIP)</b>									
As at 31 March 2021									629.10
<b>As at 31 March 2022</b>									<b>1,617.14</b>

## Notes:

- Refer note 16.3 for information on property, plant and equipment provided as security by the Company.
- Refer note 40(a) for disclosure of capital commitments for the acquisition of property, plant and equipment.
- Refer note 43 for finance costs capitalised.
- Includes ₹40.04 million (31 March 2021: ₹5.08 million) in respect of research and development (R&D) assets.
- Capital research and development expenditure aggregating to ₹24.24 million (31 March 2021: ₹4.90 million) incurred during the year included in additions to fixed assets/capital work-in-progress.

## Notes to the financial statements for the year ended 31 March 2022 (continued)

**Capital work-in-progress ageing schedule:**

Ageing schedule for capital work-in-progress as at 31 March 2022:

	Amount in capital work-in-progress for a period of				(₹ in million)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Projects in progress	1,477.91	139.23	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total capital work-in-progress</b>	<b>1,477.91</b>	<b>139.23</b>	<b>-</b>	<b>-</b>	<b>1,617.14</b>

Ageing schedule for capital work-in-progress as at 31 March 2021:

	Amount in capital work-in-progress for a period of				(₹ in million)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Projects in progress	629.10	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total capital work-in-progress</b>	<b>629.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>629.10</b>

**Note 4. Intangible assets and intangible assets under development:**

	Rights		Softwares	(₹ in million)
				Total
<b>Gross carrying amount as at 1 April 2020</b>	-	-	-	-
Transferred pursuant to the Composite Scheme (refer note 32)	12.24		151.62	<b>163.86</b>
Additions	-		9.83	<b>9.83</b>
<b>Gross carrying amount as at 31 March 2021</b>	<b>12.24</b>		<b>161.45</b>	<b>173.69</b>
<b>Accumulated amortisation as at 1 April 2020</b>	-		-	-
Transferred pursuant to the Composite Scheme (refer note 32)	12.24		111.22	<b>123.46</b>
Amortisation for the year	-		3.14	<b>3.14</b>
<b>Accumulated amortisation as at 31 March 2021</b>	<b>12.24</b>		<b>114.36</b>	<b>126.60</b>
<b>Net carrying amount as at 31 March 2021</b>	<b>-</b>		<b>47.09</b>	<b>47.09</b>

	Rights		Softwares	(₹ in million)
				Total
<b>Gross carrying amount as at 1 April 2021</b>	<b>12.24</b>		<b>161.45</b>	<b>173.69</b>
Additions	-		-	-
<b>Gross carrying amount as at 31 March 2022</b>	<b>12.24</b>		<b>161.45</b>	<b>173.69</b>
<b>Accumulated amortisation as at 1 April 2021</b>	<b>12.24</b>		<b>114.36</b>	<b>126.60</b>
Amortisation for the year	-		17.71	<b>17.71</b>
<b>Accumulated amortisation as at 31 March 2022</b>	<b>12.24</b>		<b>132.07</b>	<b>144.31</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>-</b>		<b>29.38</b>	<b>29.38</b>
<b>Intangible assets under development</b>				
As at 31 March 2021				19.14
<b>As at 31 March 2022</b>				<b>49.63</b>



## Notes to the financial statements for the year ended 31 March 2022 (continued)

**Intangible assets under development ageing schedule:**

Ageing schedule for intangible assets under development as at 31 March 2022:

	Amount in intangible assets under development for a period of				(₹ in million)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Projects in progress	30.67	18.96	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total intangible assets under development</b>	<b>30.67</b>	<b>18.96</b>	<b>-</b>	<b>-</b>	<b>49.63</b>

Ageing schedule for intangible assets under development as at 31 March 2021:

	Amount in intangible assets under development for a period of				(₹ in million)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Projects in progress	19.14	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total intangible assets under development</b>	<b>19.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19.14</b>

**Note 5. Non-current investments**

	As at	
	31 March 2022	31 March 2021
<b>I. Investment in subsidiary companies:</b>		
<b>(a) Investment in equity shares (at cost)</b>		
<b>Unquoted (fully paid up)</b>		
375 (31 March 2021: 375) equity shares with no par value		
Jubilant Life Sciences (USA) Inc. (2)	17.11	17.11
34,484,000 (31 March 2021: 34,484,000) equity shares of ₹10 each		
Jubilant Infrastructure Limited (2)	1,298.82	1,298.82
437,503 (31 March 2021: 437,503) equity shares with no par value		
Jubilant Life Sciences International Pte. Limited (2)	3.56	3.56
99,999 (31 March 2021: 99,999) equity shares with no par value		
Jubilant Life Sciences NV (2)	7.81	7.81
1,510,000 (31 March 2021: Nil) equity shares of ₹10 each		
Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)	15.10	-
<b>(b) Investment in debentures (at cost)</b>		
200,000 (31 March 2021: Nil) 0.50% optionally convertible debenture of ₹100 each		
Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)	20.00	-
<b>II. Investments in associates:</b>		
<b>(a) Investment in preference shares (at cost)</b>		
2,656 (31 March 2021: 2,656) 0.01% convertible preference shares of ₹10 each	21.64	21.64
Mister Veg Foods Private Limited (3) (4)		
<b>(b) Investment in equity shares (at amortised cost)</b>		
582,800 (31 March 2021: Nil) equity shares of ₹10 each		
AMP Energy Green Fifteen Private Limited (5)	0.79	-



## Notes to the financial statements for the year ended 31 March 2022 (continued)

(₹ in million)

	As at	
	31 March 2022	31 March 2021
<b>(c) Investment in debentures (at amortised cost)</b>		
52,452 (31 March 2021: Nil) 0.01% compulsorily convertible debenture of ₹1,000 each AMP Energy Green Fifteen Private Limited (5)	7.11	-
<b>Total non-current investments</b>	<b>1,391.94</b>	<b>1,348.94</b>
<b>Aggregate amount of unquoted investments</b>	<b>1,391.94</b>	<b>1,348.94</b>
<b>Aggregate amount of impairment in the value of investments</b>	<b>-</b>	<b>-</b>

**Notes:**

- The amount of non-current investment represents maximum amount of investments outstanding during the year. Further this disclosure also suffice the requirements of Section 186(4) of the Act.
- Refer note 32.
- On 18 February 2021, the Company has acquired 2,656 number of 0.01% Convertible Preference Shares ("CPS") of ₹10 each of Mister Veg Foods Private Limited, India ("MVFP"), and has made an investment of ₹21.64 million, representing potential 20.99% shareholding in MVFP, once converted. CPS are convertible into equity shares of MVFP at a defined conversion ratio as per the terms of the underlying contract. The shareholder agreement entitles the Company to nominate one board member and it also entitles the Company vote in all the shareholders meetings in proportion to their shareholding on as if converted basis and accordingly, this investment is classified and presented as an associate, measured at cost. MVFP is primarily engaged in the business of food products.
- Refer note 40 (b) (ii).
- Pursuant to Share Purchase, Subscription and Shareholder's agreement ("SPSSA") with AMP Energy C&I Private Limited and AMP Energy Green Fifteen Private Limited ("AMP") dated 8 October 2021, the Company has acquired 26.00% stake of AMP, for the purpose of setting up a solar power plant with capacity of 15.5 MW, for captive consumption of power. Pursuant to that, the Company has made investment of ₹58.28 million in AMP, representing investment in 582,800 number of Equity shares of ₹10 each and 52,452 number of 0.01% Compulsorily Convertible Debenture of ₹1,000 each. Further, the Company has also entered into a Power Purchase Agreement ("PPA") with AMP to procure 100% of the output of solar energy produced for next 20 years as per the rates negotiated in agreement. As per the SPSSA, in the event of termination of the contracts or completion of the PPA term, the Company will receive nominal value of its investment without any share of profit/ loss in the associate. Accordingly, the investment amount has been amortised to give the effect of expected fixed return on such investment due to the difference in agreement rate and existing government grid rates. As the Company has significant influence, the investment has been accounted as investment in associate as per Ind AS 28 "Investments in associates and joint ventures".

**Particulars of subsidiaries and associate as at 31 March 2022 and 31 March 2021**

Sr. No.	Name	Relationship	Ownership interests		Principal place of business	Accounted on
			31 March 2022	31 March 2021		
1	Jubilant Life Sciences International Pte. Limited	Subsidiary	100%	100%	Singapore	
2	Jubilant Life Sciences (USA) Inc.	Subsidiary	100%	100%	USA	
3	Jubilant Infrastructure Limited	Subsidiary	100%	100%	India	
4	Jubilant Life Sciences NV	Subsidiary	100%	100%	Belgium	
5	Jubilant Life Sciences (Shanghai) Limited	Step down subsidiary	100%	100%	China	
6	Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)	Subsidiary	100%	-	India	Measured at cost as per Ind AS 27 "Separate Financial Statement"
7	Jubilant Ingrevia Employees Welfare Trust	Subsidiary	-	-	India	
8	Mister Veg Foods Private Limited	Associate	20.99%	20.99%	India	
9	AMP Energy Green Fifteen Private Limited	Associate	26.00%	-	India	

## Notes to the financial statements for the year ended 31 March 2022 (continued)

## Note 6. Loans

(₹ in million)

	As at			
	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
<b>Unsecured, considered good</b>				
Loan to employees	4.09	5.04	4.89	5.22
<b>Total loans</b>	<b>4.09</b>	<b>5.04</b>	<b>4.89</b>	<b>5.22</b>

## Note 7. Other financial assets

(₹ in million)

	As at			
	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Other bank balances:				
Deposits with maturity after 12 months from the reporting date (1)	-	81.73	-	4.95
Receivable from related parties (2) (refer note 38)	113.48	-	216.48	-
Insurance claims receivable	6.43	-	35.70	-
Security deposits	20.98	18.58	19.10	18.38
Interest receivable	0.64	-	2.01	-
Discounts/rebates receivable from suppliers (3)	458.09	-	75.69	-
Others	31.43	-	155.99	-
<b>Total other financial assets</b>	<b>631.05</b>	<b>100.31</b>	<b>504.97</b>	<b>23.33</b>

## Notes:

- (1) These deposits have restricted use representing margin money given as security against bank guarantees
- (2) Including due from private companies having common director aggregating to ₹10.26 million (31 March 2021: ₹7.31 million)
- (3) The Group is still to receive credit notes against these receivables

## Note 8. Deferred tax

Deferred income tax reflect the net tax effects of temporary difference between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant component of the Company's net deferred income tax are as follows:

Deferred tax assets:

(₹ in million)

	Provision for compensated absences and gratuity	Expenditure allowed on actual payment basis	MAT credit entitlement	Lease liability	Accrued expenses and other temporary differences	Total
<b>As at 1 April 2020</b>	-	-	-	-	-	-
Transferred pursuant to the Composite Scheme (refer note 32)	240.76	14.67	1,687.71	163.96	16.88	<b>2,123.98</b>
<b>(Charged)/credited</b>						
- to Statement of Profit and Loss	(4.83)	-	(77.81)	6.73	1.12	<b>(74.79)</b>
- to MAT credit adjusted/utilised	-	-	(5.41)	-	-	<b>(5.41)</b>
- to other comprehensive income	1.15	-	-	-	-	<b>1.15</b>
<b>As at 31 March 2021</b>	<b>237.08</b>	<b>14.67</b>	<b>1,604.49</b>	<b>170.69</b>	<b>18.00</b>	<b>2,044.93</b>
<b>(Charged)/credited</b>						
- to Statement of Profit and Loss	9.94	-	(1,041.97)	(6.73)	(7.45)	<b>(1,046.21)</b>
- to MAT credit adjusted/utilised	-	-	(35.94)	-	-	<b>(35.94)</b>
- to other comprehensive income	5.96	-	-	-	-	<b>5.96</b>
<b>As at 31 March 2022</b>	<b>252.98</b>	<b>14.67</b>	<b>526.58</b>	<b>163.96</b>	<b>10.55</b>	<b>968.74</b>

## Notes to the financial statements for the year ended 31 March 2022 (continued)

## Deferred tax liabilities:

	(₹ in million)		
	PPE, Intangible assets and Right- of-use assets	Others	Total
<b>As at 1 April 2020</b>	-	-	-
Transferred pursuant to the Composite Scheme (refer note 32)	2,320.46	5.64	<b>2,326.10</b>
<b>Charged/(credited)</b>			
- to Statement of Profit and Loss	(2.67)	0.32	<b>(2.35)</b>
<b>As at 31 March 2021</b>	<b>2,317.79</b>	<b>5.96</b>	<b>2,323.75</b>
<b>Charged/(credited)</b>			
- to Statement of Profit and Loss	14.71	(3.59)	<b>11.12</b>
<b>As at 31 March 2022</b>	<b>2,332.50</b>	<b>2.37</b>	<b>2,334.87</b>

## Reflected in the Balance Sheet as follows:

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Deferred tax assets	968.74	2,044.93
Deferred tax liabilities	2,334.87	2,323.75
<b>Deferred tax liabilities (net)</b>	<b>1,366.13</b>	<b>278.82</b>

## Reconciliation of deferred tax liabilities (net):

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
<b>Balance as at the commencement of the year</b>	(278.82)	-
Transferred pursuant to the Composite Scheme (refer note 32)	-	(202.12)
Deferred tax charge recognised during the year in Statement of Profit and Loss (including MAT)	(1,057.33)	(72.44)
MAT credit adjusted/utilised	(35.94)	(5.41)
Deferred tax credit recognised during the year in OCI	5.96	1.15
<b>Balance as at the end of the year</b>	<b>(1,366.13)</b>	<b>(278.82)</b>

DTA has not been recognised on temporary differences in relation to indexation benefit on investment in subsidiaries and freehold land amounting to ₹299.48 million (31 March 2021: ₹268.78 million) and ₹89.76 million (31 March 2021: ₹81.97 million) respectively, as the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary differences will not reverse in foreseeable future.

**Tax related contingencies:** Refer note 39

**Note 9. Other non-current assets**

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Capital advances	175.32	146.57
Prepaid expenses	48.43	-
<b>Total other non-current assets</b>	<b>223.75</b>	<b>146.57</b>



## Notes to the financial statements for the year ended 31 March 2022 (continued)

Ageing Schedule for trade receivables outstanding as at 31 March 2021:

Particulars	Outstanding for the following periods from due date of payment					(₹ in million)
						Total
	Less than 6 months	6 months - 1 Year	1-2 years	2-3 years	More than 3 years	
<b>(i) Undisputed trade receivable</b>						
- Considered good	4,802.85	-	-	-	-	4,802.85
- Credit impaired	49.76	-	-	-	-	49.76
<b>(ii) Disputed trade receivable</b>						
- Considered good	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
	<b>4,852.61</b>	-	-	-	-	<b>4,852.61</b>
Less: Expected credit loss allowance						(49.76)
<b>Total trade receivables</b>						<b>4,802.85</b>

## Note 12. (a) Cash and cash equivalents

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Balances with banks		
- In current accounts	134.44	450.69
- In dividend accounts (1)	1.50	-
- In deposit accounts with original maturity up to three months	-	150.00
Cash on hand	0.62	0.94
Cheques in hand	0.08	-
Others		
- Remittances in transit	78.32	55.21
- Imprest	0.05	0.03
<b>Total cash and cash equivalents</b>	<b>215.01</b>	<b>656.87</b>

## Note:

(1) Amount in dividend accounts has restricted use.

## Note 12. (b) Other bank balances

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Deposits accounts with maturity up to twelve months from the reporting date	29.20	199.59
<b>Total other bank balances (1)</b>	<b>29.20</b>	<b>199.59</b>

## Note:

(1) ₹29.20 million (31 March 2021: ₹96.61 million) has restricted use representing margin money given as security against bank guarantees.

## Notes to the financial statements for the year ended 31 March 2022 (continued)

## Note 13. Other current assets

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Prepaid expenses	146.69	83.78
Recoverable from/balance with government authorities	1,052.87	1,112.87
Advance to employees	1.08	1.59
Advance to vendors	253.46	327.57
Others	38.40	49.02
<b>Total other current assets</b>	<b>1,492.50</b>	<b>1,574.83</b>

## Note 14. Equity share capital

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
<b>Authorised</b>		
200,000,000 (31 March 2021 : 200,000,000) equity shares of ₹1 each	200.00	200.00
	<b>200.00</b>	<b>200.00</b>
<b>Issued and subscribed</b>		
159,281,139 (31 March 2021 : 159,281,139) equity shares of ₹1 each	159.28	159.28
	<b>159.28</b>	<b>159.28</b>
<b>Paid up capital</b>		
159,281,139 (31 March 2021 : 159,281,139) equity shares of ₹1 each	159.28	159.28
	<b>159.28</b>	<b>159.28</b>

## (a) Movement in equity share capital:

	(₹ in million)			
	31 March 2022		31 March 2021	
	Number	₹ in million	Number	₹ in million
<b>At the commencement of the year</b>	159,281,139	159.28	500,000	0.50
Add: Issuance of equity shares pursuant to the Composite Scheme (refer note 32)	-	-	159,281,139	159.28
Less: Cancellation of equity shares pursuant to the Composite Scheme (refer note 32)	-	-	(500,000)	(0.50)
<b>At the end of the year</b>	<b>159,281,139</b>	<b>159.28</b>	<b>159,281,139</b>	<b>159.28</b>

## (b) Terms and rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having par value of ₹1 each. The holder of each equity share 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 any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## (c) Details of shareholders holding more than 5% shares in the Company:

Equity shares of ₹1 each fully paid-up held by	(₹ in million)			
	31 March 2022		31 March 2021	
	Number	% of total shares	Number	% of total shares
SPB Trustee Company Private Limited and SS Trustee Company Private Limited (Jointly on behalf of Shyam Sunder Bhartia Family Trust)	32,861,161	20.63%	32,686,161	20.52%
HSB Trustee Company Private Limited and HS Trustee Company Private Limited (Jointly on behalf of Hari Shanker Bhartia Family Trust)	30,257,475	19.00%	30,257,475	19.00%

## Notes to the financial statements for the year ended 31 March 2022 (continued)

## (d) Disclosure of shareholding of promoter's is as follows:

Promoter's name	31 March 2022		31 March 2021	
	Number of shares	% of total shares	Number of shares	% of total shares
Mr. Hari Shanker Bhartia	360,885	0.23%	360,885	0.23%
Ms. Kavita Bhartia	10,285	0.01%	10,285	0.01%
Mr. Priyavrat Bhartia	3,085	-*	3,085	-*
Mr. Shamit Bhartia	129,245	0.08%	129,245	0.08%
Jaytee Private Limited	7,600	-*	7,600	-*
Nikita Resources Private Limited	3,504,540	2.20%	3,504,540	2.20%
SPB Trustee Company Private Limited and SS Trustee Company Private Limited (Jointly on behalf of Shyam Sunder Bhartia Family Trust)	32,861,161	20.63%	32,686,161	20.52%
HSB Trustee Company Private Limited and HS Trustee Company Private Limited (Jointly on behalf of Hari Shanker Bhartia Family Trust)	30,257,475	19.00%	30,257,475	19.00%
MAV Management Advisors LLP	5,011,400	3.15%	5,011,400	3.15%
Jubilant Enpro Private Limited	2,233,000	1.40%	2,116,000	1.33%
Mr. Shyam Sunder Bhartia	1,399,925	0.88%	1,399,925	0.88%
Miller Holdings Pte. Limited	5,615,555	3.52%	5,230,455	3.28%
<b>Total</b>	<b>81,394,156</b>	<b>51.10%</b>	<b>80,717,056</b>	<b>50.68%</b>

\* Rounded off

# The number for % change in promoter's shareholding as at 31 March 2021 is not relevant as not comparable with corresponding previous period, refer note 32.



## Notes to the financial statements for the year ended 31 March 2022 (continued)

**(e) Others**

During the year previous ended 31 March 2021, the Company had issued 159,281,139 fully paid-up equity shares of ₹1 each to the shareholders of the Demerged Company, for every one fully paid-up equity share of ₹1 each held by them in the Demerged Company for consideration other than cash pursuant to the Composite Scheme (refer note 32).

**Note 15. Nature and purpose of other equity**

- *Capital reserve*

Accumulated capital reserve not available for distribution of dividend and expected to remain invested permanently.

- *Securities premium \**

The unutilised accumulated balance represents excess of issue price over face value on issue of shares. This reserve is utilised in accordance with the provisions of the Act.

- *General reserve \**

This represents appropriation of profit and is available for distribution of dividend.

- *Share options outstanding account*

This account used to recognise the grant date fair value of options issued to eligible employees pursuant to the Company's employee stock option plan.

- *Retained earnings \**

Retained earnings represent the amount of accumulated earnings and re-measurement differences on defined benefit plans recognised in OCI within equity.

\* Refer note 32 (a)

**Note 16. (a) Non-current borrowings**

(₹ in million)

	As at	
	31 March 2022	31 March 2021
<b>Secured debentures</b>		
Secured rated listed non-convertible debentures	996.91	996.91
<b>Term loans</b>		
<b>From banks</b>		
Indian rupee loans (secured)	-	3,561.47
<b>From other parties</b>		
Indian rupee loans from a subsidiary (unsecured)	1,959.90	1,909.90
<b>Total non-current borrowings</b>	<b>2,956.81</b>	<b>6,468.28</b>
Add: Current maturities of non-current borrowings (secured) (refer note 16 (b))	-	896.59
<b>Total non-current borrowings (including current maturities)</b>	<b>2,956.81</b>	<b>7,364.87</b>

**16. (b) Current borrowings**

(₹ in million)

	As at	
	31 March 2022	31 March 2021
<b>Loans repayable on demand</b>		
<b>From banks</b>		
Secured	790.64	-
Unsecured	500.00	-
Current maturities of non-current borrowings (refer note 16 (a))	-	896.59
<b>Total current borrowings</b>	<b>1,290.64</b>	<b>896.59</b>

## Notes to the financial statements for the year ended 31 March 2022 (continued)

### 16.1 Nature of security of non-current borrowings and other terms of repayment as at 31 March 2022

16.1.1 Indian rupee term loans amounting to ₹ Nil (31 March 2021: ₹1,350.00 million) from The Hongkong and Shanghai Banking Corporation Limited, Indian rupee term loans amounting to ₹ Nil (31 March 2021: ₹3,128.13 million) from ICICI Bank Limited and Secured rated listed redeemable non-convertible debentures ("NCDs") amounting to ₹1,000.00 million (31 March 2021: ₹1,000.00 million) are secured by a first pari-passu charge created amongst the lenders by way of:

- 1) First *pari passu* charge on all the immovable property, plant and equipment owned by the Company, situated at Bhartiagram, Tehsil Dhanora, District Amroha, Uttar Pradesh, India ("Immovable Secured Assets"), but excluding the immovable property, plant and equipment described in (A) below ("Excluded Immovable Assets"). The details of the Immoveable Secured Assets charged/mortgaged to secure the facilities is more particular described in (B) below.

A. *Excluded immovable assets:*

- (1) Land measuring 90,124.24 square meters together with all the buildings and structures thereon situated in the revenue estate of Village Naipura Khadar and Tigariya Bhoor, Tehsil Dhanora, District Amroha, Uttar Pradesh, India, which land is covered under common title deeds with other group companies of the Company;
- (2) Land measuring 5.56 acres (equivalent to 2.253 hectares) together with all the buildings and structures thereon situated in the revenue estate of Village Fazalpur Gosai, Tehsil Dhanora, District Amroha, Uttar Pradesh, India; and
- (3) Leasehold land, being plot no. A-4/2 measuring 157,509 square meters, together with all the buildings and structures thereon situated in UPSIDC Industrial Area II, Gajraula, Tehsil Dhanora, District Amroha, Uttar Pradesh, India, which land is covered under common lease deed with other group companies of the Company.

B. *Immovable secured assets:*

- (1) Land admeasuring 32.77 Acres or 13.268 Hectares situated in the revenue estate of Villages Naipura Khader, Tehsil Hasanpur (now Pargana and Tehsil Dhanora), District Moradabad (now District Amroha), Uttar Pradesh, together with buildings and structures thereon and all plant and equipment attached to the earth or permanently fastened to anything attached to the earth;
  - (2) Land admeasuring 154.28 Acres or 62.448 Hectares situated in the revenue estate of Village Tigariya Bhoor, Tehsil Dhanera, District Amroha, Uttar Pradesh, together with buildings and structures thereon and all plant and equipment attached to the earth or permanently fastened to anything attached to the earth;
  - (3) Land admeasuring 95.46 Acres or 38.648 Hectares situated in the revenue estate of Village Shahbajpur Dor, Tehsil and Pargana Hasanpur (now Dhanera), District Amroha (early in Moradabad), Uttar Pradesh, together with buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth;
  - (4) Land admeasuring 28.904 Hectare or 71.39 Acres, situated in the revenue estate of Village Rasoolpur Khader, Tehsil Dhanaura, District Moradabad (now District Amroha), Uttar Pradesh, together with buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth;
  - (5) Land admeasuring 48,576 square meters or 12 Acres or 4.856 Hectares situated in the revenue estate of Villages Sadullapur, Naipura Khadar, Sahabazpur Dor, Tehsil Hasanpur (now Pargana and Tehsil Dhanora), District Amroha, Uttar Pradesh, together with buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth.
- 2) First *pari passu* charge over entire movable property, plant and equipment of the Company, both present and future.
  - 3) First *pari passu* charge over the land and building of the office premises located at 1A, Sector 16A, Noida, Uttar Pradesh-201301.

16.1.2 7.90% NCDs amounting to ₹1,000.00 million (31 March 2021: ₹1,000.00 million) are repayable in single installment in June 2023.

16.1.3 Indian rupee term loan from ICICI Bank Limited, amounting to ₹ Nil (31 March 2021: ₹3,128.13 million) repayable in 15 structured quarterly installments from June 2021, has been fully repaid during the year.

## Notes to the financial statements for the year ended 31 March 2022 (continued)

16.1.4 Indian rupee term loan amounting to ₹ Nil (31 March 2021: ₹1,350.00 million) repayable in 16 equal quarterly installments from April 2021, from The Hongkong and Shanghai Banking Corporation Limited has been fully repaid during the year.

16.1.5 Loans from subsidiaries are repayable up to five years from the date of respective disbursement and carry interest rate of 6.60% (31 March 2021: 5.60%) per annum.

16.1.6 Refer note 32 for borrowing transferred from Jubilant Pharmova Limited pursuant to the Composite Scheme during the year ended 31 March 2021.

The term loans carry floating interest rate calculated in accordance with the terms of the arrangement which is a specified benchmark rate (reset at periodic intervals), adjusted for agreed spread. During the year ended 31 March 2022, the interest rate on long-term Indian rupees loans range from 6.25% to 7.40% per annum (31 March 2021: 6.25% to 7.20% per annum).

### 16.2 Nature of security of current borrowings and other terms of repayment as at 31 March 2022

16.2.1 Working capital facilities (including cash credit) sanctioned by consortium of banks are secured by a first charge by way of hypothecation, ranking pari-passu inter-se banks, of the entire book debts and receivables and inventories, both present and future, of the Company wherever the same may be or be held. Working capital loans are repayable as per terms of agreement within one year.

16.2.2 Short term loans and working capital facilities are availed in Indian rupees which carry floating interest rate calculated in accordance with the terms of the arrangement which is a specified benchmark rate (reset at periodic intervals), adjusted for agreed spread. During the year ended 31 March 2022, the interest rate on short-term Indian currency loans range from 3.15% to 10.20% per annum (31 March 2021: 7.50% to 8.65% per annum).

### 16.3 Assets pledged as security

Assets with following carrying amounts are pledged as collateral/security against loans and borrowings at year end.

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Leasehold land and property, plant and equipment	15,236.08	15,073.14
Inventories	7,626.25	5,206.23
Trade receivables	5,850.78	4,802.85
	<b>28,713.11</b>	<b>25,082.22</b>

### 16.(c) Reconciliation of movements of liabilities (borrowings, lease liabilities and interest accrued) to cash flows arising from financing activities

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
<b>As at beginning of the year</b>	<b>7,922.70</b>	-
Movement due to cash transactions as per the Statement of Cash Flows	(3,649.88)	(702.03)
Transferred pursuant to the Composite Scheme (refer note 32)	-	8,495.03
Movement due to:		
- Finance costs expensed	462.44	94.46
- Finance costs capitalised	40.53	3.41
- Lease liabilities	15.18	31.83
<b>As at end of the year</b>	<b>4,790.97</b>	<b>7,922.70</b>

### 16.(d) Borrowings secured against current assets

The Company has given current assets (trade receivables and inventories) as security for working capital facilities of ₹12,500.00 million (31 March 2021: ₹12,500.00 million) obtained from consortium of banks. The quarterly stock statement filed by the Company in respect to the same is in agreement with the books of accounts of the Company.

## Notes to the financial statements for the year ended 31 March 2022 (continued)

## Note 17. Provisions

	(₹ in million)			
	As at		As at	
	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Provision for employee benefits (refer note 33)	165.97	649.51	117.35	659.96
<b>Total provisions</b>	<b>165.97</b>	<b>649.51</b>	<b>117.35</b>	<b>659.96</b>

## Note 18. Trade payables

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
<b>Current</b>		
Total outstanding dues of micro enterprises and small enterprises (refer note 31)	204.60	129.58
Total outstanding dues of creditors other than micro enterprises and small enterprises *	7,741.95	6,768.63
<b>Total trade payables</b>	<b>7,946.55</b>	<b>6,898.21</b>
* Amount payable to related parties included in the above (refer note 38)	408.73	255.00

## Trade payables ageing schedule:

Ageing Schedule for trade payables outstanding as at 31 March 2022:

Particulars	(₹ in million)				Total
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME*	204.60	-	-	-	204.60
Others	5,977.89	8.69	-	-	5,986.58
Disputed dues - MSME*	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	<b>6,182.49</b>	<b>8.69</b>	-	-	<b>6,191.18</b>
Accrued expenses					1,755.37
<b>Total trade payables</b>					<b>7,946.55</b>

Ageing Schedule for trade payables outstanding as at 31 March 2021:

Particulars	(₹ in million)				Total
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME*	129.58	-	-	-	129.58
Others	5,025.64	-	-	-	5,025.64
Disputed dues - MSME*	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	<b>5,155.22</b>	-	-	-	<b>5,155.22</b>
Accrued expenses					1,742.99
<b>Total trade payables</b>					<b>6,898.21</b>

\* MSME as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).

## Notes to the financial statements for the year ended 31 March 2022 (continued)

**Note 19. Other current financial liabilities**

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Interest accrued	105.21	105.49
Unpaid dividend	1.50	-
Security deposits	27.00	25.45
Capital creditors *	331.07	279.60
Employee benefits payable	286.63	283.58
Other payables	5.96	-
<b>Total other current financial liabilities</b>	<b>757.37</b>	<b>694.12</b>

\* Includes outstanding dues of micro enterprises and small enterprises of ₹69.93 million (31 March 2021: ₹28.02 million)

**Note 20. Other current liabilities**

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Contract liabilities	951.68	85.29
Statutory dues payables	104.24	90.22
<b>Total other current liabilities</b>	<b>1,055.92</b>	<b>175.51</b>

**Note 21. Revenue from operations**

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Sale of products	48,302.89	6,636.57
Sale of services	9.26	1.10
Other operating revenue (refer note 42)	292.07	51.61
<b>Total revenue from operations</b>	<b>48,604.22</b>	<b>6,689.28</b>

## Notes to the financial statements for the year ended 31 March 2022 (continued)

### 21.1 Disaggregation of revenue

In the following table, revenue from sale of product and services is disaggregated by primary geographical market and major products and service lines.

	For the year ended 31 March 2022			Total	For the year ended 31 March 2021			Total
	Speciality Chemicals	Nutrition and Health Solutions	Chemical Intermediates*		Speciality Chemicals	Nutrition and Health Solutions	Chemical Intermediates*	
<b>Primary geographical markets</b>								
India	6,798.15	1,790.10	22,745.39	31,333.64	814.81	263.74	3,055.79	4,134.34
Americas and Europe	4,201.05	4,059.42	4,046.97	12,307.44	779.36	550.91	395.92	1,726.19
China	1,032.16	493.65	-	1,525.81	136.59	40.34	-	176.93
Rest of the world	1,313.92	1,068.84	762.50	3,145.26	222.08	275.78	102.35	600.21
<b>Total</b>	<b>13,345.28</b>	<b>7,412.01</b>	<b>27,554.86</b>	<b>48,312.15</b>	<b>1,952.84</b>	<b>1,130.77</b>	<b>3,554.06</b>	<b>6,637.67</b>
<b>Major products/service lines</b>								
Pyridine and Picolines#	5,952.73	-	-	5,952.73	900.25	-	-	900.25
Fine Chemicals, Crop protection chemicals, Custom development and manufacturing organisation	7,392.55	-	-	7,392.55	1,052.59	-	-	1,052.59
Nutrition and health ingredients, Animal and human nutrition and health solutions	-	7,412.01	-	7,412.01	-	1,130.77	-	1,130.77
Acetyls# / Speciality ethanol	-	-	27,554.86	27,554.86	-	-	3,554.06	3,554.06
<b>Total</b>	<b>13,345.28</b>	<b>7,412.01</b>	<b>27,554.86</b>	<b>48,312.15</b>	<b>1,952.84</b>	<b>1,130.77</b>	<b>3,554.06</b>	<b>6,637.67</b>

Reconciliation of the disaggregated revenue with the Company's reportable segments (refer note 37)

	For the year ended 31 March 2022			Total	For the year ended 31 March 2021			Total
	Speciality Chemicals	Nutrition and Health Solutions	Chemical Intermediates*		Speciality Chemicals	Nutrition and Health Solutions	Chemical Intermediates*	
Revenue from sale of products and services	13,345.28	7,412.01	27,554.86	48,312.15	1,952.84	1,130.77	3,554.06	6,637.67
Other operating revenue	192.03	22.19	77.85	292.07	32.13	4.74	14.74	51.61
<b>Total</b>	<b>13,537.31</b>	<b>7,434.20</b>	<b>27,632.71</b>	<b>48,604.22</b>	<b>1,984.97</b>	<b>1,135.51</b>	<b>3,568.80</b>	<b>6,689.28</b>

#### Notes:

\* The segment earlier presented as "Life Science Chemicals" has been renamed as "Chemical Intermediates"

# During the year ended 31 March 2022, the major product lines earlier presented as "Speciality ingredients" and "Life sciences ingredients" have been renamed as "Pyridine and Picolines" and "Acetyls" respectively.

## Notes to the financial statements for the year ended 31 March 2022 (continued)

**21.2 Contract balances**

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Trade receivables	5,850.78	4,802.85
Contract liabilities	951.68	85.29

The amount of ₹85.29 million recognised in contract liabilities as at 31 March 2021 has been recognised as revenue for the year ended 31 March 2022.

**21.3 Reconciliation of revenue recognised with the contracted price is as follows:**

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Contracted price	48,359.38	6,657.54
Reductions towards discount and rebates	(47.23)	(19.87)
<b>Revenue recognised</b>	<b>48,312.15</b>	<b>6,637.67</b>

**Note 22. Other income**

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Interest income	11.50	4.24
Other non-operating income*	276.71	20.29
<b>Total other income</b>	<b>288.21</b>	<b>24.53</b>

\* Primarily comprises of cross-charge income from group entities.

**Note 23. Cost of materials consumed**

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Raw materials consumed	27,981.75	3,634.59
<b>Total cost of materials consumed</b>	<b>27,981.75</b>	<b>3,634.59</b>

**Note 24. Purchases of stock-in-trade**

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Purchases of stock-in-trade	1,145.48	145.23
<b>Total purchases of stock-in-trade</b>	<b>1,145.48</b>	<b>145.23</b>



## Notes to the financial statements for the year ended 31 March 2022 (continued)

**Note 25. Changes in inventories of finished goods, stock-in-trade and work-in-progress**

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
<b>Opening balance</b>		
Work-in-progress	803.71	-
Finished goods	1,415.21	-
<b>Total opening balance</b>	<b>2,218.92</b>	-
<b>Transferred pursuant to the Composite Scheme (refer note 32)</b>	-	<b>2,318.26</b>
<b>Closing balance</b>		
Work-in-progress	1,377.57	803.71
Finished goods	1,754.06	1,415.21
<b>Total closing balance</b>	<b>3,131.63</b>	<b>2,218.92</b>
Increase in inventories of finished goods, stock-in-trade and work-in-progress	(912.71)	99.34
Adjustment on account of capitalisation	3.85	-
<b>Total changes in inventories of finished goods, stock-in-trade and work-in-progress</b>	<b>(908.86)</b>	<b>99.34</b>

**Note 26. Employee benefits expense**

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Salaries, wages, bonus, gratuity and allowances	2,614.39	391.08
Contribution to provident fund and other funds	137.83	21.48
Share-based payment expense	14.48	-
Staff welfare expenses	157.39	18.53
<b>Total employee benefits expense</b>	<b>2,924.09</b>	<b>431.09</b>

**Note 27. Finance costs**

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Interest expense	424.00	90.99
Other finance costs	38.44	3.47
<b>Total finance costs (1)</b>	<b>462.44</b>	<b>94.46</b>

**Note:**

(1) Refer note 43 for finance costs capitalised.

**Note 28. Depreciation and amortisation expense**

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Depreciation of property, plant and equipment	1,114.23	199.80
Depreciation of right-of-use assets	69.35	10.56
Amortisation of intangible assets	17.71	3.14
<b>Total depreciation and amortisation expense</b>	<b>1,201.29</b>	<b>213.50</b>

## Notes to the financial statements for the year ended 31 March 2022 (continued)

## Note 29. Other expenses

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Power and fuel	4,726.80	527.91
Consumption of stores and spares and packing materials	1,771.68	336.17
Processing charges	204.70	40.65
Rent	48.21	10.24
Rates and taxes	55.12	9.78
Insurance	118.75	14.24
Advertisement, publicity and sales promotion	8.77	1.78
Traveling and conveyance	58.99	5.44
Repairs and maintenance:		
i. Plant and equipment	829.11	186.17
ii. Buildings	42.86	13.92
iii. Others	173.50	22.40
Office expenses	118.13	19.86
Vehicle running and maintenance	19.13	3.37
Printing and stationery	10.53	3.15
Telephone and communication charges	16.52	1.87
Staff recruitment and training	26.50	2.11
Corporate social responsibility expenditure (refer note 45)	5.60	-
Payments to statutory auditors	7.74	3.90
Legal and professional fees	264.03	31.03
Freight and forwarding (including ocean freight)	523.76	123.83
Directors' sitting fees	4.41	-
Directors' commission	5.96	-
Subscription fee	22.93	4.85
Sales commission	27.56	5.16
Loss on sale/disposal/discard of property, plant and equipment (net)	82.27	-
Allowance for expected credit loss	11.71	4.84
Net foreign exchange loss	86.31	29.65
Miscellaneous expenses	59.95	8.45
<b>Total other expenses</b>	<b>9,331.53</b>	<b>1,410.77</b>

## Note 29.1 Details of payment to statutory auditors (excluding applicable taxes and including out of pocket expenses)

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
As auditor:		
Statutory audit and limited review fee	6.80	3.90
For certification and other services	0.94	-
<b>Total payment to auditors</b>	<b>7.74</b>	<b>3.90</b>

## Notes to the financial statements for the year ended 31 March 2022 (continued)

### Note 29.2 Research and development expenses (excluding finance cost, depreciation and amortisation) comprises of:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Cost of material consumed	21.25	3.79
Employee benefits expense	150.87	21.34
Other expenses	35.68	6.68
	<b>207.80</b>	<b>31.81</b>

### Note 30. Income tax

#### 30.1 The major components of income tax expense are:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
<b>Statement of Profit and Loss</b>		
<b>Current tax:</b>		
Income tax charge for the year	1,174.86	97.07
	<b>1,174.86</b>	<b>97.07</b>
<b>Deferred tax:</b>		
Deferred tax charge for the year	1,028.00	72.44
Adjustments in respect of deferred tax of previous years	29.33	-
	<b>1,057.33</b>	<b>72.44</b>
<b>Income tax expense reported in the Statement of Profit and Loss</b>	<b>2,232.19</b>	<b>169.51</b>
<b>Other comprehensive income</b>		
<b>Deferred tax:</b>		
Tax related to items that will not be reclassified to profit and loss	5.96	1.15
<b>Income tax benefit</b>	<b>5.96</b>	<b>1.15</b>

#### 30.2 Reconciliation between average effective tax rate and applicable tax rate for the year:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Profit before tax	6,754.71	555.39
At India's statutory income tax rate of 34.944% (31 March 2021: 34.944%)	2,360.37	194.07
- Effect of non-deductible expenses and exempt income	(123.47)	(38.21)
- Effect of prior year's adjustments	29.33	-
- Effect of lower tax rate on temporary difference	(30.77)	16.22
- Others	(3.27)	(2.57)
<b>Income tax expense reported in the Statement of Profit and Loss</b>	<b>2,232.19</b>	<b>169.51</b>

## Notes to the financial statements for the year ended 31 March 2022 (continued)

## Note 31. Micro, small and medium enterprises

(₹ in million)

	As at	
	31 March 2022	31 March 2021
The principal amount remaining unpaid to any supplier as at the end of the year	274.53	157.60
The interest due on principal amount remaining unpaid to any supplier as at the end of the year	0.03	-
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year	0.73	-
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 MSMED Act	0.43	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

The information as required to be disclosed in relation to micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

## Note 32. Composite scheme of arrangement

During the year ended 31 March 2021, a Composite Scheme of Arrangement ("Composite Scheme") for amalgamation of certain promoter controlled entities into Jubilant Pharmova Limited ("JPM"), the Demerged Company and demerger of the Life Science Ingredients business ("LSI business") into the Company was approved by Honourable National Company Law Tribunal ("NCLT"), Allahabad Bench vide its order dated 23 December 2020 (formal order received on 6 January 2021). The said NCLT order was filed with the Registrar of Companies ("ROC") by the Company and the Demerged Company on 1 February 2021 thereby making the Composite Scheme effective. In terms of the Composite Scheme, all assets and liabilities of the LSI business of the Demerged Company were transferred and vested into the Company on 1 February 2021, being the Demerger Appointed Date.

*Accounting of transfer of LSI business as per approved Composite Scheme:*

- (i) The assets and liabilities pertaining to the LSI business, transferred to and vested in the Company pursuant to the Composite Scheme were recorded at their respective carrying values as appearing in the books of the Demerged Company.
- (ii) The Company issued 159,281,139 fully paid-up equity shares of ₹1 each to the shareholders of the Demerged Company, for every one fully paid-up equity share of ₹1 each held by them in the Demerged Company.
- (iii) The pre-demerger shareholding of the Demerged Company in the Company comprising of 500,000 fully paid-up equity shares of ₹1 each, was cancelled.
- (iv) The equity share capital account was credited with the aggregate face value of the shares issued to the shareholders pursuant to the Composite Scheme and the difference was accounted in appropriate reserves within "Other equity".

## Notes to the financial statements for the year ended 31 March 2022 (continued)

**Note 32. (a)** The book value of assets and liabilities transferred and vested into the Company as at the appointed date were as under:

	(₹ in million)
	<b>Amount</b>
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	16,506.26
Capital work-in-progress	637.35
Intangible assets	40.40
Intangible assets under development	30.10
Right-of-use assets	752.36
Financial assets	
i. Investments	1,327.30
ii. Loans	5.35
iii. Other financial assets	24.65
Other non-current assets	25.90
<b>Total non-current assets</b>	<b>19,349.67</b>
<b>Current assets</b>	
Inventories	5,029.49
Financial assets	
i. Trade receivables	4,755.49
ii. Cash and cash equivalents	610.67
iii. Other bank balances	192.69
iv. Loans	5.53
v. Other financial assets	125.52
Other current assets	1,588.52
<b>Total current assets</b>	<b>12,307.91</b>
<b>Total assets (A)</b>	<b>31,657.58</b>
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
Financial liabilities	
i. Borrowings	6,926.98
ii. Lease liabilities	402.26
Provisions	602.92
Deferred tax liabilities (net)	202.12
<b>Total non-current liabilities</b>	<b>8,134.28</b>
<b>Current liabilities</b>	
Financial liabilities	
i. Borrowings	1,057.33
ii. Lease liabilities	21.30
iii. Trade payables	6,188.57
iv. Other financial liabilities	482.70
Other current liabilities	233.46
Provisions	164.03
<b>Total current liabilities</b>	<b>8,147.39</b>
<b>Total liabilities (B)</b>	<b>16,281.67</b>
<b>Net assets transferred (A) - (B)</b>	<b>15,375.91</b>
<b>Recorded under equity pursuant to the Composite Scheme as under:</b>	
Equity share capital and securities premium	5,878.41
General reserve	7,375.72
Retained earnings	2,121.78
	<b>15,375.91</b>

The reserves, adjusted for equity share capital, was recorded in the standalone financial statements of the Company in the same form in which they appeared in the financial statements of the Demerged Company.

## Notes to the financial statements for the year ended 31 March 2022 (continued)

**Note 32. (b)** For the year ended 31 March 2021, the Statement of Profit and Loss and Statement of Cash Flows of the Company included figures of LSI business comprising two months of operations effective 1 February 2021. Further, in order to present the actual scale of operation of the LSI business for financial year ended 31 March 2021, the management had presented, in addition to, the standalone financial statement of the Company comprising two months of operations effective 1 February 2021, standalone financial information of the demerged LSI business till 31 January 2021. The said financial information for the period 1 April 2020 to 31 January 2021, was extracted from the disclosure in the audited financial statement of the Demerged Company, Jubilant Pharmova Limited for the year ended 31 March 2021, which had not been separately subjected to audit or review and was presented as 'unaudited' supplementary information, as below:

Particulars	(₹ in million)
	For the year ended 31 March 2021 (10 months) (Unaudited)
i) Total revenue from operations	27,094.98
ii) Other income	351.67
iii) Total income	27,446.65
iv) Total expenses	24,666.15
v) Profit before tax	2,780.50
vi) Tax expenses	615.26
vii) Net profit for the period	2,165.24

**Note 32. (c)** In order to present the financial ratios for the comparative year, the Company has considered full year financial numbers for the year ended 31 March 2021 i.e. 2 months of operation with the Company and 10 months of operation of LSI business pertaining to Jubilant Pharmova Limited. Further, certain numbers of balance sheet for the year ended 31 March 2020 has also been extracted from the audited financial information of Jubilant Pharmova Limited for the year ended 31 March 2020. The said information has not been separately subjected to audit or review and was presented as 'unaudited' supplementary information, as below:

Financials information for the period ended 1 April 2020 to 31 January 2021 (10 months)	(₹ in million)
	Unaudited
Cost of materials consumed	13,286.59
Purchases of stock-in-trade	662.31
Changes in inventories of finished goods, stock-in-trade and work-in-progress	554.71
Employee benefits expense	2,181.76
Finance costs	973.06
Depreciation and amortisation expense	989.39
Other expenses	6,018.33
Other non-cash expenses and donations (included in other expenses)	62.83
<b>Financials information for the year ended 31 March 2020</b>	<b>Unaudited</b>
Trade receivables	4,254.51
Investments	1,327.80
Inventories	6,563.80
- Work-in-progress (included in total inventory)	1,169.48
- Finished goods (included in total inventory)	1,697.96
Trade payables	6,185.82

## Notes to the financial statements for the year ended 31 March 2022 (continued)

**Note 33. Employee benefits****(A) Defined contribution plans**

The Company has certain defined contribution plans such as provident fund, employee state insurance and employee pension scheme wherein specified percentage is contributed to these plans. During the year, the Company has contributed following amounts to:

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Employer's contribution to provident fund	105.11	14.73
Employer's contribution to employee's pension scheme	27.44	4.30
Employer's contribution to employee state insurance	0.28	0.06

**(B) Defined benefit plans***i. Gratuity*

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed is 7.20% p.a. (31 March 2021: 6.80% p.a.) which is determined by reference to market yield on Government bonds at the Balance Sheet date. The retirement age has been considered at 58 years (31 March 2021: 58 years) and mortality table is as per IALM (2012-14) (31 March 2021: IALM (2012-14)). Expected average remaining working lives of employees are 16.95 years (31 March 2021: 16.58 years).

The estimates of future salary increases, considered in actuarial valuation is 10% p.a., for first three years and 6% p.a. thereafter (31 March 2021: 10% p.a. for first three years and 6% p.a. thereafter), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plan assets are maintained with Life Insurance Corporation of India in respect of gratuity scheme for certain employees of a unit of the Company. The details of investments maintained by Life Insurance Corporation are not available with the Company, hence not disclosed. The expected rate of return on plan assets is 7.20% p.a. (31 March 2021: 6.80% p.a.).

**(C) Risk exposures:**

These plans typically expose the Group to the following actuarial risks:

*Salary risk:* The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

*Interest rate risk:* A fall in the discount rate, which is linked, to the G-Sec rate will increase the present value of the liability requiring higher provision.

*Investment risk:* The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit.

*Mortality risk:* Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

*Reconciliation of opening and closing balances of the present value of the defined benefit obligation:*

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
<b>Present value of obligation at the beginning of the year</b>	548.11	-
Transferred pursuant to the Composite Scheme (refer note 32)	-	556.80
Employees transferred to/from subsidiaries and group entities (net)	9.27	-
Current service cost	45.39	7.17
Interest cost	37.27	6.03
Actuarial loss	16.94	3.28
Benefits paid	(71.30)	(25.17)
<b>Present value of obligation at the end of the year</b>	<b>585.68</b>	<b>548.11</b>



## Notes to the financial statements for the year ended 31 March 2022 (continued)

Fair value of plan assets\*\*:

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
<b>Plan assets at the beginning of the year</b>	3.44	-
Plan assets transferred pursuant to the Composite Scheme (refer note 32)	-	3.40
Expected return on plan assets	0.23	0.04
Contribution by employer	0.37	-
Benefits paid	(2.61)	-
Actuarial loss	(0.11)	-
<b>Plan assets at the end of the year</b>	<b>1.32</b>	<b>3.44</b>

\*\*In respect of one location, the plan assets were invested in insurer managed funds.

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Present value of obligation at the end of the year	585.68	548.11
Fair value of plan assets at the end of the year	(1.32)	(3.44)
<b>Net liabilities recognised in the Balance Sheet</b>	<b>584.36</b>	<b>544.67</b>

The Company's best estimate of contribution during next year is ₹91.03 million (31 March 2021: ₹82.74 million).

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Current service cost	45.39	7.17
Interest cost	37.04	5.99
<b>Expense recognised in the Statement of Profit and Loss</b>	<b>82.43</b>	<b>13.16</b>

Amount recognised in the other comprehensive income:

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Actuarial (gain)/loss due to financial assumption change	(10.78)	1.83
Actuarial loss due to experience adjustment	27.83	1.45
<b>Amount recognised in the other comprehensive income</b>	<b>17.05</b>	<b>3.28</b>

Sensitivity analysis of the defined benefit obligation:

Discount rate

	(₹ in million)			
	31 March 2022		31 March 2021	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit plan	(13.79)	14.52	(12.94)	13.61

## Notes to the financial statements for the year ended 31 March 2022 (continued)

Future salary increase:

	31 March 2022		31 March 2021	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit plan	14.52	(13.91)	13.56	(13.02)

(₹ in million)

The sensitivity analysis above has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

The table below summarises the maturity profile of the defined benefit obligations:

	As at	
	31 March 2022	31 March 2021
Within one year	127.36	86.22
Between one to three years	127.98	154.82
Between three to five years	100.70	94.12
Later than five years	229.64	212.95
	<b>585.68</b>	<b>548.11</b>

(₹ in million)

## (D) Other long term employee benefits (compensated absences):

	As at	
	31 March 2022	31 March 2021
Present value of obligation at the end of the year	231.12	232.64

(₹ in million)

## Note 34. Fair value measurements

	Notes	Carrying Value as at		Fair Value as at	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Financial assets</b>					
<b>Amortised cost</b>					
Trade receivables	(a)	5,850.78	4,802.85	5,850.78	4,802.85
Loans	(a, b)	9.13	10.11	9.13	10.11
Cash and cash equivalents	(a)	215.01	656.87	215.01	656.87
Other bank balances	(a)	29.20	199.59	29.20	199.59
Other financial assets	(a, b)	731.36	528.30	731.36	528.30
<b>Total financial assets</b>		<b>6,835.48</b>	<b>6,197.72</b>	<b>6,835.48</b>	<b>6,197.72</b>
<b>Financial liabilities</b>					
<b>Amortised cost</b>					
Secured rated listed non-convertible debentures	(c)	996.91	996.91	1,000.00	1,000.00
Other borrowings	(a, c)	3,250.54	6,367.96	3,268.20	6,498.94
Lease liabilities	(a)	438.31	452.34	-	-
Trade payables	(a)	7,946.55	6,898.21	7,946.55	6,898.21
Other financial liabilities	(a)	757.37	694.12	757.37	694.12
<b>Total financial liabilities</b>		<b>13,389.68</b>	<b>15,409.54</b>	<b>12,972.12</b>	<b>15,091.27</b>

(₹ in million)

## Notes to the financial statements for the year ended 31 March 2022 (continued)

The following methods/assumptions were used to estimate the fair values:

- (a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments. Further, the fair value disclosure of lease liabilities is not required.
- (b) Fair valuation of non-current financial assets has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.
- (c) Fair value of quoted financial instruments (including listed non-convertible debentures) is based on quoted market price at the reporting date. The fair value of other long-term borrowings is estimated by discounting future cash flows using current rates (applicable to instruments with similar terms, currency, credit risk and remaining maturities) to discount the future payouts.

### Note 35. Financial risk management

#### **Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversees the formulation and implementation of the risk management policies. The risks are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (i));
- liquidity risk (see (ii)); and
- market risk (see (iii)).

#### *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 the Company's receivables from customers, loans and investments and other financial assets. The carrying amount of financial assets represents the maximum credit exposure.

#### *Trade receivables and other financial assets*

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

As at 31 March 2022 and 31 March 2021, there is no major customer in terms of credit risk for the Company.

#### *Expected credit loss with respect to trade receivables:*

With respect to trade receivables, based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more than 6 months (net of expected credit loss allowance) is ₹5.92 million (31 March 2021: ₹22.43 million).

## Notes to the financial statements for the year ended 31 March 2022 (continued)

Movement in the expected credit loss allowance of trade receivables are as follows:

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
<b>Balance at the beginning of the year</b>	<b>49.76</b>	-
Transferred pursuant to the Composite Scheme (refer note 32)	-	46.29
Add: Impairment recognised during the year (net of reversal)	11.71	4.84
Less: Receivables written off *	(36.75)	(1.37)
<b>Balance at the end of the year</b>	<b>24.72</b>	<b>49.76</b>

\* Receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a payment plan with the Company.

Expected credit loss with respect to other financial asset:

With regards to all financial assets with contractual cash flows, other than trade receivables, management believes these to be high quality assets with negligible credit risk. The management believes that the parties, from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no allowance for expected credit loss has been provided on these financial assets.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department is responsible for managing the short-term and long-term liquidity requirements. Short-term liquidity situation is reviewed daily by the treasury department. Long-term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and exclude the impact of netting agreements.

As at 31 March 2022	Carrying Amount	(₹ in million)			
		Contractual cash flows (2)			
		Total	Within 1 year	1 - 2 year	More than 2 year
<b>Non-derivative financial liabilities</b>					
Borrowings (1)	4,247.45	4,250.54	1,290.64	1,167.40	1,792.50
Lease liabilities	438.31	438.31	29.62	30.19	378.50
Trade payables	7,946.55	7,946.55	7,946.55	-	-
Other financial liabilities	757.37	757.37	757.37	-	-

As at 31 March 2021	Carrying Amount	(₹ in million)			
		Contractual cash flows (2)			
		Total	Within 1 year	1 - 2 year	More than 2 year
<b>Non-derivative financial liabilities</b>					
Borrowings (1)	7,364.87	7,388.03	906.25	1,358.03	5,123.75
Lease liabilities	452.34	452.34	24.80	26.02	401.52
Trade payables	6,898.21	6,898.21	6,898.21	-	-
Other financial liabilities	694.12	694.12	694.12	-	-

Notes:

- (1) Carrying amount presented as net of unamortised transaction cost.
- (2) Contractual cash flows exclude interest payable.

## Notes to the financial statements for the year ended 31 March 2022 (continued)

## iii. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

*Currency risk*

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company. The currencies in which the Company is exposed to risk are EUR and USD.

The Company follows a natural hedge driven currency risk mitigation policy, to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are planned, including but not limited to, entering into forward contracts and interest rate swaps.

*Exposure to currency risk*

The summary quantitative data about the Company's exposure (unhedged) to currency risk as reported to the management of the Company is as follows:

	(₹ in million)					
	As at 31 March 2022			As at 31 March 2021		
	USD	EUR	Others	USD	EUR	Others
Cash and cash equivalents	44.49	-	-	23.19	-	-
Trade receivables	1,984.00	834.42	-	1,195.53	568.32	-
Other financial assets	0.06	9.48	-	-	9.17	-
Trade payables	(4,211.86)	(25.01)	(1.33)	(3,973.64)	(27.12)	-
<b>Net exposure</b>	<b>(2,183.31)</b>	<b>818.89</b>	<b>(1.33)</b>	<b>(2,754.92)</b>	<b>550.37</b>	<b>-</b>

*Sensitivity analysis*

A reasonably possible strengthening/weakening of the USD and EUR against all other currencies at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact on forecast sales and purchases.

	(₹ in million)	
	Profit before tax	
	Strengthening	Weakening
<b>31 March 2022</b>		
USD (5% movement)	(109.17)	109.17
EUR (5% movement)	40.94	(40.94)
Other (5% movement)	(0.07)	0.07
<b>31 March 2021</b>		
USD (5% movement)	(137.75)	137.75
EUR (5% movement)	27.52	(27.52)

*Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in INR with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

## Notes to the financial statements for the year ended 31 March 2022 (continued)

### Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments, as reported to the management of the Company is as follows:

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Fixed-rate borrowings	2,959.90	2,909.90
Floating rate borrowings	1,290.64	4,478.13
	<b>4,250.54</b>	<b>7,388.03</b>

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 25 basis points higher or lower and all other variables were held constant, the Company's profit before tax for the year ended 31 March 2022 would decrease or increase by ₹3.23 million (31 March 2021: ₹11.20 million). This is mainly attributable to the Company's exposure to interest rates on its floating rate borrowings.

## Note 36. Capital management

### (a) Risk management

The Company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

'Net debt' (total borrowings net of cash and cash equivalents and other bank balances) divided by 'Total equity' (as shown in the Balance Sheet).

The gearing ratios were as follows:

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Net debt	4,003.24	6,508.41
Total equity	19,830.46	15,758.50
<b>Net debt to equity ratio</b>	<b>0.20</b>	<b>0.41</b>

### (b) Dividends

	(₹ in million)	
	31 March 2022	31 March 2021
<b>Equity shares</b>		
Interim dividend of ₹2.50 per equity share for the year ended 31 March 2022 and final dividend of ₹0.35 per equity share for the year ended 31 March 2021	453.95	-

The Board of Directors at their meeting held on 17 May 2022 have recommended a final dividend of ₹2.50 (250%) per equity share of ₹1 each amounting to ₹398.20 million for the year ended 31 March 2022 subject to approval in ensuing Annual General Meeting. During the year ended 31 March 2022, the Company has already declared an interim dividend of ₹2.50 per equity share of ₹1 each and hence, the total dividend for the year ended 31 March 2022 is amounting to be ₹796.40 million i.e. ₹5.00 (500%) per equity share of ₹1.

## Notes to the financial statements for the year ended 31 March 2022 (continued)

**Note 37. Segment information****Business segments**

The CEO and Managing Director of the Company have been identified as the Chief Operating Decision Maker ("CODM") as defined by Ind AS 108 "Operating Segments". Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of each segment and to make decision about allocation of resources. Accordingly, the Company has determined reportable segments by the nature of its products and services, which are as follows:

- a. **Speciality chemicals:** i) Pyridine & Picolines# ii) Fine chemicals iii) Crop protection chemicals iv) Custom development and manufacturing organisation
- b. **Nutrition & Health solutions:** i) Nutrition and health ingredients ii) Animal and human nutrition health solutions
- c. **Chemical intermediates\*:** - i) Acetyls# ii) Speciality ethanol

\* The segment earlier presented as "Life science chemicals" has been renamed as "Chemical intermediates"

# During the year ended 31 March 2022, the major product lines earlier presented as "Speciality ingredients" and "Life sciences ingredients" have been renamed as "Pyridine & Picolines" and "Acetyls" respectively.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

No operating segments have been aggregated to form the above reportable operating segments.

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis have been included under 'unallocated revenue or expenses or assets or liabilities'.

Finance costs and fair value gains and losses on certain financial assets are not allocated to individual segments as the underlying instruments are managed on a Company basis.

Borrowings, current taxes, deferred taxes and certain financial assets and liabilities are not allocated to the segments and have been included under 'unallocated assets or liabilities'.

Information related to each reportable segment is set out below. Segment results (profit before interest and tax) is used to measure performance because management believes that this information is most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

(₹ in million)

	For the year ended 31 March 2022			For the year ended 31 March 2021		
	Total segment revenue	Inter-segment revenue	Revenue from external customer	Total segment revenue	Inter-segment revenue	Revenue from external customer
<b>Revenue</b>						
Speciality Chemicals	16,853.31	3,316.00	13,537.31	2,497.95	512.98	1,984.97
Nutrition & Health Solutions	7,434.20	-	7,434.20	1,135.51	-	1,135.51
Chemical Intermediates	29,073.38	1,440.67	27,632.71	3,684.81	116.01	3,568.80
<b>Total segment revenue</b>	<b>53,360.89</b>	<b>4,756.67</b>	<b>48,604.22</b>	<b>7,318.27</b>	<b>628.99</b>	<b>6,689.28</b>



## Notes to the financial statements for the year ended 31 March 2022 (continued)

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
<b>Results</b>		
Speciality Chemicals	2,435.90	246.01
Nutrition & Health Solutions	1,351.16	176.61
Chemical Intermediates	3,740.24	380.47
<b>Total segment results</b>	<b>7,527.30</b>	<b>803.09</b>
Un-allocated corporate expenses (net of un-allocated income)	321.65	157.48
Interest income	11.50	4.24
Finance costs	462.44	94.46
<b>Profit before tax</b>	<b>6,754.71</b>	<b>555.39</b>
Tax expense	2,232.19	169.51
<b>Profit for the year</b>	<b>4,522.52</b>	<b>385.88</b>

## Other information:

(₹ in million)

	Segment Assets		Segment Liabilities	
	As at		As at	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Speciality Chemicals	17,938.18	14,535.97	4,065.35	3,369.00
Nutrition & Health Solutions	4,154.28	3,693.43	1,953.65	800.82
Chemical Intermediates	12,360.89	11,504.50	4,879.22	4,716.61
<b>Segment total</b>	<b>34,453.35</b>	<b>29,733.90</b>	<b>10,898.22</b>	<b>8,886.43</b>
Un-allocated corporate assets/ liabilities	2,067.95	2,665.78	5,792.62	7,754.75
<b>Total assets and liabilities</b>	<b>36,521.30</b>	<b>32,399.68</b>	<b>16,690.84</b>	<b>16,641.18</b>

(₹ in million)

	Capital expenditure		Depreciation/Amortisation	
	For the year ended		For the year ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Speciality Chemicals	1,401.06	183.75	653.75	108.02
Nutrition & Health Solutions	105.31	24.87	126.69	24.14
Chemical Intermediates	804.23	218.49	411.21	79.89
<b>Segment total</b>	<b>2,310.60</b>	<b>427.11</b>	<b>1,191.65</b>	<b>212.05</b>
Un-allocated	14.27	-	9.64	1.45
<b>Total</b>	<b>2,324.87</b>	<b>427.11</b>	<b>1,201.29</b>	<b>213.50</b>

## Information about Geographical segments:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
<b>Revenue by geographical markets</b>		
India	31,625.71	4,185.95
Americas and Europe	12,307.44	1,726.19
China	1,525.81	176.93
Rest of the world	3,145.26	600.21
<b>Total</b>	<b>48,604.22</b>	<b>6,689.28</b>

## Notes to the financial statements for the year ended 31 March 2022 (continued)

(₹ in million)

	As at	
	31 March 2022	31 March 2021
<b>Non-current assets (by geographical location of assets)*</b>		
Within India	19,175.13	18,071.96
Outside India	-	-
<b>Total</b>	<b>19,175.13</b>	<b>18,071.96</b>

\*Non-current assets are excluding financial assets.

During the year ended 31 March 2022 one customer contributed 10.71% to the Company's revenue.

**Note 38. Related Party Disclosures****1. Related parties where control exists or with whom transactions have taken place:***a) Holding Company:*

Jubilant Pharmova Limited (up to 31 January 2021)

*b) Subsidiaries including step-down subsidiaries\*:*

Jubilant Life Sciences (Shanghai) Limited (w.e.f. 1 February 2021), Jubilant Life Sciences (USA) Inc. (w.e.f. 1 February 2021), Jubilant Infrastructure Limited (w.e.f. 1 February 2021), Jubilant Life Sciences NV (w.e.f. 1 February 2021), Jubilant Life Sciences International Pte. Ltd. (w.e.f. 1 February 2021), Jubilant Ingrevia Employee Welfare Trust (w.e.f. 1 February 2021), Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited, w.e.f. 2 June 2021).

\*(refer note 32)

*c) Enterprise in which certain directors are interested:*

Jubilant Biosys Limited (w.e.f. 1 February 2021), Jubilant Agri and Consumer Products Limited, Jubilant Industries Limited, Jubilant Generics Limited (w.e.f. 1 February 2021), Jubilant Pharmova Limited (w.e.f. 1 February 2021), Jubilant Business Services Limited (w.e.f. 1 February 2021), Jubilant Enpro Private Limited, Jubilant FoodWorks Limited, Jubilant Consumer Private Limited, PSI Supply NV (w.e.f. 1 February 2021), Jubilant Pharmaceuticals NV (w.e.f. 1 February 2021), Jubilant HollisterStier LLC (w.e.f. 1 February 2021), Jubilant Pharma Holdings Inc. (w.e.f. 1 February 2021), JOGPL Private Limited, Jubilant Therapeutics India Limited (w.e.f. 1 February 2021), Jubilant Clinsys Limited (w.e.f. 1 February 2021), Jubilant DraxImage Limited (w.e.f. 1 February 2021), Jubilant First Trust Healthcare Limited (w.e.f. 1 February 2021), Jubilant Cadista Pharmaceuticals Inc (w.e.f. 1 February 2021). Jubilant DraxImage Inc. (w.e.f. 1 February 2021), Jubilant HollisterStier General Partnership (w.e.f. 1 February 2021).

*d) Key management personnel (KMP):*

Mr. Rajesh Kumar Srivastava (w.e.f. 6 February 2021), Mr. Anant Pande (w.e.f. 6 February 2021), Mr. Prakash Chandra Bisht (w.e.f. 16 February 2021), Ms. Deepanjali Gulati (w.e.f. 4 August 2020).

*e) Non-executive directors:*

Mr. Shyam S. Bhartia (w.e.f. 6 February 2021), Mr. Hari S. Bhartia (w.e.f. 6 February 2021), Ms. Sudha Pillai (w.e.f. 6 February 2021), Mr. Arun Seth (w.e.f. 6 February 2021), Mr. Sushil Kumar Roongta (w.e.f. 6 February 2021), Mr. Pradeep Banerjee (w.e.f. 6 February 2021), Mr. Siraj Azmat Chaudhry (w.e.f. 6 February 2021), Ms. Ameeta Chatterjee (w.e.f. 17 April 2021).

*f) Associates:*

Mister Veg Foods Private Limited (w.e.f. 18 February 2021), AMP Energy Green Fifteen Private Limited (w.e.f. 8 October 2021).

*g) Other:*

Jubilant Bhartia Foundation

## Notes to the financial statements for the year ended 31 March 2022 (continued)

## 2. Transactions with related parties for the year ended 31 March 2022:

FY 2021-22							(₹ in million)
Sr. No.	Particulars	Subsidiaries	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Associates	Others	Total
<b>Description of transactions:</b>							
<b>1.</b>	<b>Sales of goods and services:</b>						
	Jubilant Life Sciences (Shanghai) Limited	1,315.61					1,315.61
	Jubilant Life Sciences (USA) Inc.	2,303.77					2,303.77
	Jubilant Infrastructure Limited	13.26					13.26
	Jubilant Life Sciences NV	6,272.45					6,272.45
	Jubilant Biosys Limited		4.99				4.99
	Jubilant Generics Limited		2.49				2.49
	Jubilant FoodWorks Limited		3.10				3.10
	Jubilant Agri and Consumer Products Limited		207.34				207.34
		<b>9,905.09</b>	<b>217.92</b>				<b>10,123.01</b>
<b>2.</b>	<b>Rental and other income:</b>						
	Jubilant Agro Sciences Limited	0.01					0.01
	Jubilant Infrastructure Limited	0.01					0.01
	Jubilant Ingrevia Employee Welfare Trust	0.01					0.01
	Jubilant Biosys Limited		52.21				52.21
	Jubilant Generics Limited		127.23				127.23
	Jubilant Pharmova Limited		48.35				48.35
	Jubilant Business Services Limited		1.50				1.50
	Jubilant Enpro Private Limited		1.80				1.80
	Jubilant FoodWorks Limited		13.80				13.80
	Jubilant Agri and Consumer Products Limited		43.18				43.18
	Jubilant HollisterStier LLC		7.60				7.60
	Jubilant Cadista Pharmaceuticals Inc.		3.07				3.07
	Jubilant DraxImage Inc.		9.17				9.17
	Jubilant HollisterStier General Partnership		2.19				2.19
	Jubilant Therapeutics India Limited		0.55				0.55
	Jubilant Clinsys Limited		0.01				0.01
	Jubilant DraxImage Limited		0.01				0.01
	Jubilant First Trust Healthcare Limited		0.01				0.01
	Jubilant Pharma Holdings Inc.		0.58				0.58
	JOGPL Private Limited		0.31				0.31
	Jubilant Consumer Private Limited		2.84				2.84
		<b>0.03</b>	<b>314.41</b>				<b>314.44</b>
<b>3.</b>	<b>Sale of property, plant and equipment:</b>						
	Jubilant Biosys Limited		0.85				0.85
			<b>0.85</b>				<b>0.85</b>

## Notes to the financial statements for the year ended 31 March 2022 (continued)

FY 2021-22							(₹ in million)
Sr. No.	Particulars	Subsidiaries	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Associates	Others	Total
<b>4.</b>	<b>Purchase of goods and services:</b>						
	Jubilant Infrastructure Limited	1,208.41					1,208.41
	Jubilant Bhartia Foundation					3.03	3.03
	Jubilant Pharmova Limited		128.90				128.90
	Jubilant Biosys Limited		0.21				0.21
	Jubilant Consumer Private Limited		1.97				1.97
	Jubilant FoodWorks Limited		0.08				0.08
	Jubilant Agri and Consumer Products Limited		118.00				118.00
		<b>1,208.41</b>	<b>249.16</b>			<b>3.03</b>	<b>1,460.60</b>
<b>5.</b>	<b>Recovery of expenses:</b>						
	Jubilant Ingrevia Employee Welfare Trust	35.93					35.93
	Jubilant Infrastructure Limited	0.30					0.30
	Jubilant Agro Sciences Limited	10.59					10.59
	Jubilant Life Sciences NV	0.48					0.48
	Jubilant Pharmova Limited		0.22				0.22
	Jubilant FoodWorks Limited		4.87				4.87
	Jubilant Generics Limited		4.87				4.87
	Jubilant Business Services Limited		0.04				0.04
	Jubilant Biosys Limited		63.40				63.40
	Jubilant Agri and Consumer Products Limited		1.71				1.71
		<b>47.30</b>	<b>75.11</b>				<b>122.41</b>
<b>6.</b>	<b>Reimbursement of expenses:</b>						
	Jubilant Life Sciences NV	1.35					1.35
	Jubilant Infrastructure Limited	0.17					0.17
	Jubilant Generics Limited		6.91				6.91
	Jubilant FoodWorks Limited		2.15				2.15
	Jubilant Pharmova Limited		9.26				9.26
	Jubilant Enpro Private Limited		0.84				0.84
		<b>1.52</b>	<b>19.16</b>				<b>20.68</b>
<b>7.</b>	<b>Remuneration (including perquisites)* :</b>						
	Mr. Rajesh Kumar Srivastava			62.50			62.50
	Mr. Anant Pande			32.52			32.52
	Mr. Prakash Chandra Bisht			21.17			21.17
	Ms. Deepanjali Gulati			4.44			4.44
				<b>120.63</b>			<b>120.63</b>
<b>8.</b>	<b>Sitting fees:</b>						
	Mr. Sushil Kumar Roongta			0.82			0.82
	Ms. Sudha Pillai			0.68			0.68
	Mr. Pradeep Banerjee			0.93			0.93
	Mr. Siraj Azmat Chaudhry			0.91			0.91
	Mr. Arun Seth			0.69			0.69
	Ms. Ameeta Chatterjee			0.38			0.38
				<b>4.41</b>			<b>4.41</b>

## Notes to the financial statements for the year ended 31 March 2022 (continued)

FY 2021-22							(₹ in million)
Sr. No.	Particulars	Subsidiaries	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Associates	Others	Total
<b>9. Commission:</b>							
	Mr. Sushil Kumar Roongta			1.00			1.00
	Ms. Sudha Pillai			1.00			1.00
	Mr. Pradeep Banerjee			1.00			1.00
	Mr. Siraj Azmat Chaudhry			1.00			1.00
	Mr. Arun Seth			1.00			1.00
	Ms. Ameeta Chatterjee			0.96			0.96
				<b>5.96</b>			<b>5.96</b>
<b>10. Lease payments:</b>							
	Jubilant Infrastructure Limited	70.54					70.54
	Jubilant Biosys Limited		0.07				0.07
	Jubilant Agri and Consumer Products Limited		0.10				0.10
	Jubilant Pharmova Limited		11.72				11.72
		<b>70.54</b>	<b>11.89</b>				<b>82.43</b>
<b>11. Corporate social responsibility expenses:</b>							
	Jubilant Bhartia Foundation					5.60	5.60
						<b>5.60</b>	<b>5.60</b>
<b>12. Interest expenses on borrowings:</b>							
	Jubilant Infrastructure Limited	128.82					128.82
		<b>128.82</b>					<b>128.82</b>
<b>13. Transfer in of employee related liabilities on transfer of employees:</b>							
	Jubilant Infrastructure Limited	9.68					9.68
	Jubilant Pharmova Limited		16.97				16.97
	Jubilant FoodWorks Limited		4.48				4.48
	Jubilant Generics Limited		0.16				0.16
	Jubilant Business Services Limited		0.59				0.59
	Jubilant Industries Limited		0.78				0.78
	Jubilant Agri and Consumer Products Limited		0.39				0.39
		<b>9.68</b>	<b>23.37</b>				<b>33.05</b>
<b>14. Transfer out of employee related liabilities on transfer of employees:</b>							
	Jubilant Infrastructure Limited	0.93					0.93
	Jubilant Pharmova Limited		0.11				0.11
	Jubilant Generics Limited		3.72				3.72
		<b>0.93</b>	<b>3.83</b>				<b>4.76</b>
<b>15. Transfer in of Goods and Service Tax Credits:</b>							
	Jubilant Pharmova Limited		286.10				286.10
			<b>286.10</b>				<b>286.10</b>

## Notes to the financial statements for the year ended 31 March 2022 (continued)

FY 2021-22							(₹ in million)
Sr. No.	Particulars	Subsidiaries	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Associates	Others	Total
<b>16. Investment in equity shares of subsidiaries:</b>							
	Jubilant Agro Sciences Limited	15.10					15.10
		<b>15.10</b>					<b>15.10</b>
<b>17. Investment in Optionally Convertible Debentures ("OCDS") of subsidiaries:</b>							
	Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)	20.00					20.00
		<b>20.00</b>					<b>20.00</b>
<b>18. Investment in equity shares of associates:</b>							
	AMP Energy Green Fifteen Private Limited				5.83		5.83
					<b>5.83</b>		<b>5.83</b>
<b>19. Investment in Compulsorily Convertible Debentures ("CCDS") of associates:</b>							
	AMP Energy Green Fifteen Private Limited				52.45		52.45
					<b>52.45</b>		<b>52.45</b>
<b>20. Loans taken:</b>							
	Jubilant Infrastructure Limited	230.00					230.00
		<b>230.00</b>					<b>230.00</b>
<b>21. Loans repaid:</b>							
	Jubilant Infrastructure Limited	180.00					180.00
		<b>180.00</b>					<b>180.00</b>

## 3. Outstanding balances with related parties as at 31 March 2022:

FY 2021-22							(₹ in million)
Sr. No.	Particulars	Subsidiaries	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Associates	Others	Total
<b>22. Borrowings payable:</b>							
	Jubilant Infrastructure Limited	1,959.90					1,959.90
		<b>1,959.90</b>					<b>1,959.90</b>
<b>23. Interest payable on borrowings:</b>							
	Jubilant Infrastructure Limited	39.57					39.57
		<b>39.57</b>					<b>39.57</b>
<b>24. Commission payable #:</b>							
	Mr. Sushil Kumar Roongta			1.00			1.00
	Ms. Sudha Pillai			1.00			1.00
	Mr. Pradeep Banerjee			1.00			1.00
	Mr. Siraj Azmat Chaudhry			1.00			1.00
	Mr. Arun Seth			1.00			1.00
	Ms. Ameeta Chatterjee			0.96			0.96
				<b>5.96</b>			<b>5.96</b>

## Notes to the financial statements for the year ended 31 March 2022 (continued)

FY 2021-22							(₹ in million)
Sr. No.	Particulars	Subsidiaries	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Associates	Others	Total
<b>25. Trade payables:</b>							
	Jubilant Life Sciences (USA) Inc.	55.76					55.76
	Jubilant Life Sciences NV	3.08					3.08
	Jubilant Infrastructure Limited	278.89					278.89
	Jubilant Bhartia Foundation					1.13	1.13
	Jubilant Enpro Private Limited		0.20				0.20
	Jubilant Generics Limited		9.73				9.73
	PSI Supply NV		1.26				1.26
	Jubilant Pharmova Limited		36.38				36.38
	Jubilant Consumer Private Limited		1.54				1.54
	Jubilant Industries Limited		2.92				2.92
	Jubilant Agri and Consumer Products Limited		1.77				1.77
	Jubilant Pharmaceuticals NV		16.07				16.07
		<b>337.73</b>	<b>69.87</b>			<b>1.13</b>	<b>408.73</b>
<b>26. Advance from customers:</b>							
	Jubilant Life Sciences NV	874.13					874.13
	Jubilant Life Sciences International Pte. Limited	10.42					10.42
		<b>884.55</b>					<b>884.55</b>
<b>27. Capital advance against purchase of land:</b>							
	Jubilant Industries Limited		115.82				115.82
			<b>115.82</b>				<b>115.82</b>
<b>28. Trade receivables:</b>							
	Jubilant Life Sciences (USA) Inc.	506.76					506.76
	Jubilant Life Sciences (Shanghai) Limited	122.06					122.06
	Jubilant Infrastructure Limited	2.19					2.19
	Jubilant Life Sciences NV	829.09					829.09
	Jubilant Generics Limited		0.73				0.73
	Jubilant FoodWorks Limited		0.02				0.02
	Jubilant Industries Limited		0.01				0.01
	Jubilant Agri and Consumer Products Limited		19.33				19.33
		<b>1,460.10</b>	<b>20.09</b>				<b>1,480.19</b>
<b>29. Other receivables:</b>							
	Jubilant Life Sciences NV	1.06					1.06
	Jubilant Ingrevia Employee Welfare Trust	6.31					6.31
	Jubilant Agro Sciences Limited	11.17					11.17
	Jubilant Biosys Limited		13.54				13.54
	PSI Supply NV		8.42				8.42
	Jubilant Business Services Limited		0.94				0.94
	Jubilant Generics Limited		9.96				9.96
	Jubilant Pharmova Limited		20.20				20.20
	Jubilant Agri and Consumer Products Limited		22.41				22.41
	Jubilant Consumer Private Limited		7.52				7.52
	Jubilant FoodWorks Limited		8.57				8.57



## Notes to the financial statements for the year ended 31 March 2022 (continued)

FY 2021-22							(₹ in million)
Sr. No.	Particulars	Subsidiaries	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Associates	Others	Total
	Jubilant Therapeutics India Limited		0.55				0.55
	Jubilant Clinsys Limited		0.01				0.01
	Jubilant DraxImage Limited		0.01				0.01
	Jubilant First Trust Healthcare Limited		0.01				0.01
	Jubilant Pharma Holdings Inc.		0.06				0.06
	Jubilant Enpro Private Limited		2.74				2.74
		<b>18.54</b>	<b>94.94</b>				<b>113.48</b>

## 4. Transactions with related parties for the year ended 31 March 2021:

FY 2020-21					(₹ in million)
Sr. No.	Particulars	Subsidiaries	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Total
	<b>Description of transactions:</b>				
<b>1.</b>	<b>Sales of goods and services:</b>				
	Jubilant Life Sciences (Shanghai) Limited	176.99			176.99
	Jubilant Life Sciences (USA) Inc.	255.76			255.76
	Jubilant Infrastructure Limited	1.61			1.61
	Jubilant Life Sciences NV	757.10			757.10
	Jubilant Biosys Limited		3.00		3.00
	Jubilant Industries Limited		0.03		0.03
	Jubilant FoodWorks Limited		0.08		0.08
	Jubilant Agri and Consumer Products Limited		28.35		28.35
		<b>1,191.46</b>	<b>31.46</b>		<b>1,222.92</b>
<b>2.</b>	<b>Rental and other income:</b>				
	Jubilant Biosys Limited		2.17		2.17
	Jubilant Generics Limited		7.40		7.40
	Jubilant Pharmova Limited		8.80		8.80
	Jubilant Business Services Limited		0.21		0.21
	Jubilant Enpro Private Limited		0.27		0.27
	Jubilant FoodWorks Limited		0.78		0.78
	Jubilant Industries Limited		0.03		0.03
	Jubilant Agri and Consumer Products Limited		4.16		4.16
	Jubilant Consumer Private Limited		0.30		0.30
			<b>24.12</b>		<b>24.12</b>
<b>3.</b>	<b>Purchase of goods and services:</b>				
	Jubilant Infrastructure Limited	162.69			162.69
	Jubilant Biosys Limited		0.07		0.07
	Jubilant Agri and Consumer Products Limited		18.65		18.65
		<b>162.69</b>	<b>18.72</b>		<b>181.41</b>

## Notes to the financial statements for the year ended 31 March 2022 (continued)

FY 2020-21					(₹ in million)
Sr. No.	Particulars	Subsidiaries	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Total
<b>4.</b>	<b>Recovery of expenses:</b>				
	Jubilant Ingrevia Employee Welfare Trust	5.41			5.41
	Jubilant Infrastructure Limited	0.05			0.05
	Jubilant Generics Limited		11.27		11.27
	Jubilant Biosys Limited		19.88		19.88
	Jubilant Agri and Consumer Products Limited		2.69		2.69
		<b>5.46</b>	<b>33.84</b>		<b>39.30</b>
<b>5.</b>	<b>Reimbursement of expenses:</b>				
	Jubilant Life Sciences NV	0.93			0.93
	Jubilant Life Sciences (USA) Inc.	0.25			0.25
	Jubilant Infrastructure Limited	0.06			0.06
	Jubilant Generics Limited		1.00		1.00
	Jubilant Pharmova Limited		12.16		12.16
	Jubilant Enpro Private Limited		0.20		0.20
		<b>1.24</b>	<b>13.36</b>		<b>14.60</b>
<b>6.</b>	<b>Remuneration (including perquisites)* :</b>				
	Mr. Rajesh Kumar Srivastava			5.09	5.09
	Mr. Anant Pande			3.24	3.24
	Mr. Prakash Chandra Bisht			1.97	1.97
	Ms. Deepanjali Gulati (w.e.f. 1 February 2021)			0.66	0.66
				<b>10.96</b>	<b>10.96</b>
<b>7.</b>	<b>Lease payments:</b>				
	Jubilant Infrastructure Limited	7.07			7.07
	Jubilant Biosys Limited		0.01		0.01
	Jubilant Agri and Consumer Products Limited		0.01		0.01
	Jubilant Pharmova Limited		1.10		1.10
		<b>7.07</b>	<b>1.12</b>		<b>8.19</b>
<b>8.</b>	<b>Interest expenses on borrowings:</b>				
	Jubilant Infrastructure Limited	17.13			17.13
		<b>17.13</b>			<b>17.13</b>

## 5. Outstanding balances with related parties as at 31 March 2021:

FY 2020-21					(₹ in million)
Sr. No.	Particulars	Subsidiaries	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Total
<b>9.</b>	<b>Borrowings payable:</b>				
	Jubilant Infrastructure Limited	1,909.90			1,909.90
		<b>1,909.90</b>			<b>1,909.90</b>
<b>10.</b>	<b>Interest payable on borrowings:</b>				
	Jubilant Infrastructure Limited	39.07			39.07
		<b>39.07</b>			<b>39.07</b>

## Notes to the financial statements for the year ended 31 March 2022 (continued)

FY 2020-21					(₹ in million)
Sr. No.	Particulars	Subsidiaries	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Total
<b>11. Trade payables:</b>					
	Jubilant Life Sciences (USA) Inc.	53.79			53.79
	Jubilant Life Sciences NV	1.71			1.71
	Jubilant Infrastructure Limited	157.61			157.61
	Jubilant Enpro Private Limited		1.00		1.00
	Jubilant Generics Limited		0.49		0.49
	Jubilant Biosys Limited		0.07		0.07
	PSI Supply NV		1.28		1.28
	Jubilant Industries Limited		3.70		3.70
	Jubilant Agri and Consumer Products Limited		18.99		18.99
	Jubilant Pharmaceuticals NV		16.36		16.36
		<b>213.11</b>	<b>41.89</b>		<b>255.00</b>
<b>12. Advance from customers:</b>					
	Jubilant FoodWorks Limited		0.50		0.50
	Jubilant Life Sciences International Pte. Limited	10.05			10.05
		<b>10.05</b>	<b>0.50</b>		<b>10.55</b>
<b>13. Capital advance against purchase of land:</b>					
	Jubilant Industries Limited		115.82		115.82
			<b>115.82</b>		<b>115.82</b>
<b>14. Trade receivables:</b>					
	Jubilant Life Sciences (USA) Inc.	301.58			301.58
	Jubilant Life Sciences (Shanghai) Limited	102.08			102.08
	Jubilant Infrastructure Limited	1.59			1.59
	Jubilant Life Sciences NV	557.48			557.48
	Jubilant Biosys Limited		3.40		3.40
	Jubilant Enpro Private Limited		4.62		4.62
	Jubilant Industries Limited		0.07		0.07
	Jubilant Agri and Consumer Products Limited		63.74		63.74
		<b>962.73</b>	<b>71.83</b>		<b>1,034.56</b>
<b>15. Other receivables:</b>					
	Jubilant Life Sciences NV	0.59			0.59
	Jubilant Ingrevia Employee Welfare Trust	4.25			4.25
	Jubilant Biosys Limited		20.64		20.64
	PSI Supply NV		8.58		8.58
	Jubilant Business Services Limited		0.17		0.17

## Notes to the financial statements for the year ended 31 March 2022 (continued)

FY 2020-21					(₹ in million)
Sr. No.	Particulars	Subsidiaries	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Total
	Jubilant Generics Limited		20.46		20.46
	Jubilant Pharmova Limited		119.01		119.01
	Jubilant Agri and Consumer Products Limited		29.71		29.71
	Jubilant Consumer Private Limited		7.06		7.06
	Jubilant FoodWorks Limited		5.76		5.76
	Jubilant Enpro Private Limited		0.25		0.25
		<b>4.84</b>	<b>211.64</b>		<b>216.48</b>

16. Refer note 32 for transactions pursuant to the Composite Scheme

Breakup of remuneration to key management personnel were as follows:

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021*
Short term employee benefits	116.67	10.40
Post employment benefits	3.96	0.56
	<b>120.63</b>	<b>10.96</b>

\* As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as a whole, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

# Commission payable is subject to the approval of shareholders in the annual general meeting.

**Note 39. Contingent liabilities to the extent not provided for:**

(i) Claims against the Company, disputed by the Company, not acknowledged as debt:

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021*
Central excise	58.28	58.28
Customs	12.53	28.06
Sales tax	90.25	76.72
Income tax	1,813.73	1,795.44
Service tax and goods and services tax	46.18	2.02
State excise	714.88	714.64
Others	181.11	220.33

\* Inclusive of contingent liabilities taken over pursuant to the Composite Scheme. Some of the above claims are still in the name of the Demerged Company.

Future cash outflows in respect of the above matters are determinable only on receipt of judgments/decisions pending at various stages/forums.

Additionally, the Company is involved in other disputes, lawsuits, claims, governmental and/or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business.

The Company believes that none of these matters, either individually or in aggregate, are expected to have any material impact on its financial statements.

(ii) The Company has outstanding letter of credits amounting to ₹569.32 million as at 31 March 2022.

## Notes to the financial statements for the year ended 31 March 2022 (continued)

**Note 40. Commitments as at year end****a) Capital commitments:**

Estimated amount of contracts remaining to be executed on capital account (net of advances) is ₹1,356.34 million (31 March 2021: ₹454.31 million) for property, plant and equipment and ₹12.42 million (31 March 2021: ₹ Nil) for intangible assets.

**b) Other commitments:**

- i) Export obligation under advance license scheme on duty free import of specific raw materials, remaining outstanding is ₹ Nil (31 March 2021: ₹58.09 million).
- ii) As on 31 March 2022, the Company has made commitment to acquire additional voting rights of 13.71% at the cost of ₹21.25 million (31 March 2021: ₹21.25 million) in MVFPL, an associate company, which will provide total voting rights of 34.70% to the Company.

**Note 41. Leases****(a) The details of the right-of-use assets held by the Company is as follows:**

	(₹ in million)			
	Depreciation charge		Net carrying amount	
	For the year ended		As at	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Land	43.81	6.73	616.35	651.50
Buildings	8.77	0.87	31.73	25.76
Plant and equipment	5.29	0.86	57.43	62.12
Vehicles	11.48	2.10	17.36	28.99
<b>Total</b>	<b>69.35</b>	<b>10.56</b>	<b>722.87</b>	<b>768.37</b>

Additions to the right-of-use assets during the year ended 31 March 2022 were ₹24.00 million (31 March 2021: ₹778.93 million, out of which addition on account of acquisition of leases under the Composite Scheme were ₹752.36 million)

**(b) Amount recognised in Statement of Profit and Loss:**

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Interest on lease liabilities	40.48	7.09
Rental expense relating to short-term leases	48.21	10.24
	<b>88.69</b>	<b>17.33</b>

**(c) Amount recognised in Statement of Cash flows:**

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Total cash outflow for leases (inclusive of interest on lease liabilities)	69.69	10.12
	<b>69.69</b>	<b>10.12</b>

The weighted average incremental borrowing rate applied to discount lease liabilities is in the range of 6.75% - 9.16%.

**Note 42.** (a) Government grants recoverable amounting to ₹ Nil (31 March 2021: ₹146.30 million) recognised in the Balance Sheet.

(b) Other operating income includes primarily sale of scrap amounting to ₹211.34 million (31 March 2021: ₹45.74 million) and government grants amounting to ₹34.91 million (31 March 2021: ₹6.88 million).

**Note 43.** During the year, finance costs amounting to ₹40.53 million (31 March 2021: ₹3.41 million) has been capitalised in property, plant and equipment, calculated using capitalisation rate of 6.11% (31 March 2021: 6.61%)

## Notes to the financial statements for the year ended 31 March 2022 (continued)

**Note 44.** The Company has recorded an exceptional item amounting to ₹ Nil (31 March 2021: ₹129.44 million) which consists of property, plant and equipment written off on account of obsolescence.

**Note 45.** Corporate Social Responsibility ("CSR") Expenditure:

- (i) Gross amount required to be spent by the Company during the year is ₹5.54 million (31 March 2021: ₹ Nil)
- (ii) Amount spent during the year ended on 31 March 2022 on:

Particulars	(₹ in million)		
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) on purpose other than (i) above	5.60	-	5.60

- (iii) Shortfall at the end of the year: ₹ Nil
- (iv) Total of previous year's shortfall: ₹ Nil
- (v) Reason for shortfall: Not applicable
- (vi) Nature of CSR activities: The CSR activity focus areas are health, education and livelihood to improve the quality of the life of the community around the manufacturing locations.
- (vii) Details of related party transactions: Refer note 38
- (viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately: Not applicable

**Note 46.** During the year ended 31 March 2022, the Finance Committee of the Board of Directors of the Company has approved early redemption and change in payment terms of NCDs of ₹1,000 million which shall be redeemed subsequently.

- Note 47.** (i) The Company has not advanced or loaned or invested funds to any person or any entity, including foreign entities (intermediaries) with the understanding that the intermediary shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the Company (ultimate beneficiaries); or
  - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (ii) The Company has not received any fund from any person or any entity, including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the funding party (ultimate beneficiaries); or
  - (b) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**Note 48.** The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the specified domestic transactions entered into with the specified persons and the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that its specified domestic transactions and international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

### Note 49. Employee stock option scheme

The Company has a stock option plan in place namely "Jubilant Ingrevia Employees Stock Option Plan 2021" ("Plan 2021").

The Nomination, Remuneration and Compensation Committee ('Committee') of the Board of Directors ('Board') which comprises a majority of Independent Directors is responsible for administration and supervision of the Stock Option Plan.

Under Plan 2021, up to 1,500,000 Stock Options can be issued to eligible directors (other than promoter directors and independent directors) and other specified categories of employees of the Company / subsidiaries.

## Notes to the financial statements for the year ended 31 March 2022 (continued)

The details of share options are as follows:

Particulars	Plan 2021		
	Date of grant	Number of options	Exercise price (₹)
Grant-I	7 June 2021	51,424	1.00
Grant-II	7 June 2021	26,641	571.85
Grant-III	20 July 2021	19,234	1.00
Grant-IV	20 July 2021	22,633	566.30
Date of Board approval of the relevant scheme	17 April 2021		
Date of Shareholder's approval of the relevant scheme	22 May 2021		
Method of Settlement (cash/equity)	Equity		
Vesting period	Options granted will vest in the manner decided by the Committee and specified in the grant letter, and in any event not earlier than 1 year from the grant date and no later than a period of 5 years from the grant date.		
Exercise price	Exercise price shall not be higher than the market price (i.e. latest available closing price on a recognized stock exchange having highest trading volume on which the equity shares of the Company are listed) of the equity shares at the time of grant and not less than the face value of the equity shares of the Company		
Vesting conditions	Each option, upon vesting, shall entitle the holder to acquire one equity share of ₹1 each. Vesting of Options is a function of achievement of performance criteria or any other criteria, as specified by the Committee and communicated in the grant letter.		

## Vesting schedule:

Sr. No	Grant II & IV		Grant I & III	
	% of options scheduled to vest	Vesting date	% of options scheduled to vest	Vesting date
1	20	1 year from grant date	100	3 years from grant date
2	30	2 years from grant date	-	-
3	50	3 years from grant date	-	-

In 2020-21, Jubilant Ingrevia Employees Welfare Trust ('Trust') was constituted for the purpose of acquisition of equity shares of the Company from the secondary market or subscription of shares from the Company, to hold the shares and to allocate/transfer these shares to eligible employees of the Company/subsidiaries from time to time on the terms and conditions specified under Plan 2021.

During the year ended 31 March 2022, Trust purchased 312,000 equity shares of the Company from the open market, out of which Nil equity shares were transferred to the employees on exercise of options.

## The movement in the number of equity shares held by trust:

	As at	
	31 March 2022	31 March 2021
At the commencement of the year	-	-
Purchased during the year	312,000	-
At the end of the year	312,000	-



## Notes to the financial statements for the year ended 31 March 2022 (continued)

The movement in the stock options under "Plan 2021" during the year is set out below:

	For the year ended			
	31 March 2022		31 March 2021	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	119,932	234.49	-	-
Forfeited, lapsed during the year	8,996	323.87	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	110,936	227.24	-	-
Exercisable at the end of the year	-	-	-	-

**Fair value of options granted:**

The weighted average fair value of options granted during the period for Plan 2021 was ₹436.16 per option. The fair value at grant date is determined using the Black-Scholes-Merton model which takes into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The following tables list the inputs to models used for fair valuation of the options:

	Plan 2021
Expected volatility	43.75% - 46.93%
Risk free interest rate	5.22% - 6.18%
Exercise price (₹)	1.00 – 571.85
Expected dividend yield	0.65%
Expected life of options (years)	3.50 - 5.50

Expected volatility was based on an evaluation of the historical volatility of the share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

**Share options outstanding at the end of the year:**

Options	31 March 2022			31 March 2021		
	Options outstanding	Weighted average remaining contractual life (in years)	Exercise Price (₹)	Options outstanding	Weighted average remaining contractual life (in years)	Exercise Price (₹)
Plan 2021	26,641	4.34	571.85	-	-	-
Plan 2021	51,424	2.69	1.00	-	-	-
Plan 2021	17,495	4.45	566.30	-	-	-
Plan 2021	15,376	2.80	1.00	-	-	-

**Expenses arising from equity-settled share-based payment transactions:**

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Expense arising from equity-settled share-based payment transactions (refer note 26)	14.48	-
<b>Total expense arising from share-based payment transactions recognized in Statement of Profit and Loss</b>	<b>14.48</b>	<b>-</b>

## Notes to the financial statements for the year ended 31 March 2022 (continued)

**Note 50. Title or lease deeds of all the immovable properties not held in the name of the Company are as follows:**

The title/lease deeds of all the immovable properties (which are included under the head 'property, plant and equipment') are held in the name of the Company, except for the title/lease deeds of some of the immovable properties, as mentioned in table below, which stand transferred from Jubilant Pharmova Limited (Demerged Company) to the Company, pursuant to composite scheme of arrangement approved vide formal order dated 6 January, 2021 by National Company Law Tribunal, Allahabad Bench, in Company Petition No. 195/Ald/2020, effective 1 February 2021, wherein, the title/lease deeds are in process of being transferred in the name of the Company.

Relevant line item in Balance sheet	Description of item of property	Gross carrying value (₹ million)	Title deed in the name of	Whether title deed holder is promoter /director or relative of promoter	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment	Plot No B34, MIDC industrial area, Ambernath, Maharashtra	8.42	Jubilant Pharmova Limited	No	3 June 2013	Pursuant to the Composite Scheme of Arrangement approved vide formal order dated 6 January 2021 by National Company Law Tribunal, Allahabad Bench, these immovable assets pertaining to the Life Science Ingredients business were transferred and vested into the Company effective 1 February 2021. The Company is in process of getting the underlying title deeds of these aforesaid immovable properties transferred or registered in its name. Pending such transfer or registration, the title deed these immovable properties are not held in the name of the Company.
Property, plant and equipment	Plot No 17/33, MIDC, Taloja industrial area, Village navde, Taluka Panvel, District Raigad, Maharashtra	1.80	Vam Organic Chemicals Limited	No	10 October 1996	
Property, plant and equipment	501, Annasalai, Mount road, Teynampet, Chennai	0.68	Vam Organic Chemicals Limited	No	5 June 1989	
Property, plant and equipment	402, Samrudhi apartment, Ahmedabad, Gujarat	0.39	Vam Organic Chemicals Limited	No	26 August 1989	
Property, plant and equipment	WW 01, Rohtas golf link apartments 98, Park road, Lucknow, Uttar Pradesh	1.58	Vam Organic Chemicals Limited	No	28 July 1997	
Property, plant and equipment	204, Shah Sultan Complex, No.17, Ali Askar Road, Bangalore##	0.63	Jubilant Pharmova Limited	No	22 April 1994	
Property, plant and equipment	No.11A, Rowdon Street, Sarojini Naidu Sarni, Kolkata##	0.54	Jubilant Pharmova Limited	No	25 September 1989	
Property, plant and equipment	Flat No. 304 and 305 Land bearing no. 3-6-327 and 328, Bashherbagh, Hyderabad##	0.46	Jubilant Pharmova Limited	No	25 September 1989	
Property, plant and equipment	Land at Nira - GAT No. /Hissa No - 32A/4C/3/4/1A	0.19	Vam Organic Chemicals Limited	No	7 February 2000	
Property, plant and equipment	Land admeasuring 4.856 hectares situated in the revenue estate of Villages sadullapur, Naipura Khadar, Sahabazpur Dor, Tehsil Hasanpur & Tehsil Dhanora, District Amroha, Uttar Pradesh	0.18	Vam Organic Chemicals Limited	No	2 February 2001	
Property, plant and equipment	Plot No. 1A, Sector 16A, Noida, Uttar Pradesh##	274.17	Jubilant Pharmova Limited	No	1 October 2010	

## Title deed of these immovable properties have been transferred in the name of the Company subsequent to the year ended 31 March 2022.

Notes to the financial statements for the year ended 31 March 2022 (continued)

**Note 51. Financial ratios\*:**

Sr. No.	Ratios	Unit	Numerator	Denominator	31 March 2022	31 March 2021	% Variance	Reason for variance
(a)	<b>Current ratio</b>	In times	Current assets	Current liabilities	1.40	1.47	(4.70)%	Not applicable
(b)	<b>Debt equity ratio</b> {Net debts: Non-current borrowings (including current maturities and gross of transaction costs) + current borrowings - cash and cash equivalents - other bank balances}	In times	Net debts	Total equity	0.20	0.41	(51.26)%	Decrease in ratio is primarily on account of pre-payment of debt
(c)	<b>Debt service coverage ratio</b> {Earning for debt service: Profit after tax + depreciation and amortisation expense + finance costs + exceptional items+ loss on sale of property, plant and equipment} {Debt service: Finance costs + scheduled principal repayments (excluding prepayments) during the period for non-current borrowings}	In times	Earning for debt service	Debt service	4.58	4.10	11.71%	Not applicable
(d)	<b>Return on equity ratio</b> {Equity: Total assets - total liabilities, Average equity: Average of opening and closing equity*} *for the year ended 31 March 2021, closing balance of equity has been considered, refer note 32	In %	Profit for the year	Average total equity	25.42%	16.19%	56.99%	Increase is primarily due to increase in profitability of the Company
(e)	<b>Inventory turnover ratio</b> {Average inventory: Average of opening and closing inventories}	In times	Cost of goods sold	Average inventory	4.40	3.12	40.79%	Increase is primarily on account of increase in revenue and corresponding increase in cost of goods sold
(f)	<b>Trade receivables turnover ratio</b> {Average trade receivable: Average of opening and closing trade receivables}	In times	Revenue from operations	Average trade receivable	9.12	7.46	22.31%	Not applicable
(g)	<b>Trade payables turnover ratio</b> {Net purchases: Gross purchases - purchase return + other expenses net of non cash expenses and donations} {Average trade payables: Average of opening and closing trade payables}	In times	Net purchases	Average trade payables	5.37	3.73	44.11%	Increase is primarily on account of increase in revenue and corresponding increase in purchases

## Notes to the financial statements for the year ended 31 March 2022 (continued)

**Note 51. Financial ratios (continued)**

Sr. No.	Ratios	Unit	Numerator	Denominator	31 March 2022	31 March 2021	% Variance	Reason for variance
(h)	<b>Net capital turnover ratio</b> {Working capital = Current assets-current liabilities}	In times	Revenue from operations	Working capital	10.71	8.15	31.33%	Increase is primarily due to increase in profitability of the Company
(i)	<b>Net profit ratio</b>	In %	Profit for the year	Revenue from operations	9.25%	7.55%	22.56%	Not applicable
(j)	<b>Return on capital employed</b> {Earnings before tax and interest cost (EBIT): Profit before tax + finance costs + exceptional items} {Capital Employed: Total equity + long term borrowings + short term borrowings-deferred tax assets+deferred tax liabilities}	In %	Earnings before tax and interest cost	Capital employed	28.45%	19.42%	46.48%	Increase is primarily due to increase in profitability of the Company
(k)	<b>Return on investment</b> {Return on investment: Net fair value gain/(loss) on investments + net gain/(loss) on sale of investments + dividend income} {Average investments: Average of opening and closing investments}	In %	Return on investment	Average investments	-	-	-	The Company has held investment in subsidiary and associates at cost or at amortised cost (refer note 5)

\* Financial ratios have been presented basis the Guidance note on Division II - Ind As Schedule III to the Act, issued by the Institute of Chartered Accountants of India.

## Notes to the financial statements for the year ended 31 March 2022 (continued)

**Note 52. Earnings per share**

		For the year ended	
		31 March 2022	31 March 2021
<b>Profit for basic and diluted earnings per share of ₹1 each</b>	<b>₹ in million</b>	<b>4,522.52</b>	<b>385.88</b>
Weighted average number of equity shares used in computing earnings per share			
For basic earnings per share	Nos.	159,281,139	26,165,992
For diluted earnings per share	Nos.	159,281,139	26,165,992
Earnings per equity share (face value of ₹1 each)			
Basic	₹	28.39	14.75
Diluted	₹	28.39	14.75

**Note 53.** The figures for year ended 31 March 2022 are not comparable with previous year, since the figures for the year ended 31 March 2021 include the financial results of demerged LSI business from Jubilant Pharmova Limited for two months, from the effective date of demerger i.e. 1 February 2021 till 31 March 2021. Further, previous year figures have been regrouped/ reclassified to conform to the current year's classification.

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of **Jubilant Ingrevia Limited**

For **Walker Chandiok & Co LLP**

Chartered Accountants

ICAI Firm Registration No.: 001076N/N500013

**Shyam S. Bhartia**

Chairman

DIN: 00010484

**Hari S. Bhartia**

Co-Chairman

DIN: 00010499

**Rajesh Kumar Srivastava**

CEO and Managing Director

DIN: 02215055

**Ashish Gupta**

Partner

Membership No.: 504662

**Prakash Chandra Bisht**

President and Chief Financial Officer

**Deepanjali Gulati**

Company Secretary

Place: Noida

Date: 17 May 2022

# INDEPENDENT AUDITOR'S REPORT

## To the Members of Jubilant Ingrevia Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

1. We have audited the accompanying consolidated financial statements of Jubilant Ingrevia Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its associates, as listed in Annexure I, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and on the other financial information of an associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associates, as at 31 March 2022, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules 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 together with the audit evidence obtained by the other auditor in terms of their report referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matter

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

## Independent Auditor's Report (Continued)

5. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p><b>Revenue from sale of products</b></p> <p>Refer notes 2(l) and 21 to the consolidated financial statements for accounting policy and revenue related disclosures respectively.</p> <p>The Group recognises revenue from the sale of products when control of products being sold is transferred to the customer and when there are no longer any fulfilled obligations.</p> <p>The Group has a large number of customers operating in various geographies and the sales contracts/arrangements with such customers have distinct/varying commercial terms that determine actual point in time for recognition of revenue. Accordingly, significant management judgment is required in determining the timing of transfer of control for revenue recognition in accordance with Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115').</p> <p>Further, the Group considers revenue as key benchmark for evaluating performances and hence, there is risk of revenue being overstated due to pressure to achieve targets and earning expectations.</p> <p>Owing to amounts involved, volume of sales transactions and distinct/varied terms of contracts with customers and in line with the requirements of the Standards on Auditing, revenue is determined to be an area involving significant risk which requires significant auditor attention, revenue from sale of products is considered to be a key audit matter for current year's audit.</p>	<p>Our audit procedures in relation to revenue from sale of products included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>- Obtained understanding of the revenue business process of the Group;</li> <li>- Assessed the appropriateness of revenue recognition policy and ensured that it is in line with Ind AS 115 'Revenue from Contracts with Customers';</li> <li>- Involved our IT specialists to evaluate design and test operating effectiveness of IT general controls and key automated controls of the IT system which govern revenue recognition;</li> <li>- Evaluated the design and tested the operating effectiveness of key manual internal controls over revenue recognition;</li> <li>- Performed substantive analytical procedures which includes ratio analysis and period-on-period variance analysis, on revenue recognised during the year to identify any unusual indicators/trends;</li> <li>- Performed test of details by selecting samples of revenue transactions pertaining to sale of products during the year, and verified the underlying supporting documents including contracts, agreements, sales invoices and dispatch/shipping documents;</li> <li>- Performed cut-off testing procedures by testing samples of revenue transactions recorded before the year end and after year end to conclude there has not been overstatement/ understatement of revenue recorded for the year;</li> <li>- Tested all the manual sales-related adjustments made to revenue to ensure the appropriateness of revenue recognition during the year; and</li> <li>- Evaluated the appropriateness and adequacy of the related presentation and disclosures in the consolidated financial statements.</li> </ul>

### Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing

so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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.

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

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated

## Independent Auditor's Report (Continued)

financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, and its associate companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associates.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from

fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
  - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business



## Independent Auditor's Report (Continued)

activities within the Group, and its associates, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

12. 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

15. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹0.53 million for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid associate, are based solely on the report of the other auditor.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with

respect to our reliance on the work done by and the report of the other auditor.

16. We did not audit note 31(b) and 31 (c) of the accompanying consolidated financial statements of the Company for the year ended 31 March 2022, which includes supplementary information relating to the operations of the life science ingredients undertaking for the period from 1 April 2020 to 31 January 2021, that has been prepared by the management of the Holding Company and has not been subjected to and audit or a review by us. Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act, based on our audit and on the consideration of the report of the other auditor, referred to in paragraph 15, on separate financial statements of the associate, we report that the Holding Company, whose financial statements have been audited under the Act, has paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the two associate companies incorporated in India and whose financial statements have been audited under the Act, since none of such companies is a public company as defined under section 2(71) of the Act and accordingly, reporting under section 197(16) is not applicable such associate companies. Further, we report that two subsidiary companies incorporated in India and whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year and accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies.
18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditor as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.
19. As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the associate incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

## Independent Auditor's Report (Continued)

- b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor;
- c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) On the basis of the written representations received from the directors of the Holding Company, its subsidiary companies and associate companies and taken on record by the Board of Directors of the Holding Company, its subsidiary companies and associate companies, and the report of the statutory auditors of its associate company, covered under the Act, none of the directors of the Holding Company, its subsidiary companies and associate companies are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies and associate companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and other financial information of the associate incorporated in India whose financial statements have been audited under the Act:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate as detailed in Note 38 to the consolidated financial statements;
  - ii. The Holding Company, its subsidiary companies and associate companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and associate companies covered under the Act, during the year ended 31 March 2022;
- iv. (a) The respective managements of the Holding Company and its subsidiary companies and associate companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associate respectively that, to the best of their knowledge and belief, as disclosed in note 43 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies or its associate companies to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies or its associate companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- (b) The respective managements of the Holding Company and its subsidiary companies and associate companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such associate respectively that, to the best of their knowledge and belief, as disclosed in the note 43 to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, or its associate companies from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies or its associate companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- (c) Based on such audit procedures performed by us and that performed by the auditor of the associate, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement; and
- v. The interim dividend declared and paid by the Holding Company during the year ended 31 March 2022 and until the date of this audit report is in compliance with section 123 of the Act. Further, as stated in note 35(b) to the accompanying consolidated financial statements, the Board of Directors of

the Holding Company have proposed final dividend for the year ended 31 March 2022 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Ashish Gupta**  
Partner

**Place:** Noida  
**Date:** 17 May 2022

Membership No.: 504662  
**UDIN:** 22504662AJBYNI8383

## Annexure I & II to the Independent Auditor's Report

### Annexure I & II to the Independent Auditor's Report of even date to the members of Jubilant Ingrevia Limited on the Consolidated Financial Statements for the year ended 31 March 2022

#### Annexure I

##### List of entities included in the consolidated financial statements

S. No.	Name	Relationship with Holding Company
1.	Jubilant Infrastructure Limited	Subsidiary
2.	Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)	Subsidiary (with effect from 2 June 2021)
3.	Jubilant Life Sciences (USA) Inc.	Subsidiary
4.	Jubilant Life Sciences NV	Subsidiary
5.	Jubilant Life Sciences International Pte. Limited	Subsidiary
6.	Jubilant Life Sciences (Shanghai) Limited	Subsidiary
7.	Jubilant Ingrevia Employees Welfare Trust	Subsidiary
8.	Mister Veg Foods Private Limited	Associate
9.	AMP Energy Green Fifteen Private Limited	Associate (with effect from 8 October 2021)

#### Annexure II

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

1. In conjunction with our audit of the consolidated financial statements of Jubilant Ingrevia Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its associates as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and its associate companies, which are companies covered under the Act, as at that date.

#### Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and its associate companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. The audit of internal financial controls with reference to financial statement of one of the associate, which is a company covered under the Act, and reporting under Section 143(3)(i) is exempted vide MCA notification no. G.S.R.583(E) dated 13 June 2017 read with corrigendum dated 14 July 2017. Consequently, our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and its associate company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. 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 includes obtaining an understanding of such internal financial controls, assessing

## Annexure I & II to the Independent Auditor's Report (Continued)

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.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and its associate company as aforesaid.

### Meaning of Internal Financial Controls with Reference to Financial Statements

6. 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

### Opinion

8. In our opinion, the Holding Company, its subsidiary companies and its associate company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Ashish Gupta**

Partner

Membership No.: 504662

UDIN: 22504662AJBYNI8383

**Place:** Noida

**Date:** 17 May 2022

## Consolidated Balance Sheet as at 31st March 2022

(₹ in million)

	Notes	As at	
		31 March 2022	31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	17,452.80	17,447.77
Capital work-in-progress	3	1,692.56	631.65
Intangible assets	4	92.58	111.04
Intangible assets under development	4	49.63	19.14
Rights-of-use assets	40	437.41	492.14
Investments accounted for using the equity method	5 (a)	28.99	21.62
Financial assets			
i. Investments	5 (b)	32.90	480.79
ii. Loans	6	5.04	5.26
iii. Other financial assets	7	116.59	31.02
Deferred tax assets (net)	8	149.23	123.88
Income tax assets (net)		42.15	38.40
Other non-current assets	9	225.89	146.57
<b>Total non-current assets</b>		<b>20,325.77</b>	<b>19,549.28</b>
<b>Current assets</b>			
Inventories	10	9,111.62	6,091.04
Financial assets			
i. Trade receivables	11	5,809.14	4,710.32
ii. Cash and cash equivalents	12(a)	376.08	733.42
iii. Other bank balances	12(b)	109.20	432.62
iv. Loans	6	4.47	5.09
v. Other financial assets	7	695.73	677.99
Income tax assets (net)		14.17	-
Other current assets	13	1,525.30	1,585.45
<b>Total current assets</b>		<b>17,645.71</b>	<b>14,235.93</b>
<b>Total assets</b>		<b>37,971.48</b>	<b>33,785.21</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	158.97	159.28
Other equity		24,172.25	19,070.11
<b>Total equity</b>		<b>24,331.22</b>	<b>19,229.39</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
i. Borrowings	16(a)	996.91	4,558.38
ii. Lease liabilities		66.77	80.85
Provisions	17	679.33	694.39
Deferred tax liabilities (net)	8	1,369.47	278.86
<b>Total non-current liabilities</b>		<b>3,112.48</b>	<b>5,612.48</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Borrowings	16(b)	1,290.64	896.59
ii. Lease liabilities		24.09	20.90
iii. Trade payables	18		
Total outstanding dues of micro enterprises and small enterprises		256.56	137.19
Total outstanding dues of creditors other than micro enterprises and small enterprises		7,721.15	6,803.44
iv. Other financial liabilities	19	770.80	679.27
Other current liabilities	20	221.12	233.52
Provisions	17	169.61	121.91
Current tax liabilities (net)		73.81	50.52
<b>Total current liabilities</b>		<b>10,527.78</b>	<b>8,943.34</b>
<b>Total liabilities</b>		<b>13,640.26</b>	<b>14,555.82</b>
<b>Total equity and liabilities</b>		<b>37,971.48</b>	<b>33,785.21</b>

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of Jubilant Ingrevia Limited

For Walker Chandio &amp; Co LLP

Chartered Accountants

ICAI Firm Registration No.: 001076N/N500013

Shyam S. Bhartia

Chairman

DIN: 00010484

Hari S. Bhartia

Co-Chairman

DIN: 00010499

Rajesh Kumar Srivastava

CEO and Managing Director

DIN: 02215055

Ashish Gupta

Partner

Membership No.: 504662

Prakash Chandra Bisht

President and Chief Financial Officer

Deepanjali Gulati

Company Secretary

Place: Noida

Date: 17 May 2022

## Consolidated Statement of Profit and Loss for the year ended 31st March 2022

(₹ in million)

	Notes	For the year ended	
		31 March 2022	31 March 2021#
Revenue from operations	21	49,493.58	6,841.33
Other income	22	314.94	26.01
<b>Total income</b>		<b>49,808.52</b>	<b>6,867.34</b>
<b>Expenses</b>			
Cost of materials consumed	23	27,981.35	3,634.79
Purchases of stock-in-trade		1,410.72	159.83
Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	(1,450.70)	(95.09)
Employee benefits expense	25	3,272.84	490.22
Finance costs	26	309.37	73.29
Depreciation and amortisation expense	27	1,233.85	220.62
Other expenses	28	9,961.15	1,480.35
<b>Total expenses</b>		<b>42,718.58</b>	<b>5,964.01</b>
<b>Profit before share of loss of an associate and exceptional items</b>		<b>7,089.94</b>	<b>903.33</b>
Share of loss of an associate		(0.53)	(0.02)
<b>Profit before exceptional items and tax</b>		<b>7,089.41</b>	<b>903.31</b>
Exceptional items	44	-	129.44
<b>Profit before tax</b>		<b>7,089.41</b>	<b>773.87</b>
Tax expense	29		
- Current tax		1,251.03	133.57
- Deferred tax charge		1,071.27	96.71
<b>Total tax expense</b>		<b>2,322.30</b>	<b>230.28</b>
<b>Profit for the year</b>		<b>4,767.11</b>	<b>543.59</b>
<b>Other comprehensive income (OCI)</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Changes in fair value of equity investments which are classified at fair value through OCI		909.70	52.04
Remeasurement loss on defined benefit obligations		(16.92)	(3.45)
Income tax relating to items that will not be reclassified to profit or loss	29	5.92	1.23
		<b>898.70</b>	<b>49.82</b>
<i>Items that will be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		57.09	(0.03)
		<b>57.09</b>	<b>(0.03)</b>
<b>Other comprehensive income for the year, net of tax</b>		<b>955.79</b>	<b>49.79</b>
<b>Total comprehensive income for the year</b>		<b>5,722.90</b>	<b>593.38</b>
<b>Profit is attributable to:</b>			
Owners of the Company		4,767.11	543.59
Non-controlling interests		-	-
		<b>4,767.11</b>	<b>543.59</b>
<b>Other comprehensive income is attributable to:</b>			
Owners of the Company		955.79	49.79
Non-controlling interests		-	-
		<b>955.79</b>	<b>49.79</b>
<b>Total comprehensive income is attributable to:</b>			
Owners of the Company		5,722.90	593.38
Non-controlling interests		-	-
		<b>5,722.90</b>	<b>593.38</b>
<b>Earnings per equity share of ₹1 each</b>	49		
Basic (₹)		29.98	20.78
Diluted (₹)		29.97	20.78

# Refer note 31(b)

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of Jubilant Ingrevia Limited

For **Walker Chandio & Co LLP**

Chartered Accountants

ICAI Firm Registration No.: 001076N/N500013

**Shyam S. Bhartia**

Chairman

DIN: 00010484

**Hari S. Bhartia**

Co-Chairman

DIN: 00010499

**Rajesh Kumar Srivastava**

CEO and Managing Director

DIN: 02215055

**Ashish Gupta**

Partner

Membership No.: 504662

**Prakash Chandra Bisht**

President and Chief Financial Officer

**Deepanjali Gulati**

Company Secretary

Place: Noida

Date: 17 May 2022

## Consolidated Statement of Changes in Equity for the year ended 31 March 2022

**A. Equity share capital**

	(₹ in million)
<b>Balance as at 31 March 2020</b>	<b>0.50</b>
Cancellation of equity shares pursuant to the Composite Scheme (refer note 31)	(0.50)
Issue of equity shares pursuant to the Composite Scheme (refer note 14 and note 31)	159.28
<b>Balance as at 31 March 2021</b>	<b>159.28</b>
Changes in equity share capital during the year	-
Less: treasury shares held in trust for employees under ESOP scheme (refer note 46)	(0.31)
<b>Balance as at 31 March 2022</b>	<b>158.97</b>

**B. Other equity**

	Attributable to owners of the Company							Total		
	Reserves and surplus (1)			Items of other comprehensive income (1)						
	Capital reserve	Treasury shares	Securities premium	General reserve	Legal reserve	Share options outstanding account (refer note 46)	Retained earnings		Equity instruments through OCI	Foreign currency translation reserve
<b>Balance as at 31 March 2020</b>	-	-	-	-	-	-	(1.66)	-	-	(1.66)
Profit for the year	-	-	-	-	-	-	543.59	-	-	543.59
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	(2.22)	52.04	(0.03)	49.79
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	541.37	52.04	(0.03)	593.38
Transfer pursuant to the Composite Scheme (refer note 1 and 31)	2,026.90	-	5,713.23	7,374.07	22.03	-	3,625.00	(91.27)	(192.07)	18,477.89
Cancellation of the equity share pursuant to the Composite Scheme (refer note 31)	0.50	-	-	-	-	-	-	-	-	0.50
<b>Balance as at 31 March 2021</b>	<b>2,027.40</b>	-	<b>5,713.23</b>	<b>7,374.07</b>	<b>22.03</b>	-	<b>4,164.71</b>	<b>(39.23)</b>	<b>(192.10)</b>	<b>19,070.11</b>
Profit for the year	-	-	-	-	-	-	4,767.11	-	-	4,767.11
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	(11.00)	909.70	57.09	955.79
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	4,756.11	909.70	57.09	5,722.90
Dividend	-	-	-	-	-	-	(453.95)	-	-	(453.95)
Share based payment (refer note 46)	-	-	-	-	-	14.48	-	-	-	14.48
Transfer to retained earnings on sale of investment	-	-	-	-	-	-	841.67	(841.67)	-	-
Purchase of treasury shares (refer note 46)	-	(182.28)	-	-	-	-	-	-	-	(182.28)
Others	-	-	-	-	-	-	0.99	-	-	0.99
<b>Balance as at 31 March 2022</b>	<b>2,027.40</b>	<b>(182.28)</b>	<b>5,713.23</b>	<b>7,374.07</b>	<b>22.03</b>	<b>14.48</b>	<b>9,309.53</b>	<b>28.80</b>	<b>(135.01)</b>	<b>24,172.25</b>

**Note:**

(1) Refer note 15 for nature and purpose of other equity.

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of **Jubilant Ingrevia Limited**For **Walker Chandiook & Co LLP**

Chartered Accountants

ICAI Firm Registration No.: 001076N/N500013

**Ashish Gupta**

Partner

Membership No.: 504662

Place: Noida

Date: 17 May 2022

**Shyam S. Bhartia**

Chairman

DIN: 00010484

**Hari S. Bhartia**

Co-Chairman

DIN: 00010499

**Rajesh Kumar Srivastava**

CEO and Managing Director

DIN: 02215055

**Prakash Chandra Bisht**

President and Chief Financial Officer

**Deepanjali Gulati**

Company Secretary



## Consolidated Statement of Cash Flows for the year ended 31st March 2022

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021 #
<b>A. Cash flows from operating activities</b>		
<b>Profit before tax</b>	<b>7,089.41</b>	<b>773.87</b>
Adjustments:		
Depreciation and amortisation expenses	1,233.85	220.62
Loss on sale, disposal, discard of property, plant and equipment (net)	94.77	-
Finance costs	309.37	73.29
Share-based payment expense	14.48	-
Unrealised foreign exchange loss (net)	90.15	36.66
Interest income	(11.98)	(5.58)
Share of loss of an associate	0.53	0.02
Exceptional items	-	129.44
	<b>1,731.17</b>	<b>454.45</b>
<b>Operating cash flows before working capital changes</b>	<b>8,820.58</b>	<b>1,228.32</b>
Increase in trade receivables, loans, other financial assets and other assets	(990.97)	(402.75)
Increase in inventories	(3,049.47)	(374.14)
Increase in trade payables, other financial liabilities, other liabilities and provisions	1,028.26	786.43
<b>Cash generated from operations</b>	<b>5,808.40</b>	<b>1,237.86</b>
Income tax paid (net of refund)	(1,281.02)	(115.05)
<b>Net cash generated from operating activities</b>	<b>4,527.38</b>	<b>1,122.81</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment, other intangible assets (including capital work-in-progress, intangible assets under development and capital advances)	(2,301.49)	(275.45)
Proceeds from sale of property, plant and equipment	26.01	0.47
Investment in associate	(58.28)	(21.64)
Proceeds from sale of investments	1,355.18	-
Movement in other bank balances (net)	246.64	(139.93)
Interest received	13.38	-
<b>Net cash used in investing activities</b>	<b>(718.56)</b>	<b>(436.55)</b>
<b>C. Cash flows from financing activities ##</b>		
Acquisition of treasury shares by employee welfare trust	(182.59)	-
Repayment of long-term borrowings	(4,478.12)	(621.88)
Payment of principal balances of lease liabilities	(25.48)	(7.50)
Proceeds from short term borrowings (net)	1,290.64	-
Dividend paid	(451.55)	-
Finance costs paid (including interest on lease liabilities)	(330.42)	(94.27)
<b>Net cash used in financing activities</b>	<b>(4,177.52)</b>	<b>(723.65)</b>
<b>D. Effect of exchange rate changes</b>	<b>11.36</b>	<b>0.95</b>
<b>Net decrease in cash and cash equivalents (A+B+C+D)</b>	<b>(357.34)</b>	<b>(36.44)</b>
Add: cash and cash equivalents at the beginning of the year	733.42	0.50
Add: cash and cash equivalents acquired pursuant to the Composite Scheme (refer note 31)	-	769.36
<b>Cash and cash equivalents at the end of the year (refer note 12(a))</b>	<b>376.08</b>	<b>733.42</b>

**Notes:**

- Consolidated Statement of Cash Flows has been prepared basis the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".
  - For non-cash transaction pursuant to the Composite Scheme, refer note 31.
- # Refer note 31(b)  
## Refer note 16(c) for changes in liabilities arising from financing activities.

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of **Jubilant Ingrevia Limited**

For **Walker Chandiook & Co LLP**

Chartered Accountants

ICAI Firm Registration No.: 001076N/N500013

**Shyam S. Bhartia**

Chairman

DIN: 00010484

**Hari S. Bhartia**

Co-Chairman

DIN: 00010499

**Rajesh Kumar Srivastava**

CEO and Managing Director

DIN: 02215055

**Ashish Gupta**

Partner

Membership No.: 504662

**Prakash Chandra Bisht**

President and Chief Financial Officer

**Deepanjali Gulati**

Company Secretary

Place: Noida

Date: 17 May 2022

## Notes to the consolidated financial statements for the year ended 31 March 2022

### Note 1. Corporate information

Jubilant Ingrevia Limited ("the Company" or "the Holding Company" or "the Parent Company") is a public limited company incorporated under the provisions of Companies Act, 2013 ("the Act"). Effective, 16 October 2020, the name of the Company was changed from Jubilant LSI Limited to Jubilant Ingrevia Limited (refer note 31). The Company is domiciled in India and the registered office of the Company is situated at Bhartiagram, Gajraula, District Amroha, Uttar Pradesh – 244223.

The consolidated financial statements of the Company comprise the financial statements of Company, its subsidiaries and its associates (together referred to as "the Group"). The Group is a global integrated life science products and innovative solutions provider serving, pharmaceutical, nutrition, agrochemical, consumer and industrial customers with its customised products and solutions that are innovative, cost effective and conforming to premium quality standards. The Group is engaged in manufacturing and supply of speciality chemicals, nutrition and health solutions and chemical intermediates through five manufacturing facilities in India. The Group is well recognised as a 'Partner of Choice' by leading pharmaceuticals and life sciences companies globally.

During the year ended 31 March 2021, the Composite Scheme of Arrangement ("the Composite Scheme") for amalgamation of certain promoter controlled entities into Jubilant Pharmova Limited, the Demerged Company and demerger of the Life Science Ingredients business from the Demerged Company into the Company was approved by Honourable National Company Law Tribunal ("NCLT"), Allahabad Bench vide its order dated 23 December 2020 (formal order received on 6 January 2021). The said NCLT order was filed with the Registrar of Companies by Jubilant Pharmova Limited and the Company on 1 February 2021, thereby making the Composite Scheme effective. Accordingly, all assets and liabilities of the Life Science Ingredients business were transferred and vested into the Company effective 1 February 2021, being the appointed date as per the Composite Scheme for demerger of the Life Sciences Ingredients business. The Company's equity shares got listed on 19 March 2021 with BSE Limited and National Stock Exchange of India Limited with a mirror shareholding as that of the Demerged Company (refer note 31).

### Note 2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. The accounting policies adopted are consistent with those of the previous financial year, to the extent applicable.

#### (a) Basis of preparation

##### (i) Statement of compliance

The Consolidated Financial Statements ("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 the Act, relevant other provisions of the Act and other accounting principles generally accepted in India.

All the amounts included in the financial statements are reported in millions of Indian Rupees ('Rupees' or '₹') and are rounded to the nearest million, except per share data and unless stated otherwise.

The financial statements have been authorised for issue by the Company's Board of Directors on 17 May 2022.

##### (ii) Historical cost convention

The consolidated financial statements have been prepared under historical cost convention on accrual basis, unless otherwise stated.

#### (b) Principles of consolidation

The consolidated financial statements comprise the financial statement of the Company and the entities controlled by the Company including its subsidiaries.

Subsidiaries are entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) Exposure, or rights, to variable returns from its involvement with the investee; and
- (iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) The contractual arrangement with the other vote holders of the investee.
- (ii) Rights arising from other contractual arrangements
- (iii) The Group's voting rights and potential voting rights
- (iv) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of an entity begins when the Group obtains control over that entity and ceases when the Group loses control over the

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

entity. Assets, liabilities, income and expenses of an entity acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the entity.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are

made to that entity's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company. When the end of the reporting period of the Parent Company is different from that of a member of the Group, the member prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Parent Company to enable the Parent Company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

### The details of the consolidated entities are as follows:

Sr. No.	Name	Country of Incorporation	Name of Parent Company	Percentage of ownership interest held by the Group
1	Jubilant Life Sciences International Pte. Limited #	Singapore	Jubilant Ingrevia Limited	100%
2	Jubilant Life Sciences (Shanghai) Limited #	China	Jubilant Life Sciences International Pte. Limited	100%
3	Jubilant Life Sciences (USA) Inc. #	USA	Jubilant Ingrevia Limited	100%
4	Jubilant Infrastructure Limited #	India	Jubilant Ingrevia Limited	100%
5	Jubilant Life Sciences NV #	Belgium	Jubilant Ingrevia Limited (One share, representing 0.001% holding is held by Jubilant Infrastructure Limited)	100%
6	Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited) (Incorporated on 2 June 2021)	India	Jubilant Ingrevia Limited	100%
7	Jubilant Ingrevia Employees Welfare Trust #	India	Jubilant Ingrevia Limited	-
<b>The associates are as follows:</b>				
1	Mister Veg Foods Private Limited (from 18 February 2021)	India	Jubilant Ingrevia Limited	20.99%
2	AMP Energy Green Fifteen Private Limited (from 8 October 2021)	India	Jubilant Ingrevia Limited	26.00%

# Refer Note 31

### (c) Consolidation procedure

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the Parent Company's investment in each subsidiary and the Parent Company's portion of equity of each subsidiary.
- Eliminate in full, intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in

assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Non-controlling interests in the results and the equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet. There are no non-controlling interests in the subsidiaries of the Group.

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

### (d) Investments accounted for using the equity method

The Group's interest in investments accounted for using the equity method comprises interest in associates. Associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policy decisions of the investee.

Interests in associates are accounted for using the equity method. Under the equity method of accounting, the investment in an associate is initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity accounted investee until the date on which significant influence ceases. Goodwill (i.e. excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee) relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Unrealised gains and losses resulting from transactions between the Group and the associates are eliminated to the extent of the interests in the associates.

The financial statements of each associate are prepared for the same reporting period as the Group. Adjustments when appropriate and material are made to bring the accounting policies of the associate in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associates. At each reporting date, the Group determines whether there is objective evidence that the investments in the associates are impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of each associate and its carrying value.

### (e) Current versus non-current classification

The Group presents assets and liabilities in the Consolidated Balance Sheet based on current/ non-current classification.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;

- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Each entity of the Group has identified twelve months as its operating cycle for the purpose of current-non-current classification of assets and liabilities.

### (f) Property, plant and equipment (PPE) and intangible assets

#### (i) Property, plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost, which includes capitalised finance costs, less accumulated depreciation and any accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition of its intended use. Any discounts and rebates are deducted in arriving at the purchase price.

Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

asset is derecognised when replaced. All other repairs and maintenance are charged to the Consolidated Statement of Profit and Loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Consolidated Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

### (ii) Intangible assets and goodwill

- Goodwill arising on business combinations is disclosed separately in the balance sheet and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.
- Internally generated goodwill is not recognised as an asset. With regard to other internally generated intangible assets:
  - Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Consolidated Statement of Profit and Loss as incurred.
  - Development expenditure including regulatory cost and legal expenses leading to product registration/ market authorisation relating to the new and/or improved product and/or process development capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable finance costs (in the same manner as in the case of PPE). Other development expenditure is recognised in the Consolidated Statement of Profit and Loss as incurred.
- Intangible assets (including intangible assets under development) that are acquired and implementation of software system are initially measured at cost.
- After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

### (iii) Depreciation and amortisation methods, estimated useful lives and residual value

For the Parent Company and Indian entities, depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of PPE as per the useful life specified in Part 'C' of Schedule II of the Act. The estimated useful lives considered for the assets are as under:

Type/category of assets	Useful lives - as per schedule II of the Act (in years)	Useful lives - as estimated by the Company (in years)
Buildings including factory buildings and roads	3-60	3-60
Plant and equipment	10-25	10-25
Railway sidings	15	15
Electrical installations and equipment	10	10
Furniture and fixtures	10	10
Office equipment including end user devices	3-5	2-5
Computer servers and networks (included in office equipment)	6	5
Vehicles	8	5
Employee perquisite related assets (except end user computers) (included in furniture and fixtures)	10	5

For overseas entities, depreciation is charged using the straight line basis on the original cost/ acquisition cost of assets, over the estimated useful life considered as follows:

- Furniture and office equipment: 3 to 5 years
- Computer and information technology related assets: 3 to 5 years
- Vehicles: 3 to 5 years

Software systems are being amortised over a period of five years being their useful life. Rights are amortised over the useful life.

Depreciation and amortisation on property, plant and equipment and intangible assets added/disposed off during the year has been provided on pro-rata basis with reference to the date/month of addition/disposal.

Depreciation and amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

### (iv) Derecognition

A property, plant and equipment and intangible assets is derecognised on disposal or when no future economic

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

benefits are expected from its use or disposal. Losses arising from retirement and gains or losses arising from disposal of a PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Consolidated Statement of Profit and Loss.

**(g) Impairment of non-financial assets**

The Group'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 (i.e. corporate assets) 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 an asset or CGU 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 discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. 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 amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of non-financial assets for which impairment loss has been recognised in prior periods, the Group reviews at 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) Financial instruments**

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

**(i) Financial assets***Recognition and initial measurement*

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery

of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

*Subsequent measurement*

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

*Debt instruments at amortised cost*

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Consolidated Statement of Profit and Loss. The losses arising from impairment are recognised in the Consolidated Statement of Profit and Loss. This category generally applies to trade and other receivables.

*Debt instrument at FVOCI*

A 'debt instrument' is classified as FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Consolidated Statement of Profit and Loss. Interest earned whilst holding FVOCI



## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

debt instrument is reported as interest income using the EIR method.

### *Debt instrument at FVPL*

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, the Group, at initial recognition, may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

### *Equity investments*

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

### *Impairment of financial assets*

The Group recognises loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets with contractual cash flows, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Consolidated Statement of Profit and Loss.

### *Derecognition of financial assets*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

### **(ii) Financial liabilities**

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Consolidated Statement of Profit and 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 Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Consolidated Statement of Profit and Loss.

### *Derecognition of financial liabilities*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**(iii) Offsetting**

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

**(iv) Share capital**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

**(i) Inventories**

Inventories are valued at lower of cost or net realisable value except scrap, which is valued at net estimated realisable value.

The methods of determining cost of various categories of inventories are as follows:

Raw materials	Weighted average method
Stores and spares	Weighted average method
Work-in-progress and finished goods (manufactured)	Direct materials, direct labour and an appropriate proportion of variable and fixed production overheads, the later being allocated on the basis of normal operating capacity
Fuel, process chemicals, consumables etc.	Weighted average method
Finished goods (traded)	Weighted average method
Goods in transit	Cost of purchase

Cost includes all costs of purchase, costs of conversion and other costs including taxes that are not refundable incurred in bringing the inventories to their present location and condition.

The factors that the Group considers in determining the allowance for slow moving, obsolete and other non-saleable inventory includes estimated shelf life, ageing, usability etc., to the extent each of these factors impact the Group's business and markets. The Group considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held

for use in the production of finished products are not written down below cost, except in cases where 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.

**(j) Cash and cash equivalents**

Cash and cash equivalent comprise cash at banks and on hand (including imprest) and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**(k) Provisions and contingencies****(i) Provisions**

A provision is recognised if, as a result of a past event, the Group 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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

**(ii) Contingent assets**

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**(iii) Contingent liabilities**

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**(l) Revenue recognition**

Revenue from sale of products is recognised when the Group satisfies a performance obligation upon transfer of control of products to customers at the time of shipment to or receipt of goods by the customers as per the terms of the underlying contracts. Service income is recognised when the Group satisfies a performance obligation as and when the underlying services are performed.



## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

The Group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. Invoices are issued as per the general business terms and are payable in accordance with the contractually agreed credit period.

Revenues are measured based on the transaction price allocated to the performance obligation, which is the consideration, net of taxes or duties collected on behalf of the government and applicable discounts and allowances. The computation of these estimates using expected value method involves significant judgment based on various factors including contractual terms, historical experience, estimated inventory levels and expected sell-through levels in supply chain. The transaction price is allocated to each performance obligation in the contract on the basis of the relative standalone selling prices of the promised goods or services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes significant financing component.

A receivable is recognised by the Group when control of the goods and services is transferred and the Group's right to an amount of consideration under the contract with the customer is unconditional, as only the passage of time is required. When either party to a contract has performed, the Group presents the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the Group's performance and the customer's payment.

Income in respect of entitlement towards export incentives is recognised in accordance with the relevant scheme on recognition of the related export sales. Such export incentives are recorded as part of other operating revenue.

### (m) Employee benefits

#### (i) Short-term employee benefits:

All employee benefits falling due within twelve months from the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

#### (ii) Post-employment benefits:

Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

#### a) Gratuity

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of gratuity (applicable for Indian entities of the Group), is recognised in the books of accounts based on actuarial valuation by an independent actuary. The gratuity liability for certain employees of the Group is funded with Life Insurance Corporation of India.

#### b) Provident fund

This is treated as defined contribution plan. The Group makes contribution to Regional Provident Fund Commissioner. Group's contribution to the provident fund is charged to Consolidated Statement of Profit and Loss.

Foreign subsidiaries make contribution to various social security plans and insurance schemes as per local requirements and generally accepted practices in their respective country of incorporation. Such contributions are charged to Consolidated Statement of Profit and Loss on accrual basis in the year in which liability to pay arise.

#### (iii) Other long-term employee benefits:

##### *Compensated absences*

As per the Group's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits.

#### (iv) Termination benefits:

Termination benefits are recognised as an expense when, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

#### (v) Actuarial valuation

The liability in respect of all defined benefit plans and other long term benefits is accrued in the consolidated books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses on other long term benefits are recognised in the Consolidated Statement of Profit and Loss in the year in which they arise. Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income. They are included in other equity in the Consolidated Statement of Changes in Equity and in the Consolidated Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Consolidated Statement of Profit and Loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the Consolidated Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Consolidated Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

### (n) Share based payments

The Company has opted the policy to account for Jubilant Ingrevia Employees Welfare Trust as a legal entity separate from the Company, but, as a subsidiary of the Company.

The Company recognises share based payment expenses basis grant date fair value of options (net of estimated forfeiture) and for those granted to the employees of subsidiaries is considered as the Company's equity contribution and is added to the carrying value of investment in the respective subsidiaries, with a corresponding increase in equity, over the vesting period. The increase in equity recognised in reference to share based payment transaction is presented as a separate component in equity under "share options outstanding account". For the option awards, grant date fair value is determined on the basis of option-pricing model (Black-Scholes-Merton). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.

The balance of a share options outstanding account is transferred to retained earnings upon expiry or upon exercise of grants, as the Company is operating the Employee Stock Option schemes through Jubilant Ingrevia Employees Welfare Trust, which has purchased share from the secondary market.

### (o) Finance costs and finance income

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. Finance costs that are directly attributable to the construction or production or development of a qualifying asset are capitalised as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other finance costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the finance costs eligible for capitalisation. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Statement of Profit and Loss over the period of the borrowings using the effective interest method. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

Finance income consists of interest income. Interest income or expense is recognised using the effective interest method. In calculating interest income or 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.

### (p) Exceptional items

Exceptional items refer to items of income or expense within the Consolidated Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group.

### (q) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Consolidated Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

- *Current tax:*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current tax assets and 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.

- **Deferred tax:**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to freehold land and investment in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is a tax liability of an Indian company computed at specified rate on adjusted book profits as per applicable provisions of the Indian Income Tax Act. An Indian company is liable to pay MAT, if the income tax payable under normal provisions of the Indian Income Tax Act is less than tax payable under MAT.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied 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 Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if 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.

Deferred income tax is not provided on the undistributed earnings of the subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

For operations carried out in Special Economic Zones ("SEZ"), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

- (r) **Leases – Group as a lessee**

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset; (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and (3) the Group has the right to direct the use of the asset.

The Group's lease asset classes primarily consist of leases for land, buildings, plant and equipment and vehicles which typically run for a period of 3 to 10 years, with an option to renew the lease after that date. For certain leases, the Group is restricted from entering into any sub-lease arrangements. At the date of commencement of the lease, the Group recognises a right-of-use asset 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). For these short-term leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

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 tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

loss, if any, is recognised in the Consolidated Statement of Profit and Loss.

The lease liability is initially measured at amortised 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 based on information available as at the date of commencement of the lease. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Group changes its assessment of whether it will exercise an extension or a termination option. Lease liability and right-of-use asset have been separately presented in the Consolidated Balance Sheet and lease payments have been classified as financing cash flows.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

**(s) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The CEO and Managing Director of the Group is responsible for allocating resources and assessing performance of the operating segments, and accordingly, identified as the chief operating decision maker. Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ assets/ liabilities", as the case may be.

**(t) Foreign currency transactions and translation***(i) Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (₹), which is also the Parent Company's functional currency.

*(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and

losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at balance sheet date exchange rates are generally recognised in Consolidated Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

*(iii) Group companies*

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Equity share capital and opening other equity are carried at historical cost.
- All assets and liabilities, both monetary and non-monetary, (excluding share capital, opening other equity) are translated using closing rates at balance sheet date.
- Profit and loss items are translated at the respective quarterly average rates or the exchange rate that approximates the actual exchange rate on date of specific transaction.
- All resulting exchange differences are recognised in Other Comprehensive Income.

When a foreign operation is sold or any inter-company balances forming part of the net investment are settled, the associated cumulative exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

The items of Consolidated Statement of Cash Flow are translated at the respective average rates or the exchange rate that approximates the actual exchange rate on date of specific transaction. The impact of changes in exchange rate on cash and cash equivalent held in foreign currency is included in effect of exchange rate changes.

**(u) Government grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Consolidated Statement of Profit and Loss

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

over the period necessary to match them with the costs that they are intended to compensate and presented within other operating revenue.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Consolidated Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

### (v) Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

### (w) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

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).

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is

used to measure fair values, then the finance team 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.

When measuring the fair value of an asset or a liability, the Group 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 Group 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 used in preparing these financial statements is included in the respective notes.

### (x) Critical estimates and judgments

The preparation of consolidated financial statements requires management to make 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 in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

- Assessment of useful life of property, plant and equipment and intangible asset - Note 2(f)
- Valuation of inventories - Note 2(i)
- Recognition of revenue and related accruals - Note 2(l)
- Fair value measurements - Note 2(w)
- Impairment of financial assets and non-financial assets - Note 2(g) and Note 2(h)
- Estimation of assets and obligations relating to employee benefits - Note 2(m) and Note 32
- Recognition and estimation of tax expense including deferred tax - Note 2(q), Note 8 and Note 29
- Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources - Note 38
- Lease term: whether the Group is reasonably certain to exercise extension options - Note 2(r) and Note 40

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**(y) Recent accounting pronouncement issued but not made effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022 as below:

*(i) Ind AS 103 - Business combination*

The amendments specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework), issued by the ICAI at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its consolidated financial statements.

*(ii) Ind AS 16 - Property, plant and equipment (PPE)*

The amendments clarifies that excess of net sale proceeds of items produced over the cost of testing while preparing the asset for its intended use (if any), shall not be recognise in the profit or loss but deducted from the directly attributable cost considered as part

of cost of an item PPE. The Group has evaluated the amendment and there is no impact in recognition of its property, plant and equipment on its consolidated financial statements.

*(iii) Ind AS 37 - Provisions, contingent liabilities and contingent assets*

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its consolidated financial statements.

*(iv) Ind AS 109 - Financial instruments*

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability or to consider as modification of existing financial liability. The Group does not expect the amendment to have any significant impact in its consolidated financial statements.



## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Note 3. Property, plant and equipment and capital work-in-progress**

	Land-freehold	Building-factory	Building-other	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Railway sidings	Total
<b>Gross carrying amount as at 1 April 2020</b>									
Transferred pursuant to the Composite Scheme (refer note 31)	226.84	1,444.39	1,667.93	18,772.37	113.26	19.94	354.22	108.43	<b>22,707.38</b>
Additions	50.16	33.97	30.82	176.03	1.71	-	0.94	-	<b>293.63</b>
Disposals	-	-	(0.13)	(207.00)	(1.31)	(0.09)	(0.51)	-	<b>(209.04)</b>
Foreign currency translation adjustment	-	-	-	-	-	-	(0.05)	-	<b>(0.05)</b>
<b>Gross carrying amount as at 31 March 2021</b>	<b>277.00</b>	<b>1,478.36</b>	<b>1,698.62</b>	<b>18,741.40</b>	<b>113.66</b>	<b>19.85</b>	<b>354.60</b>	<b>108.43</b>	<b>22,791.92</b>
<b>Accumulated depreciation as at 1 April 2020</b>									
Transferred pursuant to the Composite Scheme (refer note 31)	-	228.21	445.26	4,156.46	63.61	13.97	221.93	64.64	<b>5,194.08</b>
Depreciation charge for the year	-	15.03	37.25	148.99	1.85	0.34	7.07	1.84	<b>212.37</b>
Disposals	-	-	-	(60.89)	(1.03)	-	(0.35)	-	<b>(62.27)</b>
Foreign currency translation adjustment	-	-	-	-	-	-	(0.03)	-	<b>(0.03)</b>
<b>Accumulated depreciation as at 31 March 2021</b>	<b>-</b>	<b>243.24</b>	<b>482.51</b>	<b>4,244.56</b>	<b>64.43</b>	<b>14.31</b>	<b>228.62</b>	<b>66.48</b>	<b>5,344.15</b>
<b>Net carrying amount as at 31 March 2021</b>	<b>277.00</b>	<b>1,235.12</b>	<b>1,216.11</b>	<b>14,496.84</b>	<b>49.23</b>	<b>5.54</b>	<b>125.98</b>	<b>41.95</b>	<b>17,447.77</b>
<b>Gross carrying amount as at 1 April 2021</b>									
Additions	104.99	10.23	56.52	1,055.93	7.03	2.82	57.65	-	<b>1,295.17</b>
Disposals	-	(0.25)	-	(150.80)	(5.68)	-	(14.38)	-	<b>(171.11)</b>
Foreign currency translation adjustment	-	-	-	-	-	-	0.34	-	<b>0.34</b>
<b>Gross carrying amount as at 31 March 2022</b>	<b>381.99</b>	<b>1,488.34</b>	<b>1,755.14</b>	<b>19,646.53</b>	<b>115.01</b>	<b>22.67</b>	<b>398.21</b>	<b>108.43</b>	<b>23,916.32</b>
<b>Accumulated depreciation as at 1 April 2021</b>									
Depreciation charge for the year	-	243.24	482.51	4,244.56	64.43	14.31	228.62	66.48	<b>5,344.15</b>
Disposals	-	56.45	158.87	895.58	10.46	2.08	45.57	11.08	<b>1,180.09</b>
Foreign currency translation adjustment	-	(0.16)	-	(44.01)	(4.02)	-	(12.85)	-	<b>(61.04)</b>
Foreign currency translation adjustment	-	-	-	-	-	-	0.32	-	<b>0.32</b>
<b>Accumulated depreciation as at 31 March 2022</b>	<b>-</b>	<b>299.53</b>	<b>641.38</b>	<b>5,096.13</b>	<b>70.87</b>	<b>16.39</b>	<b>261.66</b>	<b>77.56</b>	<b>6,463.52</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>381.99</b>	<b>1,188.81</b>	<b>1,113.76</b>	<b>14,550.40</b>	<b>44.14</b>	<b>6.28</b>	<b>136.55</b>	<b>30.87</b>	<b>17,452.80</b>
<b>Capital work-in-progress (CWIP)</b>									
As at 31 March 2021									631.65
<b>As at 31 March 2022</b>									<b>1,692.56</b>

**Notes:**

- (1) Refer note 16.3 for information on property, plant and equipment provided as security by the Group.
- (2) Refer note 39(a) for disclosure of capital commitments for the acquisition of property, plant and equipment.
- (3) Refer note 42(C) for finance costs capitalised.



## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Capital work-in-progress ageing schedule:**

Ageing schedule for capital work-in-progress as at 31 March 2022:

	Amount in capital work-in-progress for a period of				(₹ in million)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,551.14	141.42	-	-	1,692.56
Projects temporarily suspended	-	-	-	-	-
<b>Total capital work-in-progress</b>	<b>1,551.14</b>	<b>141.42</b>	<b>-</b>	<b>-</b>	<b>1,692.56</b>

Ageing schedule for capital work-in-progress as at 31 March 2021:

	Amount in capital work-in-progress for a period of				(₹ in million)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	631.65	-	-	-	631.65
Projects temporarily suspended	-	-	-	-	-
<b>Total capital work-in-progress</b>	<b>631.65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>631.65</b>

**Note 4. Intangible assets and intangible assets under development**

			(₹ in million)
	Rights	Softwares	Total
<b>Gross carrying amount as at 1 April 2020</b>	-	-	-
Transferred pursuant to the Composite Scheme (refer note 31)	80.69	151.95	232.64
Additions	-	9.82	9.82
<b>Gross carrying amount as at 31 March 2021</b>	<b>80.69</b>	<b>161.77</b>	<b>242.46</b>
<b>Accumulated amortisation as at 1 April 2020</b>	-	-	-
Transferred pursuant to the Composite Scheme (refer note 31)	16.52	111.54	128.06
Amortisation for the year	0.22	3.14	3.36
<b>Accumulated amortisation as at 31 March 2021</b>	<b>16.74</b>	<b>114.68</b>	<b>131.42</b>
<b>Net carrying amount as at 31 March 2021</b>	<b>63.95</b>	<b>47.09</b>	<b>111.04</b>
			(₹ in million)
	Rights	Softwares	Total
<b>Gross carrying amount as at 1 April 2021</b>	<b>80.69</b>	<b>161.77</b>	<b>242.46</b>
Additions	-	-	-
<b>Gross carrying amount as at 31 March 2022</b>	<b>80.69</b>	<b>161.77</b>	<b>242.46</b>
<b>Accumulated amortisation as at 1 April 2021</b>	<b>16.74</b>	<b>114.68</b>	<b>131.42</b>
Amortisation for the year	0.75	17.71	18.46
<b>Accumulated amortisation as at 31 March 2022</b>	<b>17.49</b>	<b>132.39</b>	<b>149.88</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>63.20</b>	<b>29.38</b>	<b>92.58</b>
<b>Intangible assets under development</b>			
As at 31 March 2021			19.14
<b>As at 31 March 2022</b>			<b>49.63</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Intangible assets under development ageing schedule:**

Ageing schedule for intangible assets under development as at 31 March 2022:

	Amount in intangible assets under development for a period of				(₹ in million)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	30.67	18.96	-	-	49.63
Projects temporarily suspended	-	-	-	-	-
<b>Total intangible assets under development</b>	<b>30.67</b>	<b>18.96</b>	<b>-</b>	<b>-</b>	<b>49.63</b>

Ageing schedule for intangible assets under development as at 31 March 2021:

	Amount in intangible assets under development for a period of				(₹ in million)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	19.14	-	-	-	19.14
Projects temporarily suspended	-	-	-	-	-
<b>Total intangible assets under development</b>	<b>19.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19.14</b>

**Note 5. (a) Investments accounted for using the equity method****i) Mister Veg Foods Private Limited**

On 18 February 2021, the Parent Company has acquired 2,656 number of 0.01% Convertible Preference Shares ("CPS") of ₹10 each of Mister Veg Foods Private Limited, India ("MVFP"), and has made an investment of ₹21.64 million, representing potential 20.99% shareholding in MVFP, once converted. CPS are convertible into equity shares of MVFP at a defined conversion ratio as per the terms of the underlying contract. The shareholder agreement entitles the Parent Company to nominate one board member and it also entitles the Parent Company vote in all the shareholders meetings in proportion to their shareholding on as if converted basis and accordingly, this investment is classified and presented as an associate. MVFP is primarily engaged in the business of food products.

The following table reconciles the MVFP financial information to the carrying amount of the Group's interest in MVFP for the years ended 31 March 2022 and 31 March 2021. Further, the information for the year ended 31 March 2021 presented in the table includes the results of MVFP for the period from 18 February 2021 to 31 March 2021.

	As at	
	31 March 2022	31 March 2021
Non-current assets	4.17	2.02
Current assets	15.29	19.55
Current liabilities	(0.89)	(0.45)
<b>Net assets</b>	<b>18.57</b>	<b>21.12</b>
Percentage of Group's ownership interest	20.99%	20.99%
Group's share of net assets (20.99%)	3.90	4.43
Goodwill	17.19	17.19
<b>Carrying amount of investment</b>	<b>21.09</b>	<b>21.62</b>

**Summarised information on statement of profit and loss:**

	For the year ended	
	31 March 2022	31 March 2021
Revenue	6.72	-
Less: expenses	9.26	0.12
Loss from operations	(2.54)	(0.12)
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>(2.54)</b>	<b>(0.12)</b>
Group's share of loss for the year/period (20.99%)	<b>(0.53)</b>	<b>(0.02)</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

ii) **AMP Energy Green Fifteen Private Limited**

Pursuant to Share Purchase, Subscription and Shareholder's agreement ("SPSSA") with AMP Energy C&I Private Limited and AMP Energy Green Fifteen Private Limited dated 8 October 2021, the Parent Company has acquired 26.00% stake of AMP Energy Green Fifteen Private Limited for the purpose of setting up a solar power plant with capacity of 15.5 MW for captive consumption of power and executed through power purchase agreement. Pursuant to that, the Parent Company has made investment of ₹58.28 million in AMP Energy Green Fifteen Private Limited, representing investment in 582,800 numbers of Equity shares of ₹10 each and 52,452 numbers of 0.01% Compulsorily Convertible Debenture of ₹1,000 each.

Further, the Parent Company also entered in a Power Purchase Agreement ('PPA') with AMP Energy Green Fifteen Private Limited to procure 100% of the output of solar energy produced for next 20 years as per the rates negotiated in agreement. As per the SPSSA, in the event of termination of the contracts or completion of the PPA term, the Company will receive nominal value of its investment without any share of profit/ loss in the associate.

Accordingly, the investment amount has been amortised to give the effect of expected fixed return on such investment due to the difference in agreement rate and existing government grid rates. As the Parent Company has significant influence, the investment has been presented as investment in associate as per Ind AS 28 "Investments in associates and joint ventures". However, the equity pick up will not be considered in consolidated financial statements.

Following table shows the summarised financial information:

	(₹ in million)
	As at
	31 March 2022
Non-current assets	741.65
Current assets	2.52
Non-current liabilities	(611.64)
Current liabilities	(111.53)
<b>Net assets</b>	<b>21.00</b>
Percentage of Group's ownership interest	26.00%
Equity proportion of the Group ownership	5.46
Adjusted on account of the explanations provided above	2.44
<b>Carrying amount of investment</b>	<b>7.90</b>

**Summarised information on statement of profit and loss**

	(₹ in million)
	For the year ended
	31 March 2022
Revenue	-
Less: expenses	1.28
Loss from operations	<b>(1.28)</b>
Other comprehensive income	-
<b>Total comprehensive income</b>	<b>(1.28)</b>
Group's share of total comprehensive income (26.00%)	<b>(0.33)</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

## Note 5.(b) Non-current investments

(₹ in million)

	As at	
	31 March 2022	31 March 2021#
<b>I. Investment in equity instruments (at fair value through other comprehensive income)*</b>		
<b>Quoted</b>		
50,000 (31 March 2021: 50,000) equity shares of ₹10 each Jubilant Industries Limited	23.33	9.38
<b>Unquoted</b>		
917,941 (31 March 2021: 917,941) equity shares of ₹10 each Forum I Aviation Limited	9.57	9.90
Nil (31 March 2021: 540,463) common stock of USD 0.01 each Safe Foods Corporation USA	-	461.51
<b>Total non-current investments</b>	<b>32.90</b>	<b>480.79</b>
Aggregate amount of quoted investments and market value thereof	23.33	9.38
Aggregate amount of unquoted investments	9.57	471.41
Aggregate amount of impairment in the value of investments	-	-

\*No dividend have been received from such investments during the year

# Refer note 31

## Note 6. Loans

(₹ in million)

	As at			
	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
<b>Unsecured, considered good</b>				
Loan to employees	4.47	5.04	5.09	5.26
<b>Total loans</b>	<b>4.47</b>	<b>5.04</b>	<b>5.09</b>	<b>5.26</b>

## Note 7. Other financial assets

(₹ in million)

	As at			
	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Other bank balances:				
Deposits with maturity after 12 months from the reporting date (1)	-	81.73	-	4.95
Receivable from related parties (2) (refer note 37)	96.25	-	212.25	-
Insurance claims receivable	6.43	-	35.70	-
Notes receivable	33.08	-	170.20	-
Security deposits	20.99	34.86	19.14	26.07
Interest receivable	0.78	-	3.86	-
Discounts/rebates receivable from suppliers (3)	458.09	-	75.69	-
Others	80.11	-	161.15	-
<b>Total other financial assets</b>	<b>695.73</b>	<b>116.59</b>	<b>677.99</b>	<b>31.02</b>

## Notes:

(1) These deposits have restricted use representing margin money given as security against bank guarantees.

(2) Including dues from private companies having common director aggregating to ₹10.26 million (31 March 2021: ₹7.31 million)

(3) The Group is still to receive credit notes against these receivables

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Note 8. Deferred tax**

Deferred income tax reflect the net tax effects of temporary difference between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant component of the Group's net deferred income tax are as follows:

*Deferred tax assets:*

	Provision for compensated absences and gratuity	Expenditure allowed on actual payment basis	Tax losses carried forward	MAT credit entitlement	Lease liability	Accrued expenses and other temporary differences	Total
	(₹ in million)						
<b>As at 1 April 2020</b>	-	-	-	-	-	-	-
Transferred pursuant to the Composite Scheme (refer note 31)	252.53	18.35	11.58	1,876.00	163.95	72.43	2,394.84
<b>(Charged)/credited</b>							
- to Consolidated Statement of Profit and Loss	(5.32)	0.42	(11.52)	(84.39)	6.73	(4.38)	(98.46)
- to other comprehensive income	1.23	-	-	-	-	-	1.23
Foreign currency translation adjustment	-	-	(0.04)	-	-	-	(0.04)
<b>As at 31 March 2021</b>	<b>248.44</b>	<b>18.77</b>	<b>0.02</b>	<b>1,791.61</b>	<b>170.68</b>	<b>68.05</b>	<b>2,297.57</b>
<b>(Charged)/credited</b>							
- to Consolidated Statement of Profit and Loss	8.36	0.10	1.61	(1,090.53)	28.23	32.56	(1,019.67)
- to other comprehensive income	5.92	-	-	-	-	-	5.92
Foreign currency translation adjustment	-	(0.94)	0.05	-	-	0.97	0.08
<b>As at 31 March 2022</b>	<b>262.72</b>	<b>17.93</b>	<b>1.68</b>	<b>701.08</b>	<b>198.91</b>	<b>101.58</b>	<b>1,283.90</b>

*Deferred tax liabilities:*

	PPE, Intangible assets and Right-of-use assets	Others	Total
	(₹ in million)		
<b>As at 1 April 2020</b>	-	-	-
Transferred pursuant to the Composite Scheme (refer note 31)	2,448.60	5.70	2,454.30
<b>Charged/(credited)</b>			
- to Consolidated Statement of Profit and Loss	(2.09)	0.34	(1.75)
<b>As at 31 March 2021</b>	<b>2,446.51</b>	<b>6.04</b>	<b>2,452.55</b>
<b>Charged/(credited)</b>			
- to Consolidated Statement of Profit and Loss	48.68	2.92	51.60
Foreign currency translation adjustment	(0.03)	0.02	(0.01)
<b>As at 31 March 2022</b>	<b>2,495.16</b>	<b>8.98</b>	<b>2,504.14</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

Reflected in the Consolidated Balance Sheet as follows:

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Deferred tax assets	149.23	123.88
Deferred tax liabilities	1,369.47	278.86
<b>Deferred tax liabilities (net)</b>	<b>1,220.24</b>	<b>154.98</b>

Reconciliation of deferred tax liabilities (net):

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
<b>Balance as at the commencement of the year</b>	(154.98)	-
Transferred pursuant to the Composite Scheme (refer note 31)	-	(59.46)
Deferred tax charge recognised during the year in Consolidated Statement of Profit and Loss (including MAT)	(1,071.27)	(96.71)
Deferred tax credit recognised during the year in OCI	5.92	1.23
Foreign currency translation adjustment	0.09	(0.04)
<b>Balance as at the end of the year</b>	<b>(1,220.24)</b>	<b>(154.98)</b>

The Group has determined that below undistributed profits of certain subsidiaries will not be distributed in the foreseeable future:

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Undistributed earnings of subsidiaries	2,345.63	1,191.52

DTA has not been recognised on temporary differences in relation to indexation benefit on investment in subsidiaries and freehold land amounting to ₹299.48 million (31 March 2021: ₹268.78 million) and ₹89.76 million (31 March 2021: ₹81.97 million) respectively, as the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary differences will not reverse in foreseeable future.

**Tax related contingencies:** Refer note 38

#### Note 9. Other non-current assets

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Capital advances	176.57	146.57
Prepaid expenses	49.32	-
<b>Total other non-current assets</b>	<b>225.89</b>	<b>146.57</b>





## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

Ageing Schedule for trade receivables outstanding as at 31 March 2021:

Particulars	Outstanding for the following periods from due date of payment					(₹ in million)
						Total
	Less than 6 months	6 months - 1 Year	1-2 years	2-3 years	More than 3 years	
<b>(i) Undisputed trade receivable</b>						
- Considered good	4,710.32	-	-	-	-	4,710.32
- Credit impaired	49.76	-	-	-	-	49.76
<b>(ii) Disputed trade receivable</b>						
- Considered good	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
	<b>4,760.08</b>	-	-	-	-	<b>4,760.08</b>
Less: Expected credit loss allowance						(49.76)
<b>Total trade receivables</b>						<b>4,710.32</b>

## Note 12. (a) Cash and cash equivalents

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Balances with banks		
- In current accounts	295.46	527.17
- In dividend accounts (1)	1.50	-
- In deposit accounts with original maturity up to three months	-	150.00
Cash on hand	0.64	1.01
Cheques in hand	0.08	-
Others		
- Remittances in transit	78.32	55.21
- Imprest	0.08	0.03
<b>Total cash and cash equivalents</b>	<b>376.08</b>	<b>733.42</b>

## Note:

(1) Amount in dividend accounts has restricted use.

## Note 12. (b) Other bank balances

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Deposits accounts with maturity up to twelve months from the reporting date	109.20	432.62
<b>Total other bank balances (1)</b>	<b>109.20</b>	<b>432.62</b>

## Note:

(1) ₹109.20 million (31 March 2021: ₹96.61 million) has restricted use representing margin money given as security against bank guarantees.

## Notes to the consolidated financial statements for the year ended 31 March 2022

**Note 13. Other current assets**

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Prepaid expenses	155.75	91.20
Recoverable from/balance with government authorities	1,076.55	1,115.24
Advance to employees	1.12	1.93
Advance to vendors	253.48	328.06
Others	38.40	49.02
<b>Total other current assets</b>	<b>1,525.30</b>	<b>1,585.45</b>

**Note 14. Equity share capital**

(₹ in million)

	As at	
	31 March 2022	31 March 2021
<b>Authorised</b>		
200,000,000 (31 March 2021 : 200,000,000) equity shares of ₹1 each	200.00	200.00
	<b>200.00</b>	<b>200.00</b>
<b>Issued and subscribed</b>		
159,281,139 (31 March 2021 : 159,281,139) equity shares of ₹1 each	159.28	159.28
	<b>159.28</b>	<b>159.28</b>
<b>Paid up capital</b>		
159,281,139 (31 March 2021 : 159,281,139) equity shares of ₹1 each	159.28	159.28
	<b>159.28</b>	<b>159.28</b>
Less: 312,000 (31 March 2021 : Nil) treasury shares held in trust for employees under ESOP scheme (refer note 46)	(0.31)	-
	<b>158.97</b>	<b>159.28</b>

**(a) Movement in equity share capital:**

(₹ in million)

	31 March 2022		31 March 2021	
	Number	₹ in million	Number	₹ in million
<b>At the commencement of the year</b>	159,281,139	159.28	500,000	0.50
Add: Issuance of equity shares pursuant to the Composite Scheme (refer note 31)	-	-	159,281,139	159.28
Less: Cancellation of equity shares pursuant to the Composite Scheme (refer note 31)	-	-	(500,000)	(0.50)
<b>At the end of the year</b>	<b>159,281,139</b>	<b>159.28</b>	<b>159,281,139</b>	<b>159.28</b>

**(b) Terms and rights attached to equity shares:**

The Company has only one class of shares referred to as equity shares having par value of ₹1 each. Holder of each equity share 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 any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Details of shareholders holding more than 5% shares in the Company:**

(₹ in million)

Equity shares of ₹1 each fully paid-up held by	31 March 2022		31 March 2021	
	Number	% of total shares	Number	% of total shares
SPB Trustee Company Private Limited and SS Trustee Company Private Limited (Jointly on behalf of Shyam Sunder Bhartia Family Trust)	32,861,161	20.63%	32,686,161	20.52%
HSB Trustee Company Private Limited and HS Trustee Company Private Limited (Jointly on behalf of Hari Shanker Bhartia Family Trust)	30,257,475	19.00%	30,257,475	19.00%

Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

(d) Disclosure of shareholding of promoter's is as follows:

Promoter's name	31 March 2022		31 March 2021	
	Number of shares	% of total shares	Number of shares	% of total shares
Mr. Hari Shanker Bhartia	360,885	0.23%	360,885	0.23%
Ms. Kavita Bhartia	10,285	0.01%	10,285	0.01%
Mr. Priyavrat Bhartia	3,085	-*	3,085	-*
Mr. Shamit Bhartia	129,245	0.08%	129,245	0.08%
Jaytee Private Limited	7,600	-*	7,600	-*
Nikita Resources Private Limited	3,504,540	2.20%	3,504,540	2.20%
SPB Trustee Company Private Limited and SS Trustee Company Private Limited (Jointly on behalf of Shyam Sunder Bhartia Family Trust)	32,861,161	20.63%	32,686,161	20.52%
HSB Trustee Company Private Limited and HS Trustee Company Private Limited (Jointly on behalf of Hari Shanker Bhartia Family Trust)	30,257,475	19.00%	30,257,475	19.00%
MAV Management Advisors LLP	5,011,400	3.15%	5,011,400	3.15%
Jubilant Enpro Private Limited	2,233,000	1.40%	2,116,000	1.33%
Mr. Shyam Sunder Bhartia	1,399,925	0.88%	1,399,925	0.88%
Miller Holdings Pte. Limited	5,615,555	3.52%	5,230,455	3.28%
<b>Total</b>	<b>81,394,156</b>	<b>51.10%</b>	<b>80,717,056</b>	<b>50.68%</b>

\* Rounded off

# The number for % change in promoter's shareholding as at 31 March 2021 is not relevant as not comparable with corresponding previous period, refer note 31.

(e) Others

During the year ended 31 March 2021, the Company had issued 159,281,139 fully paid-up equity shares of ₹1 each to the shareholders of the Demerged Company, for every one fully paid-up equity share of ₹1 each held by them in the Demerged Company for consideration other than cash pursuant to the Composite Scheme (refer note 31).

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Note 15. Nature and purpose of other equity**

- *Capital reserve*

Accumulated capital reserve not available for distribution of dividend and expected to remain invested permanently.

- *Treasury shares*

Treasury shares represents Company's own equity shares held by the Trust, which is created for the purpose of issuing equity shares to employees under Company's employee stock option plan.

- *Securities premium*

The unutilised accumulated balance represents excess of issue price over face value on issue of shares. This reserve is utilised in accordance with the provisions of the Act.

- *General reserve*

This represents appropriation of profit and is available for distribution of dividend.

- *Legal reserve*

This represents the statutory reserves created based on the requirements of local regulations. This reserve is not available for distribution.

- *Share options outstanding account*

This account used to recognise the grant date fair value of options issued to eligible employees pursuant to the Company's employee stock option plan.

- *Retained earnings*

Retained earnings represent the amount of accumulated earnings and re-measurement differences on defined benefit plans recognised in OCI within equity.

- *Equity instrument through OCI*

The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated as financial instrument through OCI within equity. The Group transfers amount therefrom to retained earnings when the relevant equity securities are derecognised.

- *Foreign currency translation reserve*

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the Group disposes or partially disposes off its interest in a foreign operation through sale, liquidation, repayment of share capital or abandonment of all, or part of, that entity.

Also refer note 31.

**Note 16. (a) Non-current borrowings**

(₹ in million)

	As at	
	31 March 2022	31 March 2021
<b>Secured debentures</b>		
Secured rated listed non-convertible debentures	996.91	996.91
<b>Term loans</b>		
<b>From banks</b>		
Indian rupee loans (secured)	-	3,561.47
<b>Total non-current borrowings</b>	<b>996.91</b>	<b>4,558.38</b>
Add: Current maturities of non-current borrowings (secured) (refer note 16 (b))	-	896.59
<b>Total non-current borrowings (including current maturities)</b>	<b>996.91</b>	<b>5,454.97</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

## Note 16. (b) Current borrowings

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
<b>Loans repayable on demand</b>		
<b>From banks</b>		
Secured	790.64	-
Unsecured	500.00	-
Current maturities of non-current borrowings (refer note 16 (a))	-	896.59
<b>Total current borrowings</b>	<b>1,290.64</b>	<b>896.59</b>

## 16.1 Nature of security of non-current borrowings and other terms of repayment as at 31 March 2022

## Parent Company

16.1.1 Indian rupee term loans amounting to ₹ Nil (31 March 2021: ₹1,350.00 million) from The Hongkong and Shanghai Banking Corporation Limited, Indian rupee term loans amounting to ₹ Nil (31 March 2021: ₹3,128.13 million) from ICICI Bank Limited and Secured rated listed redeemable non-convertible debentures ("NCDs") amounting to ₹1,000.00 million (31 March 2021: ₹1,000.00 million) are secured by a first pari-passu charge created amongst the lenders by way of:

- 1) First pari passu charge on all the immovable property, plant and equipment owned by the Company, situated at Bhartiagram, Tehsil Dhanora, District Amroha, Uttar Pradesh, India ("Immovable secured assets") but excluding the immovable property, plant and equipment described in (A) below ("Excluded immovable assets"). The details of the immovable secured assets to be charged/mortgaged to secure the facilities is more particular described in (B) below.

## A. Excluded Immovable Assets:

- (1) Land measuring 90,124.24 square meters together with all the buildings and structures thereon situated in the revenue estate of Village Naipura Khadar and Tigariya Bhoor, Tehsil Dhanora, District Amroha, Uttar Pradesh, India, which land is covered under common title deeds with other group companies of the Company;
- (2) Land measuring 5.56 acres (equivalent to 2.253 hectares) together with all the buildings and structures thereon situated in the revenue estate of Village Fazalpur Gosai, Tehsil Dhanora, District Amroha, Uttar Pradesh, India; and
- (3) Leasehold land, being plot no. A-4/2 measuring 157,509 square meters, together with all the buildings and structures thereon situated in UPSIDC Industrial Area II, Gajraula, Tehsil Dhanora, District Amroha, Uttar Pradesh, India, which land is covered under common lease deed with other group companies of the Company;

## B. Immovable Secured Assets:

- (1) Land admeasuring 32.77 Acres or 13.268 Hectares situated in the revenue estate of Villages Naipura Khader, Tehsil Hasanpur (now Pargana and Tehsil Dhanora), District Moradabad (now District Amroha), Uttar Pradesh, together with buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth;
- (2) Land admeasuring 154.28 Acres or 62.448 Hectares situated in the revenue estate of Village Tigariya Bhoor, Tehsil Dhanera, District Amroha, Uttar Pradesh, together with buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth;
- (3) Land admeasuring 95.46 Acres or 38.648 Hectares situated in the revenue estate of Village Shahbajpur Dor, Tehsil and Pargana Hasanpur (now Dhanera), District Amroha (early in Moradabad), Uttar Pradesh, together with buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth;
- (4) Land admeasuring 28.904 Hectare or 71.39 Acres, situated in the revenue estate of Village Rasoolpur Khader, Tehsil Dhanaura, District Moradabad (now District Amroha), Uttar Pradesh, together with buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth;
- (5) Land admeasuring 48,576 square meters or 12 Acres or 4.856 Hectares situated in the revenue estate of Villages Sadullapur, Naipura Khadar, Sahabazpur Dor, Tehsil Hasanpur (now Pargana & Tehsil Dhanora), District Amroha, Uttar Pradesh, together with buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth.

- 2) First pari passu charge over entire movable property, plant and equipment of the company, both present and future.
- 3) First pari passu charge over the land and building of the office premises located at 1A, Sector 16A, Noida- Uttar Pradesh-201301.

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

- 16.1.2 7.90% Non-convertible debentures amounting to ₹1,000.00 million (31 March 2021: ₹1,000.00 million) are repayable in single installment in June 2023.
- 16.1.3 Indian rupee term loan amounting to ₹ Nil (31 March 2021: ₹3,128.13 million) repayable in 15 structured quarterly installments from June 2021, from ICICI Bank Limited has been fully repaid during the year.
- 16.1.4 Indian rupee term loan amounting to ₹ Nil (31 March 2021: ₹1,350.00 million) repayable in 16 equal quarterly installments from April 2021, from The Hongkong and Shanghai Banking Corporation Limited has been fully repaid during the year.
- 16.1.5 Refer note 31 for borrowing transferred from Jubilant Pharmova Limited pursuant to the Composite Scheme, during the year ended 31 March 2021.

The term loans carry floating interest rate calculated in accordance with the terms of the arrangement which is a specified benchmark rate (reset at periodic intervals), adjusted for agreed spread. During the year ended 31 March 2022, the interest rate on Indian rupees loans range from 6.25% to 7.40% per annum (31 March 2021: 6.25% to 7.20% per annum).

**16.2 Nature of security of current borrowings and other terms of repayment as at 31 March 2022****Parent company**

- 16.2.1 Working capital facilities (including cash credit) sanctioned by consortium of banks are secured by a first charge by way of hypothecation, ranking pari-passu inter-se banks, of the entire book debts and receivables and inventories, both present and future, of the Company wherever the same may be or be held. Working capital loans are repayable as per terms of agreement within one year.
- 16.2.2 Short term loans and working capital facilities are availed in Indian rupees which carry floating interest rate calculated in accordance with the terms of the arrangement which is a specified benchmark rate (reset at periodic intervals), adjusted for agreed spread. During the year ended 31 March 2022, the interest rate on Indian currency loans range from 3.15% to 10.20% per annum (31 March 2021: 7.50% to 8.65% per annum).

**16.3 Assets pledged as security**

Assets with following carrying amounts are pledged as collateral/security against loans and borrowings at year end.

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Leasehold land and property, plant and equipment	15,236.08	15,073.14
Inventories	7,626.25	5,206.23
Trade receivables	5,850.78	4,802.85
	<b>28,713.11</b>	<b>25,082.22</b>

**16.(c) Reconciliation of movements of liabilities (borrowings, lease liabilities and interest accrued) to cash flows arising from financing activities**

(₹ in million)

	31 March 2022	31 March 2021
<b>As at beginning of the year</b>	<b>5,623.14</b>	-
Movement due to cash transactions as per the consolidated statement of cash flows	(3,543.38)	(723.65)
Transferred pursuant to the Composite Scheme (refer note 31)	-	6,237.81
Movement due to:		
- Finance costs expensed	309.37	73.29
- Finance costs capitalised	40.53	3.41
- Lease liabilities	14.39	26.58
- Others	-	5.70
<b>As at end of the year</b>	<b>2,444.05</b>	<b>5,623.14</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**16. (d) Borrowings secured against current assets**

The Group has given current assets (trade receivables and inventories) as security for working capital facilities of ₹12,500.00 million (31 March 2021: ₹12,500.00 million) obtained from consortium of banks. The quarterly stock statement filed by the Group in respect to the same is in agreement with the books of accounts of the Group.

**Note 17. Provisions**

	(₹ in million)			
	As at		As at	
	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Provision for employee benefits (refer note 32)	169.61	679.33	121.91	694.39
<b>Total provisions</b>	<b>169.61</b>	<b>679.33</b>	<b>121.91</b>	<b>694.39</b>

**Note 18. Trade payables**

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
<b>Current</b>		
Total outstanding dues of micro enterprises and small enterprises (refer note 30)	256.56	137.19
Total outstanding dues of creditors other than micro enterprises and small enterprises*	7,721.15	6,803.44
<b>Total trade payables</b>	<b>7,977.71</b>	<b>6,940.63</b>
*Amount payable to related parties included in the above (refer note 37)	98.26	62.31

**Trade payables ageing schedule:**

Ageing Schedule for trade payables outstanding as at 31 March 2022:

Particulars	Outstanding for following periods from due date of payment				Total
	(₹ in million)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME*	256.52	0.04	-	-	256.56
Others	5,957.02	8.77	-	-	5,965.79
Disputed dues - MSME*	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	<b>6,213.54</b>	<b>8.81</b>	-	-	<b>6,222.35</b>
Add: accrued expenses					1,755.36
<b>Total trade payables</b>					<b>7,977.71</b>

Ageing Schedule for trade payables outstanding as at 31 March 2021:

Particulars	Outstanding for following periods from due date of payment				Total
	(₹ in million)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME*	137.19	-	-	-	137.19
Others	4,970.23	-	-	-	4,970.23
Disputed dues - MSME*	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	<b>5,107.42</b>	-	-	-	<b>5,107.42</b>
Add: accrued expenses					1,833.21
<b>Total trade payables</b>					<b>6,940.63</b>

\* MSME as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).



## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Note 19. Other Current financial liabilities**

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Interest accrued	65.64	66.42
Unpaid dividend	1.50	-
Security deposit	27.00	25.45
Capital creditors*	363.89	282.08
Employee benefits payable	306.81	305.32
Other payables	5.96	-
<b>Total other current financial liabilities</b>	<b>770.80</b>	<b>679.27</b>

\* Includes outstanding dues of micro enterprises and small enterprises of ₹72.75 million (31 March 2021: ₹28.02 million)

**Note 20. Other current liabilities**

(₹ in million)

	As at	
	31 March 2022	31 March 2021
Contract liabilities	91.55	130.25
Statutory dues payables	129.57	103.27
<b>Total other current liabilities</b>	<b>221.12</b>	<b>233.52</b>

**Note 21. Revenue from operations**

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
Sale of products	49,134.79	6,788.52
Sale of services	9.53	1.17
Other operating revenue (refer note 42)	349.26	51.64
<b>Total revenue from operations</b>	<b>49,493.58</b>	<b>6,841.33</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

### 21.1 Disaggregation of revenue

In the following table, revenue from sale of product and services is disaggregated by primary geographical market and major products and service lines.

	For the year ended 31 March 2022			Total	For the year ended 31 March 2021			Total
	Speciality Chemicals	Nutrition and Health Solutions	Chemical Intermediates*		Speciality Chemicals	Nutrition and Health Solutions	Chemical Intermediates*	
<b>Primary geographical markets</b>								
India	6,732.53	1,785.82	22,743.88	<b>31,262.23</b>	811.32	263.92	3,054.91	<b>4,130.15</b>
Americas and Europe	4,335.25	4,411.30	4,310.41	<b>13,056.96</b>	827.20	646.81	306.75	<b>1,780.76</b>
China	1,295.47	384.40	-	<b>1,679.87</b>	189.66	88.91	-	<b>278.57</b>
Rest of the world	1,313.92	1,068.84	762.50	<b>3,145.26</b>	222.08	275.78	102.35	<b>600.21</b>
<b>Total</b>	<b>13,677.17</b>	<b>7,650.36</b>	<b>27,816.79</b>	<b>49,144.32</b>	<b>2,050.26</b>	<b>1,275.42</b>	<b>3,464.01</b>	<b>6,789.69</b>
<b>Major products/service lines</b>								
Pyridine and picolines#	6,140.18	-	-	<b>6,140.18</b>	910.20	-	-	<b>910.20</b>
Fine Chemicals, Crop protection chemicals, Custom development and manufacturing organisation	7,536.99	-	-	<b>7,536.99</b>	1,140.06	-	-	<b>1,140.06</b>
Nutrition and health ingredients, Animal and human nutrition and health solutions	-	7,650.36	-	<b>7,650.36</b>	-	1,275.42	-	<b>1,275.42</b>
Acetyls# / Speciality ethanol	-	-	27,816.79	<b>27,816.79</b>	-	-	3,464.01	<b>3,464.01</b>
<b>Total</b>	<b>13,677.17</b>	<b>7,650.36</b>	<b>27,816.79</b>	<b>49,144.32</b>	<b>2,050.26</b>	<b>1,275.42</b>	<b>3,464.01</b>	<b>6,789.69</b>

Reconciliation of the disaggregated revenue with the Group's reportable segments (refer note 36)

	For the year ended 31 March 2022			Total	For the year ended 31 March 2021			Total
	Speciality Chemicals	Nutrition and Health Solutions	Chemical Intermediates*		Speciality Chemicals	Nutrition and Health Solutions	Chemical Intermediates*	
Revenue from sale of products and services	13,677.17	7,650.36	27,816.79	<b>49,144.32</b>	2,050.26	1,275.42	3,464.01	<b>6,789.69</b>
Other operating revenue	248.91	22.54	77.81	<b>349.26</b>	32.46	4.58	14.60	<b>51.64</b>
<b>Total</b>	<b>13,926.08</b>	<b>7,672.90</b>	<b>27,894.60</b>	<b>49,493.58</b>	<b>2,082.72</b>	<b>1,280.00</b>	<b>3,478.61</b>	<b>6,841.33</b>

#### Notes:

\* The segment earlier presented as "Life Science Chemicals" has been renamed as "Chemical Intermediates"

# During the year ended 31 March 2022, the major product lines earlier presented as "Speciality ingredients" and "Life sciences ingredients" have been renamed as "Pyridine and picolines" and "Acetyls" respectively.

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

## 21.2 Contract balances

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Trade receivables	5,809.14	4,710.32
Contract liabilities	91.55	130.25

The amount of ₹130.25 million recognised in contract liabilities as at 31 March 2021 has been recognised as revenue for the year ended 31 March 2022.

## 21.3 Reconciliation of revenue recognised with the contracted price is as follows:

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Contracted price	49,192.50	6,810.35
Reductions towards discount and rebates	(48.18)	(20.66)
<b>Revenue recognised</b>	<b>49,144.32</b>	<b>6,789.69</b>

The reduction towards variable consideration comprises of volume discounts, price discounts, etc.

## Note 22. Other income

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Interest income	11.98	5.58
Other non-operating income*	302.96	20.43
<b>Total other income</b>	<b>314.94</b>	<b>26.01</b>

\* Primarily comprises of cross-charge income from group entities.

## Note 23. Cost of materials consumed

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Raw materials consumed	27,981.35	3,634.79
<b>Total cost of materials consumed</b>	<b>27,981.35</b>	<b>3,634.79</b>

## Note 24. Changes in inventories of finished goods, stock-in-trade and work-in-progress

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
<b>Opening balance</b>		
Work-in-progress	803.71	-
Finished goods	2,278.33	-
<b>Total opening balance</b>	<b>3,082.04</b>	-
<b>Transferred pursuant to the Composite Scheme (refer note 31)</b>	-	<b>2,987.02</b>
<b>Closing balance</b>		
Work-in-progress	1,377.57	803.71
Finished goods	3,159.08	2,278.33
<b>Total closing balance</b>	<b>4,536.65</b>	<b>3,082.04</b>
Increase in inventories of finished goods, stock-in-trade and work-in-progress	(1,454.61)	(95.02)
Adjustment on account of capitalisation	3.85	-
Foreign currency translation adjustment	0.06	(0.07)
<b>Total changes in inventories of finished goods, stock-in-trade and work-in-progress</b>	<b>(1,450.70)</b>	<b>(95.09)</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Note 25. Employee benefits expense**

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Salaries, wages, bonus, gratuity and allowances	2,912.59	439.78
Contribution to provident fund and other funds	152.44	24.44
Share-based payment expense	14.48	-
Staff welfare expenses	193.33	26.00
<b>Total employee benefits expense</b>	<b>3,272.84</b>	<b>490.22</b>

**Note 26. Finance costs**

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Interest expense	270.93	69.82
Other finance costs	38.44	3.47
<b>Total finance costs (1)</b>	<b>309.37</b>	<b>73.29</b>

**Note:**

(1) Refer note 42(c) for finance costs capitalised.

**Note 27. Depreciation and amortisation expense**

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Depreciation of property, plant and equipment	1,180.09	212.37
Depreciation of right-of-use assets	35.30	4.89
Amortisation of intangible assets	18.46	3.36
<b>Total depreciation and amortisation expense</b>	<b>1,233.85</b>	<b>220.62</b>

**Note 28. Other expenses**

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Power and fuel	4,682.34	517.14
Consumption of stores and spares and packing materials	1,643.42	314.32
Processing charges	280.88	53.58
Rent	16.15	4.79
Rates and taxes	64.51	11.02
Insurance	134.92	16.53
Advertisement, publicity and sales promotion	9.08	1.78
Traveling and conveyance	65.46	6.29
Repairs and maintenance:		
i. Plant and equipment	651.95	154.34
ii. Buildings	45.55	14.77
iii. Others	175.79	22.99
Office expenses	137.27	23.18
Vehicle running and maintenance	21.54	3.69
Printing and stationery	12.29	3.46
Telephone and communication charges	20.66	2.52
Staff recruitment and training	27.48	3.25

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

## Note 28. Other expenses (continued)

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Donation (refer note 41)	2.40	0.50
Corporate social responsibility expenditure (refer note 41)	5.60	-
Payments to statutory auditors	9.71	4.60
Legal and professional	292.90	40.16
Freight and forwarding (including ocean freight)	1,190.72	211.27
Directors' sitting fees	4.41	-
Directors' commission	5.96	-
Subscription fees	24.29	4.99
Sales commission	48.69	6.56
Loss on sale/disposal/discard of property, plant and equipment (net)	94.77	-
Allowance for expected credit loss	11.71	4.84
Net foreign exchange loss	161.79	33.41
Miscellaneous expenses	118.91	20.37
<b>Total other expenses</b>	<b>9,961.15</b>	<b>1,480.35</b>

## Note 29. Income tax

29.1 The major components of income tax expense for the years ended 31 March 2022 and 31 March 2021 are:

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
<b>Consolidated Statement of Profit and Loss</b>		
<b>Current tax:</b>		
Current income tax charge for the year	1,255.37	133.57
Adjustments in respect of current income tax of previous years	(4.34)	-
	<b>1,251.03</b>	<b>133.57</b>
<b>Deferred tax:</b>		
Deferred tax charge for the year	1,042.09	96.71
Adjustments in respect of deferred tax of previous years	29.18	-
	<b>1,071.27</b>	<b>96.71</b>
<b>Income tax expense reported in the Consolidated Statement of Profit and Loss</b>	<b>2,322.30</b>	<b>230.28</b>
<b>Other comprehensive income</b>		
<b>Deferred tax:</b>		
Tax related to items that will not be reclassified to profit and loss	5.92	1.23
<b>Income tax benefit</b>	<b>5.92</b>	<b>1.23</b>

29.2 Reconciliation between average effective tax rate and applicable tax rate for the year:

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Profit before tax	7,089.41	773.87
At statutory income tax rate of 34.944% (31 March 2021: 34.944%)*	2,477.32	270.42
- Effect of non-deductible expenses and exempt income	(122.24)	(35.71)
- Effect of prior year's adjustments	24.84	-
- Effect of lower tax rate on temporary difference	(30.77)	16.22
- Difference in other countries tax rates	15.19	(25.43)
- Others	(42.04)	4.78
<b>Income tax expense reported in the Consolidated Statement of Profit and Loss</b>	<b>2,322.30</b>	<b>230.28</b>

\* The statutory income tax rate is of the Holding Company

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Note 30. Micro, small and medium enterprises**

(₹ in million)

	As at	
	31 March 2022	31 March 2021
The principal amount remaining unpaid to any supplier as at the end of the year	329.31	165.21
The interest due on principal amount remaining unpaid to any supplier as at the end of the year	0.03	-
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year	0.75	-
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 MSMED Act	0.43	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

The information as required to be disclosed in relation to micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Indian entities.

**Note 31. Composite scheme of arrangement**

During the year ended 31 March 2021, a Composite Scheme of Arrangement ("Composite Scheme") for amalgamation of certain promoter controlled entities into Jubilant Pharmova Limited ("JPM"), the Demerged Company and demerger of the Life Science Ingredients business ("LSI business") into the Company, was approved by Honourable National Company Law Tribunal ("NCLT"), Allahabad Bench vide its order dated 23 December 2020 (formal order received on 6 January 2021). The said NCLT order was filed with the Registrar of Companies ("ROC") by the Company and the Demerged Company on 1 February 2021 thereby making the Composite Scheme effective. In terms of the Composite Scheme, all assets and liabilities of the LSI business of the Demerged Company were transferred and vested into the Company on 1 February 2021, being the Demerger Appointed Date.

*Accounting of transfer of LSI business as per approved Composite Scheme:*

- (i) The assets and liabilities pertaining to the LSI business, transferred to and vested in the Company pursuant to the Composite Scheme were recorded at their respective carrying values as appearing in the books of the Demerged Company.
- (ii) The Company issued 159,281,139 fully paid-up equity shares of ₹1 each to the shareholders of the Demerged Company, for every one fully paid-up equity share of ₹1 each held by them in the Demerged Company.
- (iii) The pre-demerger shareholding of the Demerged Company in the Company comprising of 500,000 fully paid-up equity shares of ₹1 each, was cancelled.
- (iv) The equity share capital account was credited with the aggregate face value of the shares issued to the shareholders pursuant to the Composite Scheme and the difference was accounted in appropriate reserves within "Other equity".

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Note 31(a).** The book value of assets and liabilities transferred and vested into the Company as at the appointed date were as under:

	(₹ in million)
	Amount
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	17,513.30
Capital work-in-progress	639.93
Intangible assets	104.58
Intangible assets under development	30.10
Right-of-use assets	470.45
Financial assets	
i. Investments	427.66
ii. Loans	5.38
iii. Other financial assets	132.40
Deferred tax assets (net)	131.93
Income tax assets (net)	33.60
Other non-current assets	25.92
<b>Total non-current assets</b>	<b>19,515.25</b>
<b>Current assets</b>	
Inventories	5,721.17
Financial assets	
i. Trade receivables	4,691.96
ii. Cash and cash equivalents	769.36
iii. Other bank balances	192.69
iv. Loans	5.87
v. Other financial assets	205.05
Other current assets	1,599.93
<b>Total current assets</b>	<b>13,186.03</b>
<b>Total assets (A)</b>	<b>32,701.28</b>
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
Financial liabilities	
i. Borrowings	5,184.48
ii. Lease liabilities	59.83
Provisions	640.69
Deferred tax liabilities (net)	191.39
<b>Total non-current liabilities</b>	<b>6,076.39</b>
<b>Current liabilities</b>	
Financial liabilities	
i. Borrowings	889.93
i. Lease liabilities	17.48
ii. Trade payables	6,118.49
iii. Other financial liabilities	506.89
Other current liabilities	261.94
Provisions	170.55
Current tax liabilities (net)	22.44
<b>Total current liabilities</b>	<b>7,987.72</b>
<b>Total liabilities (B)</b>	<b>14,064.11</b>
<b>Net assets transferred (A) - (B)</b>	<b>18,637.17</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Note 31(b).** For the year ended 31 March 2021, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flows of the Company included figures of LSI business comprising two months of operations effective 1 February 2021. Further, in order to present the actual scale of operation of the LSI business for financial year ended 31 March 2021, the management had presented, in addition to, the consolidated statement of profit and loss of the Company comprising two months of operations effective 1 February 2021, consolidated financial information of the demerged LSI business till 31 January 2021. The said financial information for the period 1 April 2020 to 31 January 2021, was extracted from the discontinued operations disclosure in the audited financial statement of the Demerged Company, for the year ended 31 March 2021, which had not been separately subjected to audit or review and was presented as 'unaudited' supplementary information, as below:

Particulars	(₹ in million)
	For the year ended 31 March 2021 (10 months) (Unaudited)
i) Total revenue from operations	28,069.78
ii) Other income	122.00
iii) Total income	28,191.78
iv) Total expenses	24,782.44
v) Profit before exceptional items and tax	3,409.34
vi) Profit before tax	3,409.34
vii) Tax expenses	791.81
viii) Net profit for the period	2,617.53

**Note 31. (c)** In order to present the financial ratios for the comparative year, the Group has considered full year the financial numbers for the year ended 31 March 2021 i.e. 2 months of actual operation and 10 months of operation for LSI business pertaining to Jubilant Pharmova Limited. Further, certain numbers of balance sheet for the year ended 31 March 2020 has also been extracted from the disclosure in the audited financial information of Jubilant Pharmova Limited for the year ended 31 March 2020. The said information has not been separately subjected to audit or review and was presented as 'unaudited' supplementary information, as below:

	(₹ in million)
Financials information for the period ended 1 April 2020 to 31 January 2021 (10 months)	Unaudited
Cost of materials consumed	13,240.56
Purchases of stock-in-trade	834.36
Changes in inventories of finished goods, stock-in-trade and work-in-progress	589.90
Employee benefits expense	2,499.51
Finance costs	631.92
Depreciation and amortisation expense	1,027.01
Other expenses	5,959.18
Other non-cash expenses and donations (included in other expenses)	65.42
Financials information for the year ended 31 March 2020	Unaudited
Trade receivables	3,802.56
Investments	436.03
Inventories	7,288.89
- Work-in-progress (included in total inventory)	1,169.48
- Finished goods (included in total inventory)	2,403.93
Trade payables	6,031.09



## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Note 32. Employee benefits****(A) Defined contribution plans****Parent Company including Indian subsidiaries**

The Group entities located in India have certain defined contribution plans such as provident fund, employee state insurance and employee pension scheme wherein specified percentage is contributed to these plans. During the year, the Group has contributed following amounts to:

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Employer's contribution to provident fund	110.57	15.80
Employer's contribution to employee's pension scheme	29.28	4.78
Employer's contribution to employee state insurance	0.28	0.06

**Foreign subsidiaries**

- a. The subsidiary located in United States of America ("USA") have a 401(k) plan, where eligible employees are permitted to participate in the defined contribution plan. Participants may voluntarily contribute eligible pre-tax and post-tax compensation of up to 100% of their annual compensation in accordance with the annual limits as determined by the Internal Revenue Service (IRS). Employees at or above the age of 50 may choose to contribute additional compensation as "catch-up" contributions in accordance with the IRS annual limits. Employees receive a 100% match of their contributions up to 3% of their eligible compensation and 50% match of their contributions over 3% upto 5% of their eligible compensation. The Company's matching contributions vest 100% immediately for all employees in the USA. The said subsidiary has contributed ₹1.19 million and ₹0.20 million for the years ended 31 March 2022 and 31 March 2021, respectively.
- b. The subsidiary located in Belgium contribute to social security fund named as RijksSocialeZekerheid (RSZ). Under the plan, the employees have to contribute 13% of their compensation and the subsidiary makes a contribution of 33.33% of the employee's annual compensation. The said subsidiary has contributed ₹ Nil and ₹0.03 million for the years ended 31 March 2022 and 31 March 2021, respectively.

**(B) Defined benefit plans****Parent Company including Indian subsidiaries***i. Gratuity*

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed is 7.20% p.a. (31 March 2021: 6.80% p.a.) which is determined by reference to market yield on Government bonds at the Balance Sheet date. The retirement age has been considered at 58 years (31 March 2021: 58 years) and mortality table is as per IALM (2012-14) (31 March 2021: IALM (2012-14)). Expected average remaining working lives of employees are 16.95 years (31 March 2021: 16.58 years).

The estimates of future salary increases, considered in actuarial valuation is 10% p.a., for first three years and 6% p.a. thereafter (31 March 2021: 10% p.a. for first three years and 6% p.a. thereafter), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plan assets are maintained with Life Insurance Corporation of India in respect of gratuity scheme for certain employees of the Group. The details of investments maintained by Life Insurance Corporation are not available with the Group, hence not disclosed. The expected rate of return on plan assets is 7.20% p.a. (31 March 2021: 6.80% p.a.).

**(C) Risk exposures:**

These plans typically expose the Group to the following actuarial risks:

*Salary risk:* The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

*Interest rate risk:* A fall in the discount rate, which is linked, to the G-Sec rate will increase the present value of the liability requiring higher provision.

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

*Investment risk:* The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit.

*Mortality risk:* Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

*Reconciliation of opening and closing balances of the present value of the defined benefit obligation:*

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
<b>Present value of obligation at the beginning of the year</b>	573.38	-
Transferred pursuant to the Composite Scheme (refer note 31)	-	584.01
Employees transferred to/from group entities	3.49	-
Current service cost	48.07	7.57
Interest cost	38.99	6.29
Actuarial loss	16.81	3.45
Benefits paid	(72.48)	(27.94)
<b>Present value of obligation at the end of the year</b>	<b>608.26</b>	<b>573.38</b>

*Fair value of plan assets\*\*:*

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
<b>Plan assets at the beginning of the year</b>	3.44	-
Plan assets transferred pursuant to the Composite Scheme (refer note 31)	-	3.40
Expected return on plan assets	0.23	0.04
Contribution by employer	0.37	-
Benefits paid	(2.61)	-
Actuarial loss	(0.11)	-
<b>Plan assets at the end of the year</b>	<b>1.32</b>	<b>3.44</b>

\*\*In respect of one location, the plan assets were invested in insurer managed funds.

*Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:*

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Present value of obligation at the end of the year	608.26	573.38
Fair value of plan assets at the end of the year	(1.32)	(3.44)
<b>Net liabilities recognised in the Consolidated Balance Sheet</b>	<b>606.94</b>	<b>569.94</b>

Group's best estimate of contribution during next year is ₹95.63 million (31 March 2021: ₹88.16 million).

*Expense recognised in the Consolidated Statement of Profit and Loss under employee benefits expense:*

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Current service cost	48.07	7.57
Interest cost	38.76	6.25
<b>Expense recognised in the Consolidated Statement of Profit and Loss</b>	<b>86.83</b>	<b>13.82</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

Amount recognised in the other comprehensive income:

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Actuarial (gain)/loss due to demographic assumption change	(0.02)	0.03
Actuarial (gain)/loss due to financial assumption change	(11.30)	1.54
Actuarial loss due to experience adjustment	28.24	1.88
<b>Amount recognised in the other comprehensive income</b>	<b>16.92</b>	<b>3.45</b>

Sensitivity analysis of the defined benefit obligation:

Discount rate

	(₹ in million)			
	31 March 2022		31 March 2021	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit plan	(14.48)	15.24	(13.69)	14.40

Future salary increase

	(₹ in million)			
	31 March 2022		31 March 2021	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit plan	15.25	(14.61)	14.36	(13.78)

The sensitivity analysis above has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

The table below summarises the maturity profile of the defined benefit obligations:

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Within one year	129.46	88.94
Between one to three years	131.67	159.50
Between three to five years	103.65	97.83
Later than five years	243.48	227.11
	<b>608.26</b>	<b>573.38</b>

(D) Other long-term employee benefits (compensated absences):

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Present value of obligation at the end of the year	242.00	246.36

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

## Note 33. Fair value measurements

(₹ in million)						
	Notes	Level of hierarchy	Carrying Value as at		Fair Value as at	
			31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Financial assets</b>						
<b>FVTOCI</b>						
Investments in quoted equity instruments	(c)	1	23.33	9.38	23.33	9.38
Investments in other equity instruments	(d)	3	9.57	471.41	9.57	471.41
<b>Amortised cost</b>						
Trade receivables	(a)		5,809.14	4,710.32	5,809.14	4,710.32
Loans	(a, b)		9.51	10.35	9.51	10.35
Cash and cash equivalents	(a)		376.08	733.42	376.08	733.42
Other bank balances	(a)		109.20	432.62	109.20	432.62
Other financial assets	(a, b)		812.32	709.01	812.32	709.01
<b>Total financial assets</b>			<b>7,149.15</b>	<b>7,076.51</b>	<b>7,149.15</b>	<b>7,076.51</b>
<b>Financial liabilities</b>						
<b>Amortised cost</b>						
Secured rated listed non-convertible debentures	(c)		996.91	996.91	1,000.00	1,000.00
Other borrowings	(a, c)		1,290.64	4,458.06	1,290.64	4,591.85
Lease liabilities	(a)		90.86	101.75	-	-
Trade payables	(a)		7,977.71	6,940.63	7,977.71	6,940.63
Other financial liabilities	(a)		770.80	679.27	770.80	679.27
<b>Total financial liabilities</b>			<b>11,126.92</b>	<b>13,176.62</b>	<b>11,039.15</b>	<b>13,211.75</b>

The following methods/assumptions were used to estimate the fair values:

- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments. Further, the fair value disclosure of lease liabilities is not required.
- Fair valuation of non-current financial assets has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.
- Fair value of quoted financial instruments (including listed non-convertible debentures) is based on quoted market price at the reporting date. The fair value of other long-term borrowings is estimated by discounting future cash flows using current rates (applicable to instruments with similar terms, currency, credit risk and remaining maturities) to discount the future payouts.
- The fair value is determined by using the net assets value method with observable/non-observable inputs and assumptions. Costs of certain unquoted equity instruments not held for trading have been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. A change in assumption resulting in 5% increase or decrease in the value of the underlying assets would have effected increase or decrease in the value of investment by ₹0.39 million (31 March 2021: ₹0.33 million)

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2022 and 31 March 2021

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Reconciliation of Level 3 fair value measurement:**

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
<b>Opening balance</b>	<b>471.41</b>	-
Acquired pursuant to the Composite Scheme (refer note 31)	-	416.65
Proceeds from sale of investments	(1,355.18)	-
Gain recognised in other comprehensive income	895.75	53.65
Foreign currency translation adjustment	(2.41)	1.11
<b>Closing balance</b>	<b>9.57</b>	<b>471.41</b>

**Note 34. Financial risk management****Risk management framework**

The Parent Company's board of directors have overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversees the formulation and implementation of the risk management policies. The risks are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

The Group has exposure to the following risks arising from financial instruments:

- credit risk (see (i));
- liquidity risk (see (ii)); and
- market risk (see (iii)).

*i. Credit risk*

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans and investments and other financial assets. The carrying amount of financial assets represents the maximum credit exposure.

*Trade receivables and other financial assets*

The Group has established a credit policy under which each new customer is analysed individually for credit worthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are institutional, dealers or end-user customer, their geographic location, industry, trade history with the Group and existence of previous financial difficulties.

As at 31 March 2022 and 31 March 2021, there is no major customer in terms of credit risk for the Group.

*Expected credit loss with respect to trade receivables:*

With respect to trade receivables, based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more than 6 months (net of expected credit loss allowance) is ₹5.92 million (31 March 2021: ₹22.43 million).

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

Movement in the expected credit loss allowance of trade receivables are as follows:

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
<b>Balance at the beginning of the year</b>	<b>49.76</b>	-
Transferred pursuant to the Composite Scheme (refer note 31)	-	46.29
Add: Impairment recognised during the year (net of reversal)	11.71	4.84
Less: Receivables written off *	(36.75)	(1.37)
<b>Balance at the end of the year</b>	<b>24.72</b>	<b>49.76</b>

\* Receivable are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a payment plan with the Group.

Expected credit loss with respect to other financial asset:

With regards to all financial assets with contractual cash flows, other than trade receivables, management believes these to be high quality assets with negligible credit risk. The management believes that the parties, from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no allowance for expected credit loss has been provided on these financial assets.

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's treasury department is responsible for managing the short-term and long-term liquidity requirements. Short-term liquidity situation is reviewed daily by the treasury department. Long-term liquidity position is reviewed on a regular basis by the Company's Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and exclude the impact of netting agreements.

As at 31 March 2022	Carrying Amount	(₹ in million)			
		Contractual cash flows (2)			
		Total	Within 1 year	1 - 2 year	More than 2 year
<b>Non-derivative financial liabilities</b>					
Borrowings (1)	2,287.55	2,290.64	1,290.64	1,000.00	-
Lease liabilities	90.86	90.86	24.09	23.54	43.23
Trade payables	7,977.71	7,977.71	7,977.71	-	-
Other financial liabilities	770.80	770.80	770.80	-	-

As at 31 March 2021	Carrying Amount	(₹ in million)			
		Contractual cash flows (2)			
		Total	Within 1 year	1 - 2 year	More than 2 year
<b>Non-derivative financial liabilities</b>					
Borrowings (1)	5,454.97	5,478.13	906.25	1,190.63	3,381.25
Lease liabilities	101.75	101.75	20.90	20.98	59.87
Trade payables	6,940.63	6,940.63	6,940.63	-	-
Other financial liabilities	679.27	679.27	679.27	-	-

Notes:

- (1) Carrying amount presented as net of unamortised transaction cost.
- (2) Contractual cash flows exclude interest payable.

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

## iii. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

*Currency risk*

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of the Group entities. The functional currency of the Group entities are primarily INR, USD and EUR. The currencies in which these transactions are primarily denominated are USD, EUR and INR.

The Group follows a natural hedge driven currency risk mitigation policy, to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are planned, including but not limited to, entering into forward contracts and interest rate swaps.

*Exposure to currency risk*

The summary quantitative data about the Group's exposure (unhedged) to currency risk as reported to the management of the Group is as follows:

	(₹ in million)					
	As at 31 March 2022			As at 31 March 2021		
	USD	EUR	Others	USD	EUR	Others
Cash and cash equivalents	48.83	-	0.01	30.42	-	0.01
Trade receivables	2,011.98	834.42	-	1,290.42	568.32	-
Other financial assets	86.88	9.48	-	0.04	9.17	-
Trade payables	(4,186.85)	(25.01)	(0.06)	(4,098.19)	(27.12)	(0.30)
Borrowings	(1,455.22)	-	-	(87.74)	-	-
Other financial liabilities	(21.20)	-	-	-	-	-
<b>Net exposure</b>	<b>(3,515.58)</b>	<b>818.89</b>	<b>(0.05)</b>	<b>(2,865.05)</b>	<b>550.37</b>	<b>(0.29)</b>

*Sensitivity analysis*

A reasonably possible strengthening/weakening of the EUR, USD, INR or other currencies against all other currencies at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact on forecast sales and purchases.

	(₹ in million)	
	Profit or loss (before tax)	
	Strengthening	Weakening
<b>31 March 2022</b>		
USD (5% movement)	(175.78)	175.78
EUR (5% movement)	40.94	(40.94)
<b>31 March 2021</b>		
USD (5% movement)	(143.25)	143.25
EUR (5% movement)	27.52	(27.52)
Other (5% movement)	(0.01)	0.01

*Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in INR with a mix of fixed and floating rates of interest. The Group has exposure to interest rate risk, arising principally on changes in base lending rate. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

### Exposure to interest rate risk

The interest rate profile of the Group's interest bearing financial instruments, as reported to the management of the Group is as follows:

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Fixed-rate borrowings	1,000.00	1,000.00
Floating rate borrowings	1,290.64	4,478.13
	<b>2,290.64</b>	<b>5,478.13</b>

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 25 basis points higher or lower and all other variables were held constant, the Group's profit before tax for the year ended 31 March 2022 would decrease or increase by ₹3.23 million (31 March 2021: ₹11.20 million). This is mainly attributable to the Group's exposure to interest rates on its floating rate borrowings.

## Note 35. Capital management

### (a) Risk management

The Group's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio:

'Net debt' (total borrowings net of cash and cash equivalents and other bank balances) divided by 'Total equity' (as shown in the Consolidated Balance Sheet).

The gearing ratios were as follows:

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021
Net debt	1,802.27	4,288.93
Total equity	24,331.22	19,229.39
<b>Net debt to equity ratio</b>	<b>0.07</b>	<b>0.22</b>

### (b) Dividends

	(₹ in million)	
	31 March 2022	31 March 2021
<b>Equity shares</b>		
Interim dividend of ₹2.50 per equity share for the year ended 31 March 2022 and final dividend of ₹0.35 per equity share for the year ended 31 March 2021	453.95	-

The Board of Directors of the Parent Company at their meeting held on 17 May 2022 have recommended a final dividend of ₹2.50 (250%) per equity share of ₹1 each amounting to ₹398.20 million for the year ended 31 March 2022 subject to approval in ensuing Annual General Meeting. During the year ended 31 March 2022, the Parent Company has already declared an interim dividend of ₹2.50 per equity share of ₹1 each and hence, the total dividend for the year ended 31 March 2022 is amounting to be ₹796.40 million i.e. ₹5.00 (500%) per equity share of ₹1.



## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Note 36. Segment information****Business segments**

The CEO and Managing Director of the Parent Company have been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 "Operating Segments". Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of each segment and to make decision about allocation of resources. Accordingly, the Group has determined reportable segments by the nature of its products and services, which are as follows:

- a. **Speciality chemicals:** i) Pyridine & Picolines# ii) Fine chemicals iii) Crop protection chemicals iv) Custom development and manufacturing organisation
- b. **Nutrition & Health solutions:** i) Nutrition and health ingredients ii) Animal and human nutrition health solutions
- c. **Chemical intermediates\*:** i) Acetyls# ii) Speciality ethanol

\* The segment earlier presented as "Life science chemicals" has been renamed as "Chemical intermediates"

# During the year ended 31 March 2022, the major product lines earlier presented as "Speciality ingredients" and "Life sciences ingredients" have been renamed as "Pyridine & Picolines" and "Acetyls" respectively.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the Consolidated Financial Statements of the Group as a whole.

No operating segments have been aggregated to form the above reportable operating segments.

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and not allocable to segments on reasonable basis have been included under 'unallocated revenue, expenses, assets, liabilities'.

Finance costs and fair value gains and losses on certain financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Borrowings, current taxes, deferred taxes and certain financial assets and liabilities are not allocated to the segments and have been included under 'unallocated assets or liabilities'.

Information related to each reportable segment is set out below. Segment results (profit before interest and tax) is used to measure performance because management believes that this information is most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

(₹ in million)

	For the year ended 31 March 2022			For the year ended 31 March 2021		
	Total segment revenue	Inter-segment revenue	Revenue from external customer	Total segment revenue	Inter-segment revenue	Revenue from external customer
<b>Revenue</b>						
Speciality Chemicals	17,242.08	3,316.00	13,926.08	2,595.70	512.98	2,082.72
Nutrition & Health Solutions	7,672.90	-	7,672.90	1,280.00	-	1,280.00
Chemical Intermediates	29,335.27	1,440.67	27,894.60	3,594.62	116.01	3,478.61
<b>Total segment revenue</b>	<b>54,250.25</b>	<b>4,756.67</b>	<b>49,493.58</b>	<b>7,470.32</b>	<b>628.99</b>	<b>6,841.33</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
<b>Results</b>		
Speciality Chemicals	2,454.30	347.71
Nutrition & Health Solutions	1,511.77	195.47
Chemical Intermediates	3,744.50	456.03
<b>Total segment results</b>	<b>7,710.57</b>	<b>999.21</b>
Un-allocated corporate expenses (net of un-allocated income)	323.77	157.63
Interest income	11.98	5.58
Finance costs	309.37	73.29
<b>Profit before tax</b>	<b>7,089.41</b>	<b>773.87</b>
Tax expense	2,322.30	230.28
<b>Profit for the year</b>	<b>4,767.11</b>	<b>543.59</b>

## Other information:

(₹ in million)

	Segment Assets		Segment Liabilities	
	As at		As at	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Speciality Chemicals	18,402.79	15,535.69	4,023.32	3,318.01
Nutrition & Health Solutions	5,226.00	4,415.98	1,432.44	721.52
Chemical Intermediates	13,277.10	12,026.49	4,380.65	4,660.07
<b>Segment total</b>	<b>36,905.89</b>	<b>31,978.16</b>	<b>9,836.41</b>	<b>8,699.60</b>
Un-allocated corporate assets/ liabilities	1,065.59	1,807.05	3,803.85	5,856.22
<b>Total assets and liabilities</b>	<b>37,971.48</b>	<b>33,785.21</b>	<b>13,640.26</b>	<b>14,555.82</b>

(₹ in million)

	Capital expenditure		Depreciation/Amortisation	
	For the year ended		For the year ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Speciality Chemicals	1,471.33	184.11	669.69	111.37
Nutrition & Health Solutions	114.34	25.22	130.42	25.55
Chemical Intermediates	810.71	218.71	424.10	82.25
<b>Segment total</b>	<b>2,396.38</b>	<b>428.04</b>	<b>1,224.21</b>	<b>219.17</b>
Un-allocated	14.27	-	9.64	1.45
<b>Total</b>	<b>2,410.65</b>	<b>428.04</b>	<b>1,233.85</b>	<b>220.62</b>

## Information about Geographical segments:

(₹ in million)

	For the year ended	
	31 March 2022	31 March 2021
<b>Revenue by geographical markets</b>		
India	31,611.49	4,181.79
Americas and Europe	13,056.96	1,780.76
China	1,679.87	278.57
Rest of the world	3,145.26	600.21
<b>Total</b>	<b>49,493.58</b>	<b>6,841.33</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

(₹ in million)

	As at	
	31 March 2022	31 March 2021
<b>Non-current assets (by geographical location of assets)*</b>		
Within India	19,992.18	18,885.56
Outside India	0.84	1.15
<b>Total</b>	<b>19,993.02</b>	<b>18,886.71</b>

\*Non-current assets are excluding financial assets, investments accounted for using the equity method and deferred tax assets.

**Note 37. Related Party Disclosures****1. Related parties with whom transactions have taken place:***a) Holding Company:*

Jubilant Pharmova Limited (up to 31 January 2021)

*b) Enterprise in which certain directors are interested:*

Jubilant Biosys Limited (w.e.f. 1 February 2021), Jubilant Agri and Consumer Products Limited, Jubilant Industries Limited, Jubilant Generics Limited (w.e.f. 1 February 2021), Jubilant Pharmova Limited (w.e.f. 1 February 2021), Jubilant Business Services Limited (w.e.f. 1 February 2021), Jubilant Enpro Private Limited, Jubilant FoodWorks Limited, Jubilant Consumer Private Limited, PSI Supply NV (w.e.f. 1 February 2021), Jubilant Pharmaceuticals NV (w.e.f. 1 February 2021), Safe Foods Corporation, USA (up to 21 September 2021), Jubilant HollisterStier LLC (w.e.f. 1 February 2021), Jubilant Pharma Holdings Inc. (w.e.f. 1 February 2021), TrialStat Solutions Inc. (w.e.f. 1 February 2021), Jubilant Discovery Services LLC (w.e.f. 1 February 2021), JOGPL Private Limited, Jubilant Industries Inc., USA, Jubilant Therapeutics India Limited (w.e.f. 1 February 2021), Jubilant Clinsys Limited (w.e.f. 1 February 2021), Jubilant DraxImage Limited (w.e.f. 1 February 2021), Jubilant First Trust Healthcare Limited (w.e.f. 1 February 2021), Jubilant Cadista Pharmaceuticals Inc (w.e.f. 1 February 2021). Jubilant DraxImage Inc. (w.e.f. 1 February 2021), Jubilant HollisterStier General Partnership (w.e.f. 1 February 2021).

Also refer note 31.

*c) Key management personnel (KMP):*

Mr. Rajesh Kumar Srivastava (w.e.f. 6 February 2021), Mr. Anant Pande (w.e.f. 6 February 2021), Mr. Prakash Chandra Bisht (w.e.f. 16 February 2021), Ms. Deepanjali Gulati (w.e.f. 4 August 2020).

*d) Non-executive directors:*

Mr. Shyam S. Bhartia (w.e.f. 6 February 2021), Mr. Hari S. Bhartia (w.e.f. 6 February 2021), Ms. Sudha Pillai (w.e.f. 6 February 2021), Mr. Arun Seth (w.e.f. 6 February 2021), Mr. Sushil Kumar Roongta (w.e.f. 6 February 2021), Mr. Pradeep Banerjee (w.e.f. 6 February 2021), Mr. Siraj Azmat Chaudhry (w.e.f. 6 February 2021), Ms. Ameeta Chatterjee (w.e.f. 17 April 2021)

*e) Associates:*

Mister Veg Foods Private Limited (w.e.f. 18 February 2021), AMP Energy Green Fifteen Private Limited (w.e.f. 8 October 2021).

*f) Others:*

Jubilant Bhartia Foundation

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

## 2. Transactions with related parties for the year ended 31 March 2022:

FY 2021-22						(₹ in million)
Sr. No.	Particulars	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Associates	Others	Total
	<b>Description of transactions:</b>					
<b>1.</b>	<b>Sales of goods and services:</b>					
	Safe Foods Corporation, USA	33.84				33.84
	Jubilant Biosys Limited	4.99				4.99
	Jubilant Generics Limited	2.49				2.49
	Jubilant FoodWorks Limited	3.10				3.10
	Jubilant Agri and Consumer Products Limited	207.34				207.34
		<b>251.76</b>				<b>251.76</b>
<b>2.</b>	<b>Rental and other income:</b>					
	Jubilant Biosys Limited	52.21				52.21
	Jubilant Generics Limited	154.13				154.13
	Jubilant Pharmova Limited	48.35				48.35
	Jubilant Business Services Limited	1.50				1.50
	Jubilant Enpro Private Limited	1.80				1.80
	Jubilant FoodWorks Limited	13.80				13.80
	Jubilant Agri and Consumer Products Limited	43.18				43.18
	Jubilant HollisterStier LLC	7.60				7.60
	Jubilant Cadista Pharmaceuticals Inc.	3.07				3.07
	Jubilant DraxImage Inc.	9.17				9.17
	Jubilant HollisterStier General Partnership	2.19				2.19
	Jubilant Therapeutics India Limited	0.55				0.55
	Jubilant Clinsys Limited	0.01				0.01
	Jubilant DraxImage Limited	0.01				0.01
	Jubilant First Trust Healthcare Limited	0.01				0.01
	Jubilant Pharma Holdings Inc.	0.58				0.58
	JOGLE Private Limited	0.31				0.31
	Jubilant Consumer Private Limited	2.84				2.84
		<b>341.31</b>				<b>341.31</b>
<b>3.</b>	<b>Sale of property, plant and equipment:</b>					
	Jubilant Biosys Limited	0.85				0.85
		<b>0.85</b>				<b>0.85</b>
<b>4.</b>	<b>Purchase of goods and services:</b>					
	Jubilant Bhartia Foundation				3.63	3.63
	Jubilant Pharmova Limited	128.90				128.90
	Jubilant Biosys Limited	0.21				0.21
	Jubilant Consumer Private Limited	1.97				1.97
	Jubilant FoodWorks Limited	0.08				0.08
	Jubilant Agri and Consumer Products Limited	118.00				118.00
		<b>249.16</b>			<b>3.63</b>	<b>252.79</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

FY 2021-22						(₹ in million)
Sr. No.	Particulars	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Associates	Others	Total
<b>5.</b>	<b>Recovery of expenses:</b>					
	Jubilant Pharma Holdings Inc.	0.42				0.42
	Jubilant Industries Inc., USA	0.41				0.41
	Jubilant Pharmova Limited	0.22				0.22
	Jubilant FoodWorks Limited	4.87				4.87
	Jubilant Generics Limited	4.87				4.87
	Jubilant Business Services Limited	0.04				0.04
	Jubilant Biosys Limited	64.30				64.30
	Jubilant Discovery Services LLC	0.05				0.05
	Jubilant Agri and Consumer Products Limited	1.71				1.71
		<b>76.89</b>				<b>76.89</b>
<b>6.</b>	<b>Reimbursement of expenses:</b>					
	Jubilant Pharmaceuticals NV	1.74				1.74
	Jubilant HollisterStier LLC	4.87				4.87
	Jubilant Pharma Holdings Inc.	2.90				2.90
	TrialStat Solutions Inc.	14.61				14.61
	Jubilant Generics Limited	6.91				6.91
	Jubilant FoodWorks Limited	2.15				2.15
	Jubilant Pharmova Limited	9.26				9.26
	Jubilant Enpro Private Limited	0.84				0.84
		<b>43.28</b>				<b>43.28</b>
<b>7.</b>	<b>Remuneration (including perquisites)* :</b>					
	Mr. Rajesh Kumar Srivastava		62.50			62.50
	Mr. Anant Pande		32.52			32.52
	Mr. Prakash Chandra Bisht		21.17			21.17
	Ms. Deepanjali Gulati		4.44			4.44
			<b>120.63</b>			<b>120.63</b>
<b>8.</b>	<b>Sitting fees:</b>					
	Mr. Sushil Kumar Roongta		0.82			0.82
	Ms. Sudha Pillai		0.68			0.68
	Mr. Pradeep Banerjee		0.93			0.93
	Mr. Siraj Azmat Chaudhry		0.91			0.91
	Mr. Arun Seth		0.69			0.69
	Ms. Ameeta Chatterjee		0.38			0.38
			<b>4.41</b>			<b>4.41</b>
<b>9.</b>	<b>Commission:</b>					
	Mr. Sushil Kumar Roongta		1.00			1.00
	Ms. Sudha Pillai		1.00			1.00
	Mr. Pradeep Banerjee		1.00			1.00
	Mr. Siraj Azmat Chaudhry		1.00			1.00
	Mr. Arun Seth		1.00			1.00
	Ms. Ameeta Chatterjee		0.96			0.96
			<b>5.96</b>			<b>5.96</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

FY 2021-22		(₹ in million)				
Sr. No.	Particulars	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Associates	Others	Total
<b>10.</b>	<b>Lease payments:</b>					
	Jubilant Biosys Limited	0.07				0.07
	Jubilant Agri and Consumer Products Limited	0.10				0.10
	Jubilant Pharmova Limited	11.72				11.72
		<b>11.89</b>				<b>11.89</b>
<b>11.</b>	<b>Donation:</b>					
	Jubilant Bhartia Foundation				2.40	2.40
					<b>2.40</b>	<b>2.40</b>
<b>12.</b>	<b>Corporate social responsibility expenses:</b>					
	Jubilant Bhartia Foundation				5.60	5.60
					<b>5.60</b>	<b>5.60</b>
<b>13.</b>	<b>Transfer in of employee related liabilities on transfer of employees:</b>					
	Jubilant Pharmova Limited	16.97				16.97
	Jubilant FoodWorks Limited	4.48				4.48
	Jubilant Generics Limited	0.16				0.16
	Jubilant Business Services Limited	0.59				0.59
	Jubilant Industries Limited	0.78				0.78
	Jubilant Agri and Consumer Products Limited	0.39				0.39
		<b>23.37</b>				<b>23.37</b>
<b>14.</b>	<b>Transfer out of employee related liabilities on transfer of employees:</b>					
	Jubilant Pharmova Limited	0.11				0.11
	Jubilant Generics Limited	3.72				3.72
		<b>3.83</b>				<b>3.83</b>
<b>15.</b>	<b>Transfer in of goods and service tax credits:</b>					
	Jubilant Pharmova Limited	286.10				286.10
		<b>286.10</b>				<b>286.10</b>
<b>16.</b>	<b>Investment in equity shares of associates:</b>					
	AMP Energy Green Fifteen Private Limited			5.83		5.83
				<b>5.83</b>		<b>5.83</b>
<b>17.</b>	<b>Investment in Compulsorily Convertible Debentures ("CCDS") of associates:</b>					
	AMP Energy Green Fifteen Private Limited			52.45		52.45
				<b>52.45</b>		<b>52.45</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

## 3. Outstanding balances with related parties as at 31 March 2022:

FY 2021-22						(₹ in million)
Sr. No.	Particulars	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Associates	Others	Total
<b>18.</b>	<b>Commission payable #:</b>					
	Mr. Sushil Kumar Roongta		1.00			1.00
	Ms. Sudha Pillai		1.00			1.00
	Mr. Pradeep Banerjee		1.00			1.00
	Mr. Siraj Azmat Chaudhry		1.00			1.00
	Mr. Arun Seth		1.00			1.00
	Ms. Ameeta Chatterjee		0.96			0.96
			<b>5.96</b>			<b>5.96</b>
<b>19.</b>	<b>Trade payables:</b>					
	Jubilant Bhartia Foundation				1.13	1.13
	Jubilant HollisterStier LLC	7.71				7.71
	Jubilant Pharma Holdings Inc.	18.27				18.27
	TrialStat Solutions Inc.	1.04				1.04
	Jubilant Enpro Private Limited	0.20				0.20
	Jubilant Generics Limited	9.73				9.73
	PSI Supply NV	1.26				1.26
	Jubilant Pharmova Limited	36.38				36.38
	Jubilant Consumer Private Limited	1.54				1.54
	Jubilant Industries Limited	2.92				2.92
	Jubilant Agri and Consumer Products Limited	1.77				1.77
	Jubilant Pharmaceuticals NV	16.31				16.31
		<b>97.13</b>			<b>1.13</b>	<b>98.26</b>
<b>20.</b>	<b>Capital advance against purchase of land:</b>					
	Jubilant Industries Limited	115.82				115.82
		<b>115.82</b>				<b>115.82</b>
<b>21.</b>	<b>Trade receivables:</b>					
	Jubilant Generics Limited	27.84				27.84
	Jubilant Food Works Limited	0.02				0.02
	Jubilant Industries Limited	0.01				0.01
	Jubilant Agri and Consumer Products Limited	19.33				19.33
		<b>47.20</b>				<b>47.20</b>
<b>22.</b>	<b>Other receivables:</b>					
	Jubilant Discovery Services LLC	0.51				0.51
	Jubilant Industries Inc., USA	0.42				0.42
	Jubilant Biosys Limited	13.78				13.78
	PSI Supply NV	8.42				8.42
	Jubilant Business Services Limited	0.94				0.94
	Jubilant Generics Limited	9.96				9.96
	Jubilant Pharmova Limited	20.20				20.20
	Jubilant Agri and Consumer Products Limited	22.41				22.41
	Jubilant Consumer Private Limited	7.52				7.52

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

FY 2021-22						(₹ in million)
Sr. No.	Particulars	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Associates	Others	Total
	Jubilant FoodWorks Limited	8.57				8.57
	Jubilant Therapeutics India Limited	0.55				0.55
	Jubilant Clinsys Limited	0.01				0.01
	Jubilant DraxImage Limited	0.01				0.01
	Jubilant First Trust Healthcare Limited	0.01				0.01
	Jubilant Pharma Holdings Inc.	0.20				0.20
	Jubilant Enpro Private Limited	2.74				2.74
		<b>96.25</b>				<b>96.25</b>

## 4. Transactions with related parties for the year ended 31 March 2021:

FY 2020-21						(₹ in million)
Sr. No.	Particulars	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Others	Total	
	<b>Description of transactions:</b>					
<b>1.</b>	<b>Sales of goods and services:</b>					
	Safe Foods Corporation, USA	14.73				14.73
	Jubilant Biosys Limited	3.00				3.00
	Jubilant Industries Limited	0.03				0.03
	Jubilant FoodWorks Limited	0.08				0.08
	Jubilant Agri and Consumer Products Limited	28.35				28.35
		<b>46.19</b>				<b>46.19</b>
<b>2.</b>	<b>Rental and other income:</b>					
	Jubilant Biosys Limited	2.17				2.17
	Jubilant Generics Limited	7.40				7.40
	Jubilant Pharmova Limited	8.80				8.80
	Jubilant Business Services Limited	0.21				0.21
	Jubilant Enpro Private Limited	0.27				0.27
	Jubilant FoodWorks Limited	0.78				0.78
	Jubilant Industries Limited	0.03				0.03
	Jubilant Agri and Consumer Products Limited	4.16				4.16
	Jubilant Consumer Private Limited	0.30				0.30
		<b>24.12</b>				<b>24.12</b>
<b>3.</b>	<b>Purchase of goods and services:</b>					
	Jubilant Biosys Limited	0.07				0.07
	Jubilant Agri and Consumer Products Limited	18.65				18.65
		<b>18.72</b>				<b>18.72</b>
<b>4.</b>	<b>Recovery of expenses:</b>					
	Jubilant Generics Limited	11.27				11.27
	Jubilant Biosys Limited	19.88				19.88
	Jubilant Agri and Consumer Products Limited	2.69				2.69
		<b>33.84</b>				<b>33.84</b>



## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

FY 2020-21					(₹ in million)
Sr. No.	Particulars	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Others	Total
<b>5.</b>	<b>Reimbursement of expenses:</b>				
	PSI Supply NV	0.16			0.16
	Jubilant Pharmaceuticals NV	0.61			0.61
	Jubilant HollisterStier LLC	0.37			0.37
	Jubilant Pharma Holdings Inc.	1.71			1.71
	TrialStat Solutions Inc.	2.00			2.00
	Jubilant Generics Limited	1.00			1.00
	Jubilant Pharmova Limited	12.16			12.16
	Jubilant Enpro Private Limited	0.20			0.20
		<b>18.21</b>			<b>18.21</b>
<b>6.</b>	<b>Remuneration (including perquisites)* :</b>				
	Mr. Rajesh Kumar Srivastava		5.09		5.09
	Mr. Anant Pande		3.24		3.24
	Mr. Prakash Chandra Bisht		1.97		1.97
	Ms. Deepanjali Gulati (w.e.f 1 February 2021)		0.66		0.66
			<b>10.96</b>		<b>10.96</b>
<b>7.</b>	<b>Lease payments:</b>				
	Jubilant Biosys Limited	0.01			0.01
	Jubilant Agri and Consumer Products Limited	0.01			0.01
	Jubilant Pharmova Limited	1.10			1.10
		<b>1.12</b>			<b>1.12</b>
<b>8.</b>	<b>Donation:</b>				
	Jubilant Bhartia Foundation			0.50	0.50
				<b>0.50</b>	<b>0.50</b>

## 5. Outstanding balances with related parties as at 31 March 2021:

FY 2020-21					(₹ in million)
Sr. No.	Particulars	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Others	Total
<b>9.</b>	<b>Trade payables:</b>				
	Jubilant HollisterStier LLC	2.66			2.66
	Jubilant Pharma Holdings Inc.	14.78			14.78
	Jubilant Enpro Private Limited	1.00			1.00
	Jubilant Generics Limited	0.49			0.49
	Jubilant Biosys Limited	0.07			0.07
	PSI Supply NV	1.44			1.44
	Jubilant Industries Limited	3.70			3.70
	Jubilant Agri and Consumer Products Limited	18.99			18.99
	Jubilant Pharmaceuticals NV	19.18			19.18
		<b>62.31</b>			<b>62.31</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

FY 2020-21					(₹ in million)
Sr. No.	Particulars	Enterprise in which certain directors are interested	Key management personnel and non-executive directors	Others	Total
<b>10.</b>	<b>Advance from customers:</b>				
	Jubilant FoodWorks Limited	0.50			0.50
		<b>0.50</b>			<b>0.50</b>
<b>11.</b>	<b>Capital advance against purchase of land:</b>				
	Jubilant Industries Limited	115.82			115.82
		<b>115.82</b>			<b>115.82</b>
<b>12.</b>	<b>Trade receivables:</b>				
	Safe Foods Corporation, USA	8.36			8.36
	Jubilant Biosys Limited	3.40			3.40
	Jubilant Enpro Private Limited	4.62			4.62
	Jubilant Industries Limited	0.07			0.07
	Jubilant Agri and Consumer Products Limited	63.74			63.74
		<b>80.19</b>			<b>80.19</b>
<b>13.</b>	<b>Other receivables:</b>				
	Jubilant Discovery Services LLC	0.43			0.43
	Jubilant Biosys Limited	20.82			20.82
	PSI Supply NV	8.58			8.58
	Jubilant Business Services Limited	0.17			0.17
	Jubilant Generics Limited	20.46			20.46
	Jubilant Pharmova Limited	119.01			119.01
	Jubilant Agri and Consumer Products Limited	29.71			29.71
	Jubilant Consumer Private Limited	7.06			7.06
	Jubilant FoodWorks Limited	5.76			5.76
	Jubilant Enpro Private Limited	0.25			0.25
		<b>212.25</b>			<b>212.25</b>
<b>14.</b>	Refer note 31 for transactions pursuant to the Composite Scheme				

Breakup of remuneration to key management personnel were as follows:-

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Short term employee benefits	116.67	10.40
Post employment benefits	3.96	0.56
	<b>120.63</b>	<b>10.96</b>

\* As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Group as a whole, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

# Commission payable is subject to the approval of shareholders in the annual general meeting.

The Group is in the process of updating the documentation for the specified transactions entered into with the specified persons and associated enterprises during the financial year. The management is of the opinion that its specified transactions are at arm's length and will not have any impact on the consolidated financial statements, particularly on the amount of tax expense and that of provision for taxation.

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Note 38. Contingent liabilities to the extent not provided for:**

(i) Claims against the Group, disputed by the Group, not acknowledged as debt:

	(₹ in million)	
	As at	
	31 March 2022	31 March 2021*
Central excise	58.28	58.28
Customs	12.53	28.06
Sales tax	90.25	76.72
Income tax	1,862.31	1,844.02
Service tax and goods and services tax	46.18	2.02
State excise	714.88	714.64
Others	181.11	220.33

\*Inclusive of contingent liabilities taken over pursuant to the Composite Scheme. Some of the above claims are still in the name of the Demerged Company.

Future cash outflows in respect of the above matters are determinable only on receipt of judgments/decisions pending at various stages/forums.

Additionally, the Group is involved in other disputes, lawsuits, claims, governmental and/or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business.

The Group believes that none of these matters, either individually or in aggregate, are expected to have any material impact on its consolidated financial statements.

(ii) The Company has outstanding letter of credits amounting to ₹569.32 million as at 31 March 2022.

**Note 39. Commitments as at year end****a) Capital commitments:**

Estimated amount of contracts remaining to be executed on capital account (net of advances) is ₹1,373.80 million (31 March 2021: ₹456.25 million) for property, plant and equipment and ₹12.42 million (31 March 2021: ₹ Nil) for intangible assets.

**b) Other commitments:**

(i) Export obligation under advance license scheme on duty free import of specific raw materials, remaining outstanding is ₹ Nil (31 March 2021: ₹58.09 million).

(ii) As on 31 March 2022, the Parent Company has made commitment to acquire additional voting rights of 13.71% at the cost of ₹21.25 million in MVFPL, an associate company, which will provide total voting rights of 34.70% to the Parent Company.

**Note 40. Leases****(a) The details of the right-of-use assets held by the Group is as follows:**

	(₹ in million)			
	Depreciation charge		Net carrying amount	
	For the year ended		As at	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Land	12.88	1.55	373.10	419.74
Buildings	8.77	0.87	31.72	25.76
Plant and equipment	1.86	0.31	14.85	16.70
Vehicles	11.79	2.16	17.74	29.94
<b>Total</b>	<b>35.30</b>	<b>4.89</b>	<b>437.41</b>	<b>492.14</b>

Additions to the right-of-use assets during the year ended 31 March 2022 were ₹23.40 million (31 March 2021: ₹497.03 million, out of which additions on account of acquisition of leases under the Composite Scheme were ₹470.45 million)

Further, during the year ended 31 March 2022 ₹42.43 million (31 March 2021: ₹ Nil) were transferred to other financial assets on maturity of lease period of a leasehold land.

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

### (b) Amount recognised in Consolidated Statements of Profit or Loss:

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Interest on lease liabilities	9.60	1.77
Rental expense relating to short-term leases	16.15	4.79
	<b>25.75</b>	<b>6.56</b>

### (c) Amount recognised in the Consolidated Statement of Cash Flows:

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Total cash outflow for leases (inclusive of interest on lease liabilities)	35.08	9.27
	<b>35.08</b>	<b>9.27</b>

The weighted average incremental borrowing rate applied to discount lease liabilities is in the range 6.75% - 9.16%.

**Note 41.** Expenditure incurred under section 135 of the Companies Act, 2013 on Corporate Social responsibility (CSR) activities is included under donation and corporate social responsibility expenditure.

- Note 42.** (a) Government grants recoverable ₹ Nil (31 March 2021: ₹146.30 million) recognised in the Consolidated Balance Sheet.
- (b) Other operating income includes primarily scrap sale amounting to ₹211.68 million (31 March 2021: ₹45.77 million) and government grants amounting to ₹34.91 million (31 March 2021: ₹6.88 million).
- (c) During the year, finance costs amounting to ₹40.53 million (31 March 2021: ₹3.41 million) has been capitalised in property, plant and equipment, calculated using capitalisation rate of 6.11% (31 March 2021: 6.61%).

- Note 43.** (i) The Company has not advanced or loaned or invested funds to any person or any entity, including foreign entities (intermediaries) with the understanding that the intermediary shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the Company (ultimate beneficiaries); or
- (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (ii) The Company has not received any fund from any person or any entity, including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the funding party (ultimate beneficiaries); or
- (b) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**Note 44.** The Group has recorded an exceptional item amounting to ₹ Nil (31 March 2021: ₹129.44 million) which consists of property, plant and equipment written off on account of obsolescence.

**Note 45.** During the year ended 31 March 2022, the Finance Committee of the Board of Directors of the Company has approved early redemption and change in payment terms of NCDs of ₹1,000 million which shall be redeemed subsequently.

### **Note 46. Employee stock option scheme**

The Company has a stock option plan in place namely "Jubilant Ingrevia Employees Stock Option Plan 2021" ("Plan 2021").

The Nomination, Remuneration and Compensation Committee ('Committee') of the Board of Directors ('Board') which comprises a majority of Independent Directors is responsible for administration and supervision of the Stock Option Plan.

Under Plan 2021, up to 1,500,000 Stock Options can be issued to eligible directors (other than promoter directors and independent directors) and other specified categories of employees of the Company / subsidiaries.

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

The details of share options are as follows:

Particulars	Plan 2021		
	Date of grant	Number of options	Exercise price (₹)
Grant-I	7 June 2021	51,424	1.00
Grant-II	7 June 2021	26,641	571.85
Grant-III	20 July 2021	19,234	1.00
Grant-IV	20 July 2021	22,633	566.30
Date of Board approval of the relevant scheme		17 April 2021	
Date of Shareholder's approval of the relevant scheme		22 May 2021	
Method of Settlement (cash/equity)		Equity	
Vesting period	Options granted will vest in the manner decided by the Committee and specified in the grant letter, and in any event not earlier than 1 year from the grant date and no later than a period of 5 years from the grant date.		
Exercise price	Exercise price shall not be higher than the market price (i.e. latest available closing price on a recognized stock exchange having highest trading volume on which the equity shares of the Company are listed) of the equity shares at the time of grant and not less than the face value of the equity shares of the Company		
Vesting conditions	Each option, upon vesting, shall entitle the holder to acquire one equity share of ₹1 each. Vesting of options is a function of achievement of performance criteria or any other criteria, as specified by the Committee and communicated in the grant letter.		

## Vesting schedule:

Sr. No	Grant II & IV		Grant I & III	
	% of options scheduled to vest	Vesting date	% of options scheduled to vest	Vesting date
1	20	1 year from grant date	100	3 years from grant date
2	30	2 years from grant date	-	-
3	50	3 years from grant date	-	-

In 2020-21, Jubilant Ingrevia Employees Welfare Trust ('Trust') was constituted for the purpose of acquisition of equity shares of the Parent Company from the secondary market or subscription of shares from the Parent Company, to hold the shares and to allocate/transfer these shares to eligible employees of the Company/subsidiaries from time to time on the terms and conditions specified under Plan 2021.

During the year ended 31 March 2022, Trust purchased 312,000 equity shares of the Parent Company from the open market, out of which Nil equity shares were transferred to the employees on exercise of options.

## The movement in the number of equity shares held by trust:

	As at	
	31 March 2022	31 March 2021
<b>At the commencement of the year</b>	-	-
Purchased during the year	312,000	-
<b>At the end of the year</b>	<b>312,000</b>	-

## The movement in the stock options under "Plan 2021" during the year is set out below:

	For the year ended			
	31 March 2022		31 March 2021	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	119,932	234.49	-	-
Forfeited, lapsed during the year	8,996	323.87	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	110,936	227.24	-	-
Exercisable at the end of the year	-	-	-	-

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

### Fair value of options granted:

The weighted average fair value of options granted during the period for Plan 2021 was ₹436.16 per option. The fair value at grant date is determined using the Black-Scholes-Merton model which takes into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

### The following tables list the inputs to models used for fair valuation of the options:

	Plan 2021
Expected volatility	43.75% - 46.93%
Risk free interest rate	5.22% - 6.18%
Exercise price (₹)	1.00 – 571.85
Expected dividend yield	0.65%
Expected life of options (years)	3.50 - 5.50

Expected volatility was based on an evaluation of the historical volatility of the share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

### Share options outstanding at the end of the year:

Options	31 March 2022			31 March 2021		
	Options outstanding	Weighted average remaining contractual life (in years)	Exercise Price (₹)	Options outstanding	Weighted average remaining contractual life (in years)	Exercise Price (₹)
Plan 2021	26,641	4.34	571.85	-	-	-
Plan 2021	51,424	2.69	1.00	-	-	-
Plan 2021	17,495	4.45	566.30	-	-	-
Plan 2021	15,376	2.80	1.00	-	-	-

### Expenses arising from equity-settled share-based payment transactions:

	(₹ in million)	
	For the year ended	
	31 March 2022	31 March 2021
Expense arising from equity-settled share-based payment transactions (refer note 25)	14.48	-
<b>Total expense arising from share-based payment transactions recognized in Consolidated Statement of Profit and Loss</b>	<b>14.48</b>	<b>-</b>

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

## Note 47. Financial ratios\*:

Sr. No.	Ratios	Unit	Numerator	Denominator	31 March 2022	31 March 2021	% Variance	Reason for variance
(a)	<b>Current ratio</b>	In times	Current assets	Current liabilities	1.68	1.59	5.30%	Not applicable
(b)	<b>Debt equity ratio</b> {Net debts: Non-current borrowings (including current maturities and gross of transaction costs) + current borrowings - cash and cash equivalents - other bank balances}	In times	Net debts	Total equity	0.07	0.22	(66.91)%	Decrease in ratio is primarily on account of pre-payment of debt
(c)	<b>Debt service coverage ratio</b> {Earning for debt service: Profit after tax + depreciation and amortisation expense + finance costs + exceptional items+ loss on sale of property, plant and equipment} {Debt service: Finance costs + scheduled principal repayments (excluding prepayments) during the period for non-current borrowings}	In times	Earning for debt service	Debt service	5.27	6.20	(15.05)%	Not applicable
(d)	<b>Return on equity ratio</b> {Equity: Total assets - total liabilities, Average equity: Average of opening and closing equity*} *for the year ended 31 March 2021, closing balance of equity has been considered, refer note 31	In %	Profit for the year	Average total equity	21.89%	16.44%	33.14%	Increase is primarily due to increase in profitability of the Group
(e)	<b>Inventory turnover ratio</b> {Average inventory: Average of opening and closing inventories}	In times	Cost of goods sold	Average inventory	3.68	2.75	33.91%	Increase is primarily on account of increase in revenue and corresponding increase in cost of goods sold
(f)	<b>Trade receivables turnover ratio</b> {Average trade receivable: Average of opening and closing trade receivables}	In times	Revenue from operations	Average trade receivables	9.41	8.20	14.73%	Not applicable
(g)	<b>Trade payables turnover ratio</b> {Net purchases: Gross purchases - purchase return + other expenses net of non cash expenses and donations} {Average trade payables: Average of opening and closing trade payables}	In times	Net purchases	Average trade payables	5.47	3.78	44.61%	Increase is primarily on account of increase in revenue and corresponding increase in purchases

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Note 47. Financial ratios (continued)**

Sr. No.	Ratios	Unit	Numerator	Denominator	31 March 2022	31 March 2021	% Variance	Reason for variance
(h)	<b>Net capital turnover ratio</b> {Working capital: Current assets-current liabilities}	In times	Revenue from operations	Working capital	6.95	6.60	5.42%	Not applicable
(i)	<b>Net Profit ratio</b>	In %	Profit of the year	Revenue from operation	9.63%	9.05%	6.37%	Not applicable
(j)	<b>Return on capital employed</b> {Earnings before tax and interest cost (EBIT): Profit before tax + finance costs + exceptional items} {Capital Employed: Total equity + long term borrowings + short term borrowings-deferred tax assets+deferred tax liabilities}	In %	Earnings before tax and interest cost	Capital employed	26.71%	20.31%	31.54%	Increase is primarily due to increase in profitability of the Group
(k)	<b>Return on investment</b> {Return on investment: Net fair value gain/(loss) on investments + net gain/(loss) on sale of investments + dividend income} {Average investments: Average of opening and closing investments}	In %	Return on investment	Average investments	322.30%	9.54%	As explained	Increase is on account of gain on sale of investment classified at FVOCI

\* Financial ratios have been presented basis the Guidance note on Division II - Ind AS Schedule III to the Act, issued by The Institute of Chartered Accountants of India.



Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Note 48. Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary**

Name of the Enterprise	Net Assets (Total assets - Total liabilities)		Share in profit/ (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in million)	As % of consolidated profit/ (loss)	Amount (₹ in million)	As % of Consolidated other comprehensive income	Amount (₹ in million)	As % of Consolidated total comprehensive income	Amount (₹ in million)
<b>Parent</b>								
Jubilant Ingrevia Limited	81.50%	19,830.46	94.87%	4,522.52	(1.16%)	(11.09)	78.83%	4,511.43
<b>Subsidiaries</b>								
<b>Indian</b>								
1 Jubilant Infrastructure Limited	7.85%	1,909.22	1.97%	94.21	1.43%	13.71	1.89%	107.93
2 Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)	0.08%	20.31	(0.30%)	(14.39)	-	-	(0.25%)	(14.38)
3 Jubilant Ingrevia Employees Welfare Trust	7.48%	1,819.54	1.40%	66.89	-	-	1.17%	66.89
<b>Foreign</b>								
1 Jubilant Life Sciences (USA) Inc.	1.09%	264.77	0.71%	33.89	1.02%	9.72	0.76%	43.61
2 Jubilant Life Sciences (Shanghai) Limited	1.52%	369.37	0.42%	19.94	2.49%	23.78	0.76%	43.72
3 Jubilant Life Sciences International Pte. Limited	6.36%	1,548.37	0.40%	18.97	98.11%	937.71	16.72%	956.68
4 Jubilant Life Sciences NV	1.75%	425.84	2.62%	124.75	(1.57%)	(14.97)	1.92%	109.78
<b>Associate (2)</b>								
1 Mister Veg Foods Private Limited	0.09%	21.09	(0.01%)	(0.53)	-	-	(0.01%)	(0.53)
2 AMP Energy Green Fifteen Private Limited	0.03%	7.90	-	-	-	-	-	-
<b>Total eliminations</b>	(7.75%)	(1,885.65)	(2.08%)	(99.14)	(0.32%)	(3.07)	(1.79%)	(102.23)
<b>Total</b>	<b>100.00%</b>	<b>24,331.22</b>	<b>100.00%</b>	<b>4,767.11</b>	<b>100.00%</b>	<b>955.79</b>	<b>100.00%</b>	<b>5,722.90</b>

**Notes:**

(1) Refer note 2(b) and note 31

(2) The value of investment in associates are included in the net assets of the parent and share of the loss of an associate is included in total elimination

## Notes to the consolidated financial statements for the year ended 31 March 2022 (continued)

**Note 49. Earnings per share**

	₹ in million	For the year ended	
		31 March 2022	31 March 2021
<b>Profit for basic and diluted earnings per share of ₹1 each</b>		<b>4,767.11</b>	<b>543.59</b>
Weighted average number of equity shares used in computing earnings per share*			
For basic earnings per share	Nos.	159,029,829	26,165,992
<b>For diluted earnings per share</b>			
No. of shares for basic earnings per share	Nos.	159,029,829	26,165,992
Add: Potential dilutive effects of stock options*	Nos.	22,175	-
No. of shares for diluted earnings per share	Nos.	159,052,004	26,165,992
<b>Earnings per equity share (face value of ₹1 each)</b>			
Basic	₹	29.98	20.78
Diluted	₹	29.97	20.78

\* The weighted average number of shares takes into account the weighted average effect of changes in treasury share during the year. Share options (unvested) are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive.

**Note 50.** The figures for year ended 31 March 2022 are not comparable with previous year, since the figures for the year ended 31 March 2021 include the financial results of demerged LSI business from Jubilant Pharmova Limited for two months, from the effective date of demerger i.e. 1 February 2021 till 31 March 2021. Further, previous year figures have been regrouped/ reclassified to conform to the current year's classification.

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of **Jubilant Ingrevia Limited**

For **Walker Chandiook & Co LLP**

Chartered Accountants

ICAI Firm Registration No.: 001076N/N500013

**Shyam S. Bhartia**

Chairman

DIN: 00010484

**Hari S. Bhartia**

Co-Chairman

DIN: 00010499

**Rajesh Kumar Srivastava**

CEO and Managing Director

DIN: 02215055

**Ashish Gupta**

Partner

Membership No.: 504662

**Prakash Chandra Bisht**

President and Chief Financial Officer

**Deepanjali Gulati**

Company Secretary

Place: Noida

Date: 17 May 2022

## FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of financial statements of subsidiary/ associates/ joint ventures as per Companies Act, 2013

## PART "A" : SUBSIDIARIES

Sr. No.	Name of the subsidiary	Date since when subsidiary was acquired / incorporated	Reporting currency	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (4)	Turnover / Total income	Profit/ (loss) before taxation	Provision for taxation	Foreign Currencies in absolute terms		
												Profit/ (loss) after taxation	Proposed dividend	% of shareholding
1	Jubilant Infrastructure Limited	01 February 2021	INR	344.84	1,564.38	3,960.65	2,051.43	32.90	1,434.81	135.16	40.95	94.21	Nil	100.00%
2	Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)	02 June 2021	INR	15.10	5.21	271.39	251.08	-	-	(17.37)	(2.98)	(14.39)	Nil	100.00%
3	Jubilant Life Sciences (USA) Inc.	01 February 2021	USD	375,000	3,118,343	11,462,074	7,968,731	-	32,384,863	632,559	164,238	468,321	Nil	100.00%
4	Jubilant Life Sciences (Shanghai) Limited	01 February 2021	RMB	1,652,837	29,289,414	46,121,879	15,179,628	-	2,412,229	45.84	11.95	33.89	Nil	100.00%
5	Jubilant Life Sciences International Pte. Limited	01 February 2021	USD	437,503	19,991,624	20,495,558	66,431	-	1,467.37	19.20	(0.74)	19.94	Nil	100.00%
6	Jubilant Life Sciences NV	01 February 2021	EUR	100,000	4,956,225	33,743,860	28,687,635	-	75,326,949	1,827,134	456,793	1,370,341	Nil	100.00%
7	Jubilant Ingrevia Employees Welfare Trust	01 February 2021	INR	0.10	1,819.44	1,826.00	6.46	-	103.07	102.82	35.93	66.89	Nil	100.00%

## Notes:

- 1) Reporting period of all the Subsidiary Companies is 1 April 2021 to 31 March 2022.
- 2) Converted into Indian Rupees at the exchange rate as on 31 March 2022 : 1EUR = INR 84.22, 1USD = INR 75.79, 1RMB = INR 11.94.
- 3) The above statement excludes inter company eliminations.
- 4) Excludes investment in subsidiaries.

**Names of Subsidiaries which are yet to commence operations: - Nil**

**Names of Subsidiaries which have been liquidated during the year: - Nil**

**PART "B" : ASSOCIATES AND JOINT VENTURES****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Sr. No.	Name of Associates/Joint Ventures	Latest audited Balance Sheet date	Date on which Associate or Joint Venture was associated or acquired	Shares of Associate/Joint Ventures held by the company on the year end			Profit/Loss for the year				
				No.	Amount of Investment in Associates/Joint Venture (₹ in million)	Extent of Holding %	Net worth attributable to shareholding as per latest audited Balance Sheet (₹ in million)	Description of how there is significant influence	Reason why the associate/joint venture is not consolidated	Considered in consolidation (₹ in million)	Not considered in consolidation (₹ in million)
1	Mister Veg Foods Private Limited	31 March 2022	18 February 2021	2,656	21.64	20.99%	3.9	By virtue of shareholding	Not Applicable	(0.53)	Not Applicable
2	AMP Energy Green Fifteen Private Limited	31 March 2022	8 October 2021	582,800	58.28	26.00%	5.46	By virtue of shareholding	Not Applicable	-	Not Applicable

- Names of associates or joint ventures which are yet to commence operations : Nil
- Name of associates or joint ventures which have been liquidated or sold during the year : Nil

**For and on behalf of the Board of Directors of Jubilant Ingrevia Limited**

**Shyam S. Bhartia**  
Chairman  
DIN: 00010484

**Hari S. Bhartia**  
Co-Chairman  
DIN: 00010499

**Rajesh Kumar Srivastava**  
CEO and Managing Director  
DIN: 02215055

**Prakash Chandra Bisht**  
President and Chief Financial Officer

**Deepanjali Gulati**  
Company Secretary

Place: Noida  
Date: 17 May 2022

# CORPORATE INFORMATION

## Registered Office

Bhartiagram, Gajraula  
Distt. Amroha – 244 223  
Uttar Pradesh, India  
Tel.: +91 5924 267200  
CIN: L24299UP2019PLC122657

## Corporate Office

1A, Sector 16A, Noida – 201 301  
Uttar Pradesh, India  
Tel.: +91 120 4361000

## Statutory Auditors

Walker Chandiook & Co. LLP  
L-41, Connaught Circus  
Outer Circle, New Delhi – 110001  
India  
Tel.: +91 11 42787070

## Cost Auditors

JK Kabra & Co.  
Cost Accountants  
552/1-B, Arjun Street  
Main Vishwas Road  
Vishwas Nagar  
New Delhi – 110032, India

## Internal Auditors

Ernst & Young LLP  
Golf View Corporate Tower B  
Sector Road, Sector 42  
Gurgaon – 122002  
Haryana, India

## Company Secretary

Deepanjali Gulati

## Registrar & Transfer Agent

Alankit Assignments Limited  
205-208 Anar Kali Complex  
Jhandewalan Extension  
New Delhi – 110055, India  
Tel.: +91 11 42541234

## Bankers

Axis Bank Limited  
ICICI Bank Limited  
Standard Chartered Bank  
Canara Bank  
RBL Bank Limited  
Yes Bank Limited  
IndusInd Bank Limited  
HDFC Bank Limited





Jubilant Ingrevia Limited has published its FY 2022 Corporate Sustainability Report. The report has been prepared in accordance with the 'GRI Standards: Comprehensive option'. The Corporate Sustainability Report for FY 2022 is available at [www.jubilantingrevia.com/about-us/sustainability/sustainability-report](http://www.jubilantingrevia.com/about-us/sustainability/sustainability-report)



# Creating Value, Growing Sustainably







**Jubilant Ingrevia Limited**

Plot 1A, Sector 16A, Noida, 201 301,  
Uttar Pradesh, India  
[www.jubilantingrevia.com](http://www.jubilantingrevia.com)  
[ingrevia.support@jubl.com](mailto:ingrevia.support@jubl.com)  
Tel: +91 120 4361000