dishman

25th June, 2021

To, Department of Corporate Services BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.	To, The Manager, Listing Department, National Stock Exchange of India Ltd. "Exchange Plaza", C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.
Ref.: Scrip Code No. : 540701	**Ref. : (i) Symbol – DCAL (ii) Series – EQ**

SUB.: SUBMISSION OF NOTICE OF 14TH ANNUAL GENERAL MEETING ALONGWITH ANNUAL REPORT FOR THE FINANCIAL YEAR 2020-21 AS PER REGULATION 34 OF SEBI (LODR) REGULATIONS, 2015

Dear Sir,

With reference to the captioned subject, please find enclosed herewith the copy of Notice of 14th Annual General Meeting of the Company scheduled to be held on **Monday, the 19th July, 2021 at 03:00 p.m.** IST **through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")**, in compliance with General Circular numbers 02/2021; 20/2020; 14/2020 and 17/2020 issued on 13th January, 2021, 5th May, 2020, 8th April, 2020 and 13th April, 2020 respectively issued by Ministry of Corporate Affairs read with Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the Securities and Exchange Board of India (SEBI) on 12th May, 2020 and 15th January, 2021 respectively ("Circulars") alongwith the Annual Report for the financial year 2020-21. The said Annual Report also contains the Corporate Governance Report, Management Discussion & Analysis Report, Business Responsibility Report as per the relevant provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015.

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2015 read with Regulation 44 of SEBI (LODR) Regulations, 2015 and Circulars, the shareholders of the Company are being provided the facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-Voting during the AGM through CDSL e-voting platform.

Dishman Carbogen Amcis Ltd. Ahmedabad

The procedure for participating/joining in the meeting through VC/OAVM and e-voting are provided in Notice of AGM.

The e-voting period commence on, **Friday, 16th July, 2021 at 9.00 a.m. and ends on Sunday, 18th July, 2021 at 5.00 p.m.** During this period, shareholders holding shares either in physical form or in dematerialised mode as on **Monday, 12th July, 2021 (cut-off date)** may cast their vote electronically.

Notice of the 14th Annual General Meeting alongwith the Annual Report for the financial year 2020-21 is also available on the Company's website: www.imdcal.com.

Kindly take this on your record.

Thanking you.

Yours faithfully,
For, Dishman Carbogen Amcis Limited

S.C.Dave

Shrima Dave
Company Secretary

Dishman Carbogen Amcis Ltd. Ahmedabad

Encl.: As above

Dishman Carbogen Amcis Limited

Regd. Off.: DISHMAN CORPORATE HOUSE
Iscon-Bopal Road, Ambli, Ahmedabad-380 058, Gujarat, India.
Phone : +91 (0) 2717 420102 / 2717 420124

E-mail : dcal@dishmangroup.com
Website : www.dishmangroup.com

Government Recognised Export House
CIN No. : L74900GJ2007PLC051338

“I’M DCAL

A REDEFINED DISHMAN

ANNUAL REPORT 2020-21

DISHMAN CARBOGEN AMCIS LIMITED

Dishman Carbogen Amcis

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SCAN

This QR Code to know more about the company.

FORWARD LOOKING STATEMENT

This document contains statements about expected future events, financial and operating results of Dishman Carbogen Amcis Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirely by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Dishman Carbogen Amcis Limited's Annual Report, FY2021.

FY21 IN A NUTSHELL

₹ 19,120 MN
USD 257.58 MN
Revenue from Operations

₹ 2,744 MN
USD 36.96 MN
EBITDA

₹ 56,988 MN
USD 779.54 MN
Net Worth

14.3%
EBITDA Margin

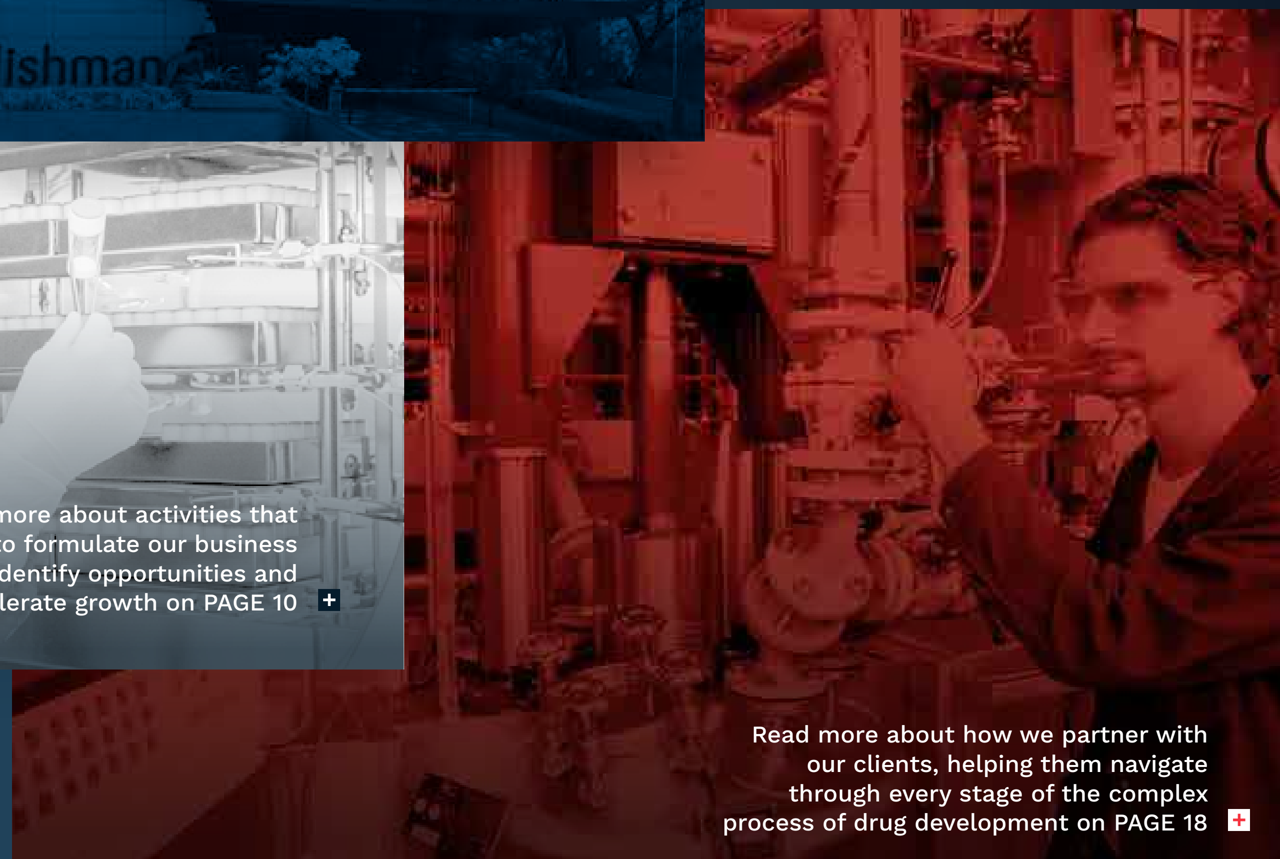
₹ 17.7
Cash Earnings Per Share

16
Cumulative Phase III Molecules

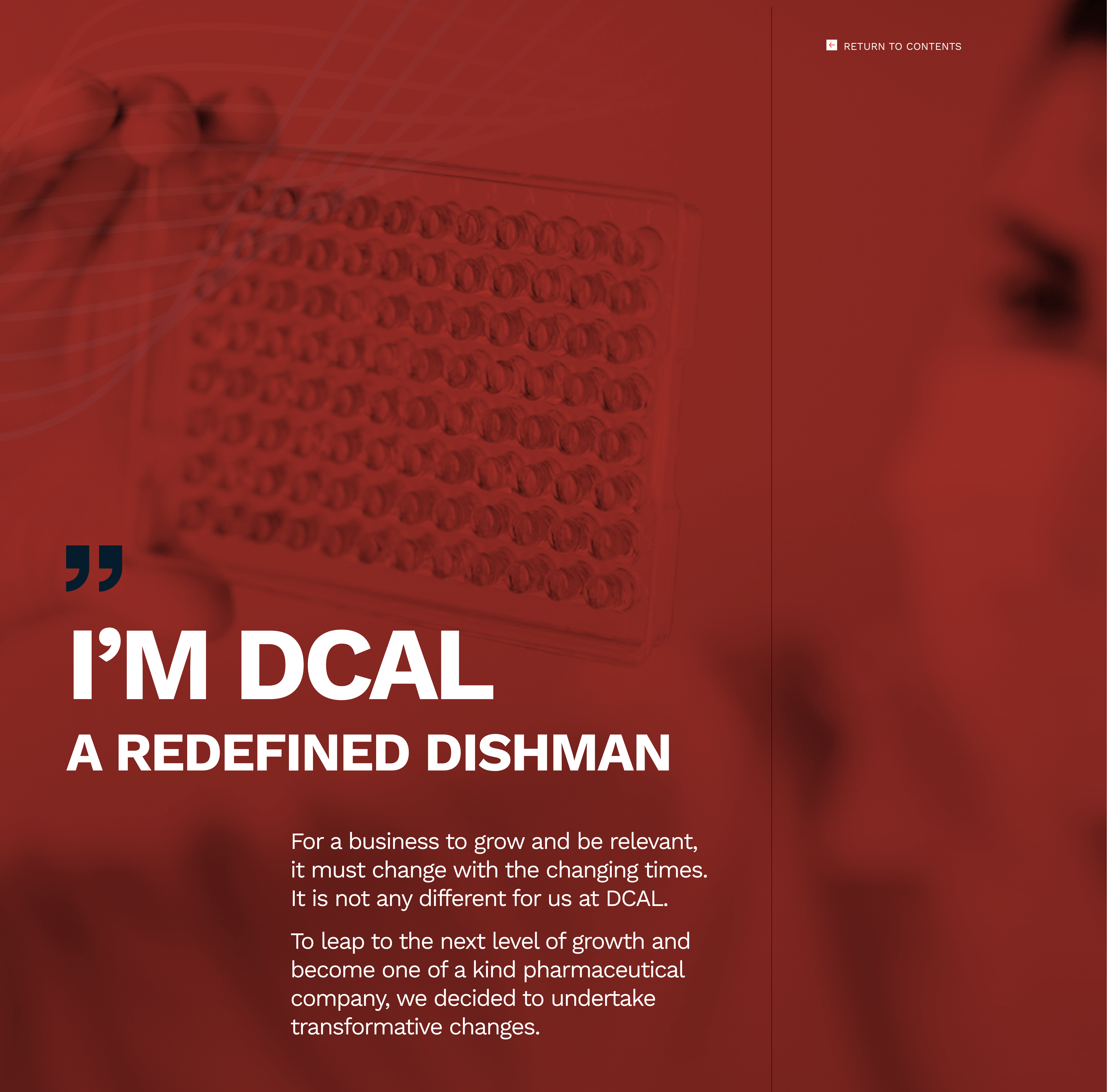
From a small facility in Naroda near Ahmedabad, India, to 25 facilities in 10 locations globally, we have come a long way.

Read more about our journey of transforming healthcare on PAGE 06

Read more about activities that allow us to formulate our business strategy, identify opportunities and accelerate growth on PAGE 10



Read more about how we partner with our clients, helping them navigate through every stage of the complex process of drug development on PAGE 18



I'M DCAL

A REDEFINED DISHMAN

For a business to grow and be relevant, it must change with the changing times. It is not any different for us at DCAL.

To leap to the next level of growth and become one of a kind pharmaceutical company, we decided to undertake transformative changes.

WE DECIDED TO
EVOLVE. GROW. REMODEL.

In a year replete with challenges, we made some tough yet judicious decisions:

- We transformed the global leadership team and brought in new talent
- To be future-ready, we laid out a plan to iron out all inefficiencies and implement high-end technology
- We executed a landmark contract with a Japanese pharmaceutical company
- We successfully completed the financial tie-up for a CAPEX of CHF 100 million over the next three years to increase capacities and improve our top line and bottom line
- And most importantly, we rebranded ourselves as I'M DCAL

We are confident that these radical steps will position us better to leverage opportunities and safeguard the business against risks.

The rebranding symbolises the emergence of a new Dishman – one that is firmly rooted in its purpose of offering medical support and assistance to those in need, yet one that does not stop short of leveraging its research and innovation capabilities to develop new solutions.

While we are a redefined Dishman, our commitment remains resolute – to transform today for a better tomorrow,

BY BRINGING LIFE TO SCIENCE WITH OUR SYNERGY.

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ABOUT DCAL

Developing Medical Solutions for the Future

Dishman Carbogen Amcis Limited (DCAL) is a fully integrated contract research and manufacturing services (CRAMS) player, providing end-to-end, integrated, high-value, niche CRAMS offerings to global pharmaceutical innovators.
We assist pharma companies through various stages of drug development – right from process research and development to late-stage clinical and commercial manufacturing facilities, along with the supply of Active Pharmaceutical Ingredients (APIs) and intermediates.

We started our journey in 1983 and today are a leading global outsourcing partner for the pharmaceutical industry, offering a portfolio of development, scale-up, and manufacturing services. Our state-of-the-art development and manufacturing facilities across India, Europe, and China enable us to innovate for better healthcare.

A GLIMPSE OF WHO WE ARE

4 DECADES
Long-standing track record in CRAMS, APIs and specialty chemicals

2,200+
Talented and passionate employees

250+
Clients

25
Multi-purpose manufacturing facilities across the globe

28
R&D and HiPo labs

4
Successful inorganic growth transactions till date

100
New Product Development Pipeline (USD MN)

10
Present across 10 locations globally

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OUR VISION

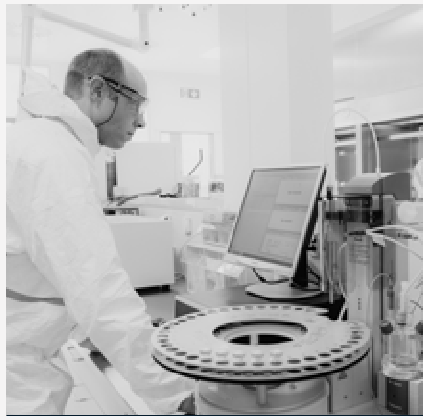
Our objective is to help our customers create a better world as the partner of choice to develop and manufacture complex and challenging substances, highly potent active ingredients, and break new ground with innovative offerings in vitamins, cholesterol, analogs, phase transfer catalysts, and lanolin-related products.

FOCUS: CLIENT SATISFACTION

We focus on the reduction of operational risk in chemical development and commercial manufacturing by:

- Minimising the time associated with drug development
- Decreasing the risks related to drug development
- Providing long-term and value-added contract manufacturing solutions

CORE BUSINESSES



CRAMS

We offer customised CRAMS to help global pharmaceutical companies develop and introduce to the market, treatments and solutions that can alter patients' lives.

READ MORE ON PAGE **32**

MARKETABLE MOLECULES

We manufacture and supply marketable molecules such as specialty chemicals, vitamins & analogues, generic APIs, and disinfectants. There is an ongoing shift in our Marketable Molecules business profile due to a focus on higher-margin products, in the Vitamin D and its analogues, and certain high-potential generic APIs.

READ MORE ON PAGE **34**

MILESTONES

A Journey of Transforming Healthcare

From a small facility in Naroda near Ahmedabad, India to 25 facilities in 10 locations globally, we have come a long way. With our high-quality, high-value products and services, we have evolved from a bulk intermediates manufacturer to a global CRAMS player through organic and inorganic growth. Today, we are a trusted partner for pharmaceutical industries worldwide, thus transforming the face of global healthcare.

HUMBLE BEGINNINGS

1983
Incorporated Dishman Pharmaceutical and Chemicals Limited

1989
Commenced production of Phase Transfer Catalysts at Naroda facility

1995
Entered into a joint venture (JV) with Schütz & Co. for manufacturing Chlorhexidine and Derivatives for the European market

OUR MANY FIRSTS

1996
Setup of the first production facility for bulk and intermediates in Bavla

2001
Signed the first commercial contract manufacturing agreement with a major western pharmaceutical company

2004
Got listed on the Indian stock exchanges

EXPANDING BY LEAPS AND BOUNDS

2005
Acquired Synprotec – DCR (now CARBOGEN AMCIS Ltd., UK)

2006
Acquired CARBOGEN AMCIS, a Swiss-based CRAMS player

2007
Acquired the Vitamins and Chemicals business of Solvay Pharmaceuticals (the business is now known as CARBOGEN AMCIS BV.)

2010
Commenced the Dishman Shanghai manufacturing facility

2012
Acquired the Riom (France) site of CARBOGEN AMCIS SAS

2014
Acquired the Vionnaz (CH) site of CARBOGEN AMCIS

GEARED UP FOR THE FUTURE

2017
Renamed the parent organisation to Dishman Carbogen Amcis Limited, reinforcing the synergies between Dishman and CARBOGEN AMCIS brands

2018
Integrated the Veenendaal site, the Netherlands into Carbogen Amcis

2020
Global reorganisation of the roles and responsibilities of the Management Team

2021
Expansion of CHF 100mn underway in Switzerland and France for the next phase of growth

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VALUE CREATION MODEL

Creating Value with Agility

INPUTS

STEADY FINANCES
- ₹ 5,698.8 crore net worth
- ₹ 2,123.6 crore net block
- ₹ 366.0 crore capital expenditure
- ₹ 736.6 crore net debt

STRONG INFRASTRUCTURE AND INTELLECTUAL CAPITAL
- 25 multi-purpose manufacturing facilities globally
- 28 state-of-the-art R&D & HiPo labs
- 950+ people working in R&D
- 500+ scientists

SKILLED WORKFORCE
- 2,200+ dedicated employees
- ~475 employees hold a PhD degree
- 200+ hours of training conducted

EMPOWERING LOCAL COMMUNITIES
- ₹ 59 lakh CSR spend

LONG-STANDING RELATIONSHIPS
- Strong relationships with customers globally

BUSINESSES AND GROWTH ENABLERS

BUSINESSES

CRAMS

READ MORE ON PAGE 32

MARKETABLE MOLECULES

READ MORE ON PAGE 34

GROWTH DRIVERS

01 NICHE MOLECULES UNDER DEVELOPMENT

02 FOCUS ON NICHE THERAPEUTIC AREAS

03 CUSTOMER DIVERSIFICATION

04 LEVERAGING OPPORTUNITIES IN THE VITAMIN D SPACE

05 COMMERCIALISATION OF DEVELOPED MOLECULES

06 SEEKING SUPERIOR MARGINS

READ MORE ON PAGE 10

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PILLARS OF OUR BUSINESS

- Robust Infrastructure READ MORE ON PAGE 14
- Integrated Value Chain READ MORE ON PAGE 18
- People READ MORE ON PAGE 20
- Global Presence READ MORE ON PAGE 22
- Diverse Product Portfolio READ MORE ON PAGE 24
- Client Relationships READ MORE ON PAGE 26

OUTPUTS

NICHE APIs FOR PHARMACEUTICAL INDUSTRIES

VITAMIN D ANALOGUES AND SOFT GEL CAPSULES

HEALTH AND PERSONAL CARE SOLUTIONS

FORMULATION CAPABILITIES

QUATERNARY SALTS

ENCAPSULATION CAPABILITIES

READ MORE ON PAGE 25

OUTCOMES

- ₹ 1,912.0 crore revenue
- ₹ 274.4 crore EBITDA
- ₹ 277.9 crore cash profits

- 250+ clients
- 16 phase III molecules
- 4 new products commercialized
- 2 patent applications
- Catering to pharmaceutical, biopharmaceutical, healthcare, and cosmetic industries worldwide
- Improving patient's lives and healthcare worldwide

- Significant part of team members with us for 15+ years
- Low attrition rates

- Social license to operate

- Faster approvals and improved turnaround time (TAT) of solutions to the market

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GROWTH ENABLERS

Stepping Stones to Success

We have identified certain inputs and activities that drive our operational and financial results. These growth enablers allow us to formulate our business strategy, identify opportunities and accelerate growth.

01

NICHE MOLECULES UNDER DEVELOPMENT

We are focused on the niche and sustainable new chemical entities for development, which would cater to the unmet demand for such drugs. Enhancing our technical capabilities within the group and working on complex, difficult-to-manufacture molecules is critical for success in this arena.

02

FOCUS ON NICHE THERAPEUTIC AREAS

We are actively pursuing the development of molecules in our core therapeutic areas such as oncology, cardiovascular, central nervous system, ophthalmology, and drugs under the orphan category.

03

CUSTOMER DIVERSIFICATION

We are pursuing small and mid-sized global innovators, aside from the large pharmaceutical companies, thus reducing the overall customer concentration. In addition, we want to de-risk our business model from being dependent on a select few large pharmaceutical companies. At present, our customer base comprises 80% of small and mid-sized global pharmaceutical companies, and we are working on expanding and diversifying further.

04

LEVERAGING OPPORTUNITIES IN THE VITAMIN D SPACE

We perceive Vitamin D to be a huge opportunity. To make most of the potential opportunities, we have taken some strategic decisions:

- Forward integrating the existing Vitamin D segment into finished formulations for animal and human usage.
- Focus on margin-accretive Vitamin D Analogues.
- Introducing new products and tapping new markets.
- Next phase of Vitamin D Analogues underway, with 2 patent applications.

05

COMMERCIALISATION OF DEVELOPED MOLECULES

We are entering into long-term supply agreements with customers for the molecules approved by regulatory agencies and working towards commercialisation of said molecules.

06

SEEKING SUPERIOR MARGINS

All our key strategic decisions connect back to the objective of achieving superior profitability margins on the consolidated level. Thus, we continue to pursue margin-accretive agendas:

- Product portfolio - Focusing on niche, complex molecules, and sustainable therapeutic areas.
- Scale of operations - Increasing commercial and development orders for the aforementioned products further helps optimise capacity utilisation of our facilities and bodes well for profitability.

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PILLARS

THAT SUPPORT OUR BUSINESS

Our business is rooted in a strong foundation – made up of six pillars – enabling us to meet the demands of a dynamic environment and weather future storms.

While our foundation allows us to take prudent risks, our six pillars will enable us to identify and initiate opportunities for key business improvement. With our feet firmly on the ground and eyes on the horizon, we are confident of meeting customer expectations and outperforming.

PILLARSTHAT SUPPORT OUR BUSINESS

01 ROBUST INFRASTRUCTURE

State-of-the-art Facilities

Robust infrastructure has become increasingly valuable during the pandemic, especially for companies such as ours. Since the beginning, we have focused on strengthening our manufacturing facilities and R&D centres by equipping them with the latest technology and skilled manpower. Thus, even as many global companies' infrastructure crumbled under the weight of the pandemic, we were able to continue seamless operations and provide solutions to pharmaceutical companies.

Our manufacturing facilities spread across India, Europe, and China can develop processes and solutions customised to the varied needs of our pharmaceutical clients located in different areas.

SALIENT FEATURES

28
Dedicated R&D labs, including HiPo labs

25
Multi-purpose facilities globally

Dedicated
API AND INTERMEDIATES FACILITY

7,500 M²
Of cumulative R&D floor space

One of Asia's largest
HIPO FACILITY

1,150 M³
Of cumulative reactor capacity

Facilities approved and recognised by global health agencies and authorities such as
USFDA, MEB, SWISS MEDIC, ANSM, WHO, KFDAD, PMDA

DOMESTIC

BAVLA, UNIT 1 TO 13

INDIA

- This facility was set up in 1996.
- Equipped with dedicated and multi-purpose API facilities.
- Three multi-purpose development pilot plants.
- Dedicated and multi-purpose starting material plant.
- Intermediate manufacturing facility.
- Solvent distillation facility.
- HiPo API facility with DCS controlled automated glovebox technology.
- Disinfectant formulation plant for Aerosols, and hard surface disinfectants.
- Dedicated staff for manufacturing, QC, QA and Engineering support.

Team Strength
629

Accredited or Inspected

NARODA

INDIA

- This facility was set up in 1987.
- Facilities for APIs, quaternary compounds and fine chemicals.
- Approximately 20 significant products manufactured including Bisacodyl, CPC, Cetrimide and Sodium Pico Sulphate.
- KiloLab reaction capacity (4 X 30-100 L).
- GMP pilot plant (10 x 250-1,000 L).w

Team Strength
236

Accredited or Inspected

01 ROBUST INFRASTRUCTURE

GLOBAL

BUBENDORF

SWITZERLAND

This large scale manufacturing facility commenced operations in 1987 serves as the headquarters of CARBOGEN AMCIS. In its 25+ year history, it has continuously adapted to the changing needs of the pharmaceutical industry.

- Serves for late phase and commercial supply of API
- HiPo manufacturing up to 100 Kg scale, up to category 4
- cGMP Chromatography to multi 100 Kg scale (including highly potent compounds)
- State of the art ADC laboratories

Team Strength

346

Accredited or Inspected

NEULAND

SWITZERLAND

The facility commenced operations in 2000 and is the group's second site to house laboratories for development of highly potent compounds. **In addition, a new API plant will be set up at here, construction work begun in 2021.**

- New state-of-the-art API plant with goods warehouse, supply building with tank farm, and inbuilt incinerator planned to operational by summer 2024. In addition a dedicated budget provided to improve some of the existing technologies and increase capacity of the current site.
- This facility is designed to provide space for CARBOGEN AMCIS to grow over the next 10 years.
- Serves for early phase development and rapid API supply (in Kgs) to cGMP
- Strong analytical capabilities equipped with crystallization laboratory

Team Strength

115

Accredited or Inspected

AARAU

SWITZERLAND

Located in the heart of Switzerland, the Aarau facility commenced operations in 1994 after four years of operation from the University of Zurich. It aims to provide a wide range of technology tools such as solid-state analysis, chromatography separation, isolation, and analytical capabilities.

- Serves for early phase development and rapid API supply (in Kgs) to cGMP
- Possess strong analytical capabilities and speciality laboratories
- Suitable for chromatography and product-handling facilities

Team Strength

129

Accredited or Inspected

VIONNAZ

SWITZERLAND

This facility commenced operations in 2015, features a process development laboratory, a dedicated QC laboratory, two production units fitted with reactors up to 30 L, chromatography, and a freeze dryer for lyophilisation.

- Production capabilities to handle gram to kilogram scale
- Equipped to handle HiPo APIs & intermediates – category 3 and 4
- Warhead Linker synthesis for ADCs

Team Strength

17

Accredited or Inspected

MANCHESTER

UNITED KINGDOM

A fully integrated manufacturing facility into our in-house supply chain for complex APIs.

- Specialises in process-research and non-GMP custom synthesis of pharmaceutical intermediates
- Larger capacity (up to 4,500 L) facilitates the production of early phase APIs and large-scale intermediates
- 25% - regular commercial products, 60% - development of RSM or advance intermediates

Team Strength

83

RIOM

FRANCE

A 10,000 square meter facility in Riom opened in 1998. This facility focuses on formulation, aseptic filling, cytotoxics, and other highly potent drugs and biologics.

- **In addition, a new facility focused on clinical batches up to phase III and small-scale commercial manufacturing is being set up 7 km away from the existing site will be added in Saint-Beauzire. Operations at the new site are planned to start by April 2023.**
- Manufacturing sterile Investigational Medicinal Products (IMPs) based on complex compounds
- Focused on formulation of new products and aseptic drug products of preclinical and clinical batches - in vials, pre-filled syringes, liquid or freeze-dried form

Team Strength

49

Accredited or Inspected

SHANGHAI

CHINA

This is a fully self-supporting GMP compliant development and manufacturing site, designed for large-scale manufacturing of raw materials, intermediates, and API.

- Capable of manufacturing highly potent chemicals up to category 3
- 13 reactors, segregated into 4 separate suites with capacities from 500 L to 8,000 L
- Dedicated analytical and QC capability, with fully qualified process control and monitoring systems
- On-site bulk solvent storage and waste treatment facilities

Team Strength

113

Accredited or Inspected

VEENENDAAL

THE NETHERLANDS

This facility commenced operations in 1948 is active in the manufacturing, marketing, and distributing Vitamin D analogues, Vitamin D2, Cholesterol, and Lanolin derivatives. Through its history of Dishman Netherlands, Philips, Roxane, Duphar, and Solvay Pharmaceuticals, this facility has more than 70 years of experience developing, manufacturing, and distributing these products.

- Large scale dedicated Cholesterol production facility
- Complete control over supply chain with in-house manufacturing of raw material for Vitamin D

Team Strength

73

Accredited or Inspected

02 PRESENCE ACROSS THE VALUE CHAIN

End-to-end Value Chain Integration

Once we identify the client's needs, we play a crucial role through the entire life cycle – right from undertaking the research and setting up the manufacturing processes to undertaking late-stage clinical and commercial manufacturing and supplying APIs. In that sense, we are a true partner to our clients, helping them navigate through every stage of the complex process of drug development.

Our presence across the value chain offers flexibility to our clients, allows us to innovate for better solutions, and provides value for the clients. Thus, we are committed to expanding our competencies in the value chain.

INTEGRATED CRAMS OFFERING WITH STRONG CAPABILITIES ACROSS THE VALUE CHAIN

EARLY PHASE

Process research and rapid supply of APIs to support early phase clinical trials.

RESEARCH | PRE-CLINICAL

LATE PHASE

Process development, validation based on QbD, and scale-up of development activities.

PHASE I | PHASE II

COMMERCIAL SUPPLY

Process and cost optimisation, FDA audit and cGMP manufacturing.

PHASE III | MARKET

DCAL has a strong basket of

16

APIs in Phase III development.

CARBOGEN AMCIS

CARBOGEN AMCIS
A Dishman Group Company

STRONG RESEARCH CAPABILITIES

- Focused on supporting the development process, from bench to the market.
- Process Research and Development for the supply of pre-clinical studies, clinical trials and commercial use.

- Process R&D
- API supply to support clinical requirements
- Niche scale, commercial manufacturing

Operations in Switzerland, UK, France, the Netherlands and China

DISHMAN INDIA

dishman

STRONG MANUFACTURING CAPABILITIES

- Large dedicated R&D centre with multiple shift R&D operations.
- Multi-purpose and dedicated production facilities for APIs and Intermediates.

- Process Development & Scale-Up
- Process Optimisation
- Large scale, commercial manufacturing

Operations in India, Europe, and China

DISHMAN CARBOGEN AMCIS

Dishman Carbogen Amcis

TOGETHER, WE ARE ONE FORMIDABLE FORCE IN THE GLOBAL CRAMS LANDSCAPE, WORKING TOWARDS CREATING A HEALTHY DIFFERENCE IN GLOBAL HEALTHCARE.

03 PEOPLE

A Team of Passionate and Determined Individuals

Today, we are a multinational company recognised and trusted for our ability to provide niche products and services to global pharmaceutical majors. This would not have been possible without the passion and determination of our people. They come to work each day to build a better tomorrow and transform the global healthcare landscape.

Ours is a business driven by intellectual capabilities and a penchant for R&D. It is, therefore, crucial for us to attract the right and likeminded talent, since we strongly believe that our people will ensure our economic success. Thus, the development of our employees is vital to us, and we are fostering a culture where our people can reach their full potential.

Our team of competent individuals offer immeasurable value to our customers.

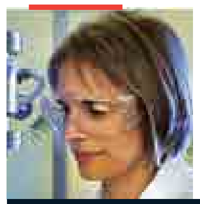
- Our team regularly attends internal and external training sessions to keep abreast of the latest safety requirements and technology enhancements.
- Analytics is the foundation for process research and manufacturing activities. A thorough understanding of reactions is critical in process development. We have a 1:2 ratio of chemists to analysts and strive to provide them with a comprehensive range of tools and techniques to facilitate this work.
- We aim to offer our customers a choice of state-of-the-art tools combined with qualified and experienced staff to best meet their often-changing priorities.

2,200
Skilled employees

950+
Deployed in the R&D function (of the 2,200+ people)

~50%
Of the 950+ employees have PhDs in Chemistry

WHAT OUR PEOPLE THINK OF US

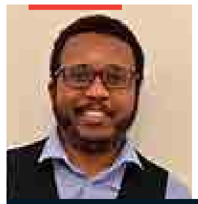


LAURA
KEY ACCOUNT MANAGER

As a Key Account Manager, I help customers achieve their project goals through effective internal coordination. It's always a positive, solution orientated workplace, and it's motivating to be part of a team continuously striving to serve our customers better.

RAVIKESH
GENERAL MANAGER - R&D

With a Motivational and extremely supportive management, we have access to the latest technologies and Chemistry, whereby we can work on new products and improved processes, contributing to Company's mission to 'save lives' with quality drugs for all humans.

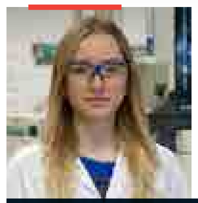


HUZIFA
SALES MANAGER

It is an absolute pleasure being part of the global Dishman Carbogen Amcis Ltd family, where providing high-quality services, is in equilibrium with a diverse professional development. My commercial role has connected me with many of the leading industry experts, where my scientific knowledge continues to expand and my skills to branch out beyond sales. Some of these interesting areas I am learning more about include Supply Chain, Regulations & Quality Control.

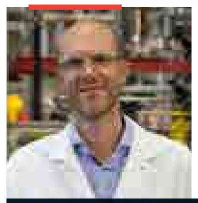
LUCA
SENIOR CHEMIST ADC

We advise our customers on the best conjugation strategy to successfully manage projects from drug-linker synthesis to final drug product manufacturer.



DARJA
CHEMIST QC&A

We support our customers during and beyond the project by advising them on how to improve the process and the quality of the drug.



GAVIN
HEAD OF ESH

My work has a daily impact on many people, as we continually strive to increase the company level of health and safety whilst minimising our environmental impact.

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04 GLOBAL PRESENCE

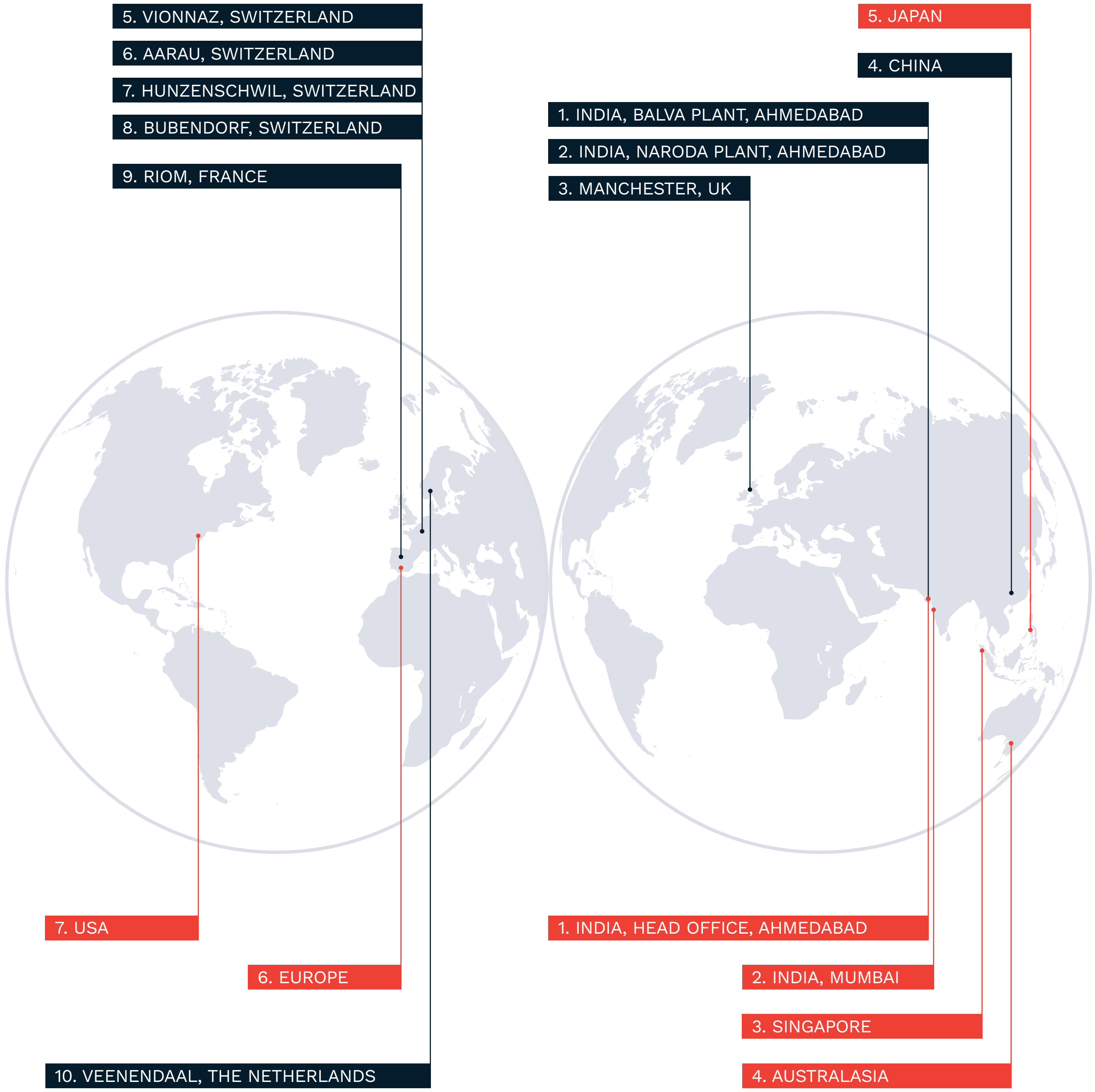
A Strong Network Around the World

In our business, we cannot follow a 'one size fits all' approach. Every solution must be tailored to meet the needs of different clients. Our expanding global network allows us to understand the local needs of every customer and offer them local support and regulatory expertise based on their location of operations. As a multi-site, transcontinental organization, our position also allows us to offer our customers a comprehensive range of chemical and manufacturing solutions from a single supplier.

An efficient and effective technology transfer process is key to successfully transferring processes either from the customer to DCAL or between various DCAL sites. Our technology transfer expertise is a critical element in our ability to take advantage of the economies of scale and cost-efficient operations associated with the high-potency plants in India and China.

10 Manufacturing Sites Globally

7 Sales Offices Globally



OUR FACILITIES ARE RECOGNISED BY

LEGEND

SALES OFFICE

1. Dishman India, Head Office, Ahmedabad
2. Dishman India, Mumbai
3. Dishman CARBOGEN AMCIS (Singapore) Pte Ltd.
4. Dishman Australasia Pty. Ltd.
5. Dishman CARBOGEN AMCIS (Japan) Ltd.
6. Dishman CARBOGEN AMCIS (Europe) Ltd.
7. Dishman USA Inc

SITES

1. Dishman India, Balva Plant, Ahmedabad
2. Dishman India, Naroda Plant, Ahmedabad
3. CARBOGEN AMCIS Ltd., Manchester, UK
4. CARBOGEN AMCIS (Shanghai) Co. Ltd. China
5. CARBOGEN AMCIS AG., Vionnaz, Switzerland
6. CARBOGEN AMCIS AG., Aarau, Switzerland
7. CARBOGEN AMCIS AG., Hunzenschwil, Switzerland
8. CARBOGEN AMCIS AG., Bubendorf, Switzerland
9. CARBOGEN AMCIS SAS, Riom, France
10. CARBOGEN AMCIS BV., Veenendaal, The Netherlands

05 PRODUCT PORTFOLIO

Innovating Solutions for a Better Tomorrow

Patient health is our priority, and helping our customers deliver medical solutions to them is at the centre of everything we do. Fuelled by our belief in science and technology, we, thus, manufacture a wide range of medical processes and solutions that enable our pharma customers to bring life-changing products to the market. We leverage our extensive range of skills, experience, capabilities, production excellence, and unrivalled capability to handle a wide range of technologies to develop innovative products that meet the highest standards of international quality.

16
Cumulative Phase III Molecules

24
Total Commercialised Molecules

4
New products commercialised

PRODUCTS THAT ARE REIMAGINING GLOBAL HEALTHCARE

APIs & HIGH POTENT APIs

- We are focused on developing and manufacturing niche generic APIs to capture a larger market share of lucrative generic APIs where the company has filed the Drug Master Filing (DMF) or other regulatory filings. The company will continue to file such molecules in the future to skew the proportion of these molecules in the marketable molecules' business segment.

INTERMEDIATES & PHASE TRANSFER CATALYSTS

- As part of our Specialty Chemicals portfolio, we manufacture pharmaceutical intermediates and phase transfer catalysts, which are crucial inputs in the pharmaceutical value chain.
- The company has significant expertise in providing tailor-made solutions; these products are manufactured at our Naroda facility in compliance with GMP.

VITAMIN D & ANALOGUES

- The company is a critical player in the manufacturing of Vitamin D and its analogues. In addition, we are developing a broad spectrum of products for the pharmaceutical, nutraceutical, and holistic animal nutrition verticals of Vitamin D3.
- These products are used in pharmaceuticals, cosmetics, feed, food, shrimp farming, and industrial applications.

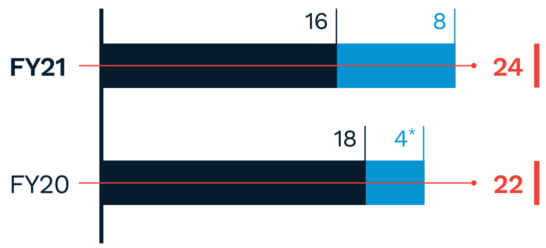
CHOLESTEROL LANOLIN-RELATED PRODUCTS

- Cholesterol acts as a precursor to Vitamin D & its analogues. We ensure the extraction of this cholesterol from sheep wool, making it a vegan source, required to form a strong base for the formulations.

DISINFECTANT FORMULATIONS

- We offer a range of Antiseptics and Disinfectants for application in healthcare and related industries. In addition, we shall have a deep portfolio of 'next generation' innovative antiseptic and disinfectant formulations.

RECENT PRODUCT DEVELOPMENTS



Molecules in Phase III stage

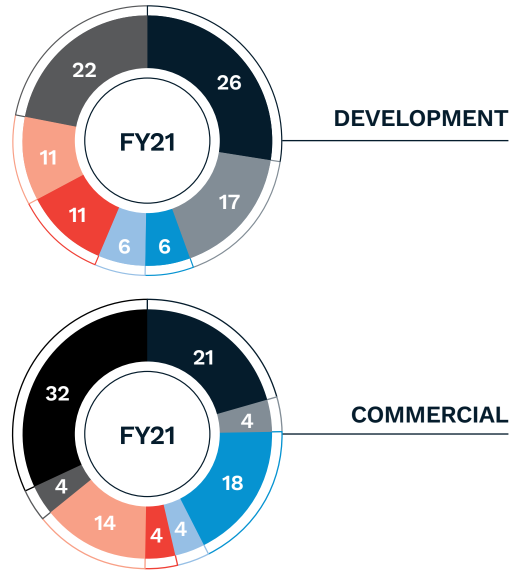
New Products Commercialised

Total Commercialised Molecules

*April 2019 to June 2020

A THERAPEUTIC MIX OF PRODUCTS IN OUR PORTFOLIO

(IN %)



Cancer	Hormone/Metabolism
ADC-Warhead/ADC	Pain/Nerves
Eyes	Diabetes
Antibiotic	Various APIs
Blood/Immunology	Non-APIs/Interdiabetes

1. Well-diversified therapeutic mix.
2. Oncology is a key focus area, accruing better margins.
3. Focused on sustainable molecules and therapeutic areas.

06 CLIENT TESTIMONIALS

What Our Clients Think of Us

At DCAL, we give our best to manufacture solutions with passion so that our clients get exactly what suits their needs. With our synergies, we bring life to science by developing high-quality and cost-efficient products, which have helped us gain client trust. We believe there can be nothing better than client testimonials to validate the work that we do everyday.

We have found DCAL to be reliable stewards of our complex, high-potency projects. Their teams function as an extension of our own internal teams, not just developing and executing processes with care and depth of knowledge, but their robust project management, analytical, and quality systems reassure us of a solid data package for the material delivered.

AMERICA'S LEADING PHARMACEUTICAL GIANT

Flexibility, good delivery performance, transparency and many years of experience in the CDMO environment qualifies Dishman as a reliable, customer-oriented partner for complex molecules and synthesis.

A EUROPEAN CLIENT

Our partnership with Dishman has gone from strength to strength, with the focus on supply of critical medicines to patients worldwide being the ultimate ambition. The knowledge, expertise and commitment to safety, quality and reliability from all Dishman personnel ensures this ambition is achieved consistently.

AN AMERICAN MULTINATIONAL CONGLOMERATE

We highly appreciate Dishman's cooperation with us. For years we have been working with them at the CIS markets, offering the APIs manufactured at Dishman to all our customers. 2020 was a challenging year for us due to the worldwide COVID-19 situation and we faced the EDQM issue at the factory. Despite the obstacles we faced, we managed to find the solutions mutually applicable. We hope to have an enduring business with Dishman.

A GERMAN MULTINATIONAL OPERATING IN MORE THAN 25 COUNTRIES

We are very satisfied with the overall working experience with Dishman. Thank you for your kind support.

A TAIWANESE CUSTOMER

We have been conducting business with Dishman Carbogen for a few years now, which has led to significant and remarkable success for us. We treat Dishman Carbogen as respectful and reliable partners who offer excellent service and careful attention to business partners. We look forward to a long-standing collaboration with Dishman Carbogen.

A RUSSIAN PHARMACEUTICAL COMPANY

We are very satisfied with the quality of products, support for documents, and prompt response and actions from DCAL. We are impressed by the seamless manner in which DCAL conducts business and would like to express our appreciation for the Company's excellent service of more than 10 years to us.

SOUTH KOREAN PHARMACEUTICAL MAJOR

Customer Centric Company, problem solving attitude, results driven culture and flexibility are salient features of Dishman, that makes them a reliable partner to work with.

A EUROPEAN CLIENT

We have enjoyed a long and mutually beneficial relationship with DCAL. We have built strong relationships with its members, which in turn have led to many years of cooperation with each other. DCAL has a forward thinking and progressive attitude which makes them a great API manufacturer to work with. The team is always ready to help and advise. We understand and appreciate the quality of APIs supplied by DCAL and thank them for their support. We look forward to working with them for many more years to come.

A RUSSIAN PHARMACEUTICAL COMPANY

We have been working with Dishman Carbogen for three years now. Throughout our association, we have been satisfied with their overall performance, product quality and reliability of supply and shipments. Communication enquiries and technical support from the Dishman marketing team has always been fast and effective.

A MALAYSIAN SPECIALITY AND INDUSTRIAL CHEMICAL COMPANY

PERFORMANCE
AND THE ROAD AHEAD

This has been one of the most challenging years in history, and like all businesses, the pandemic did impact our operations as well.

However, we are optimistic about coming back with renewed vigour and exceptional performance on the back of our unique value proposition and financial and operational agility, supported by our people's unwavering spirit and resilience.

PERFORMANCE AND THE ROAD AHEAD

THE YEAR IN REVIEW

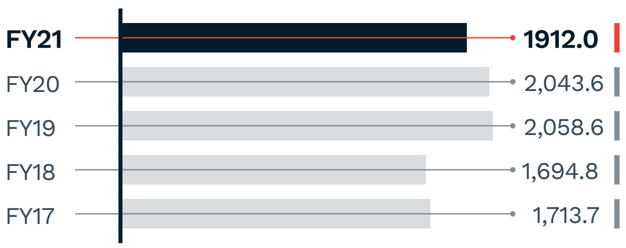
Resilient Performance

For any business, highs and lows are a common phenomenon. For us, this year was a challenging one as the pandemic impacted our operations. However, we embraced the non-linearity in our numbers, communicated transparently about it to our stakeholders, and set a roadmap to bring our operations and performance back to excellence. Our ultimate focus is to solve our customers' problems, enlarge our product portfolio and molecule commercialisation, grow our footprint and expand our clientele. We believe these judicious steps will enable us to make profits and continue creating significant value for our stakeholders.

REVENUE FROM OPERATIONS

(IN ₹ CRORES)

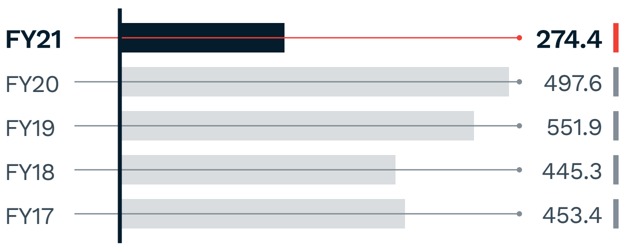
1,912.0



EBITDA

(IN ₹ CRORES)

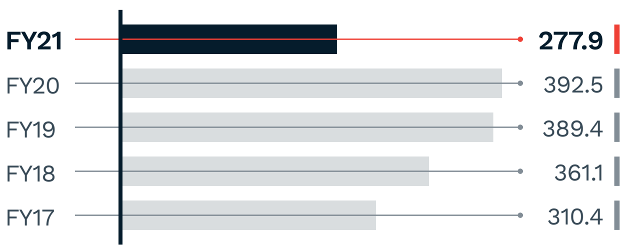
274.4



CASH PROFIT

(IN ₹ CRORES)

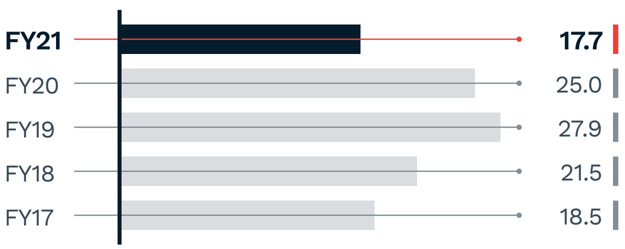
277.9



CASH EARNINGS PER SHARE

(IN ₹)

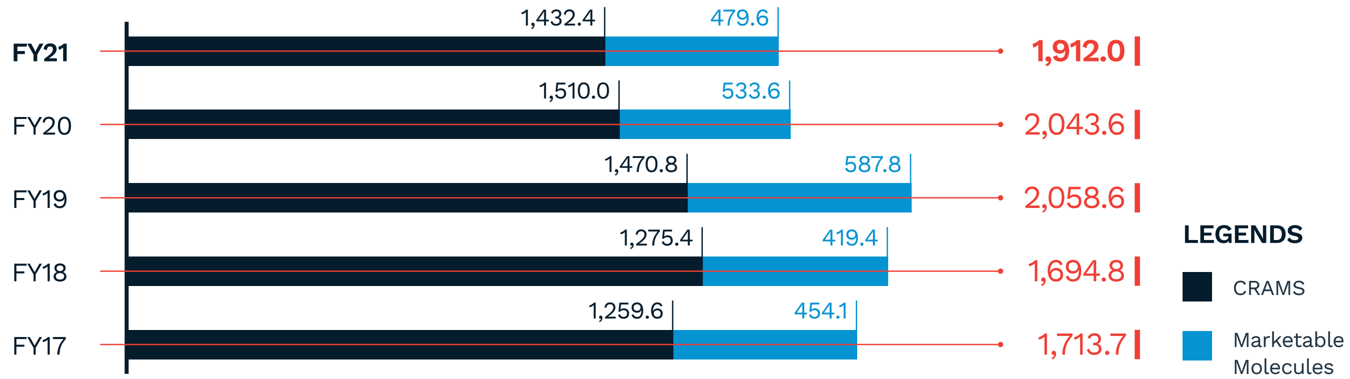
17.7



REVENUE BREAK-UP

(IN ₹ CRORES)

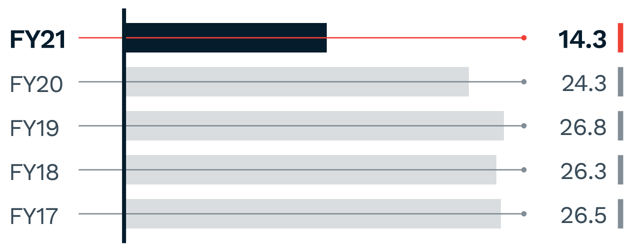
1,432.4 **479.6**



EBITDA MARGIN

(IN %)

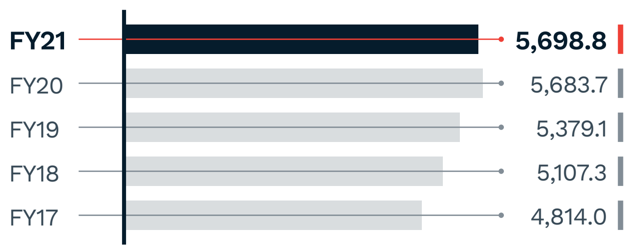
14.3



SHAREHOLDERS' FUNDS

(IN ₹ CRORES)

5,698.8



FY21 PERFORMANCE HIGHLIGHTS

- The financial performance for FY21 isn't precisely comparable with the previous year. The year under review witnessed a contraction in Revenues and Profitability due to EDQM observations at the Company's Bavla manufacturing facility.
- To add to this, COVID-19 associated disruptions and the overall state of the economy also proved to be a drag on the overall performance.
- The non-India CRAMS business has delivered good results in a challenging year, with CARBOGEN AMCIS AG delivering an 18.4% growth year-on-year.
- CAPEX for the year was ~USD 49.31 Mn, which includes both growth and maintenance CAPEX.
- Net Debt excluding lease liabilities stood at ~USD 101 Mn as of FY21 against ~USD 100 Mn as of FY20.
- 12 of our 16 late phase projects are now being prepared for validation during FY22, a record in the 40-year history of the company. These projects span therapeutic areas such as antibacterial infection, lymphoma, multiple myeloma, myeloid leukaemia, hypersimplex, and gastric-related disease.
- In Europe, the New Product Development Pipeline stands at CHF 91.2 Mn as of March 31st, 2021.

STRATEGIC REVIEW

STATUTORY REPORT

FINANCIAL STATEMENTS

CORE BUSINESS SEGMENT REVIEW

Delivering Excellence to Customers and Patients

CRAMS

OVERVIEW

Contract Research and Manufacturing (CRAMS) is the forte and core competence of DCAL.

Being an integrated CRAMS company, we have a presence across the entire value chain, right from early-stage process research to late-stage clinical & commercial manufacturing. Our customer-centric approach revolves around deploying high-quality people and superior infrastructure & resources to solve complex problems encountered in various stages of drug development and offer customised solutions for the same. In addition, once an innovative molecule is approved, we explore the possibility of long-term, large-scale commercial supply tie-ups.

Through our CRAMS offering, we facilitate drug innovators across the globe in the research, development, and commercialisation of novel drug molecules in various stages of their development process. Furthermore, as an organisation we aim to collaborate with global pharmaceutical leaders in curing diseases and furthering healthcare for humanity.

REVENUE FROM OPERATIONS

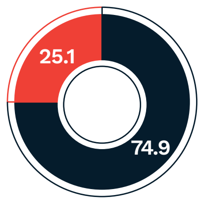
FINANCIAL PERFORMANCE

CRAMS business has been steadily growing over the past few years, contributing incrementally to the topline and profitability. CRAMS continues to drive the overall business at DCAL; however, the year under review has been challenging.

FY21 witnessed a decrease in the revenues of the CRAMS segment to the tune of 5.1%; this was primarily due to the EDQM observation at the Bavla facility, leading to a significant revenue drop of 83.9% in the CRAMS - India segment. CRAMS - India's performance was partially offset by the healthy revenue growth in CRAMS - Switzerland, France & China, and CRAMS UK business coupled with superior EBITDA margins.

FY21 REVENUE-MIX

(IN %)

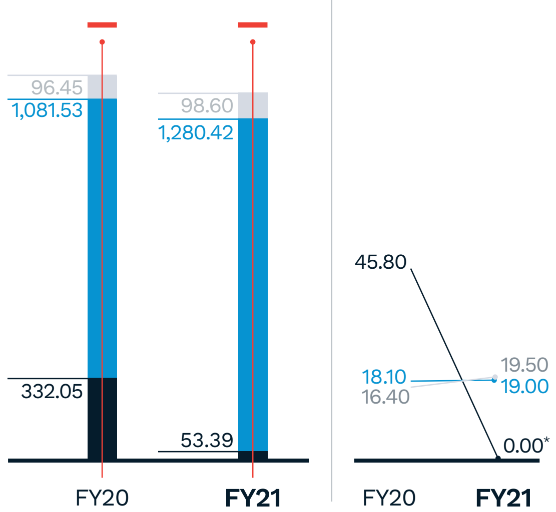


CRAMS REVENUE

(IN ₹ CRORES)

CRAMS EBITDA

(IN %)



*Negative due to EDQM observation impact in FY21.

OPERATIONAL PERFORMANCE

During FY21, DCAL successfully executed a landmark agreement with a Japanese client to commercially manufacture a novel oncology drug linker in a new facility co-funded by the client and CGAM. The Company also executed a commercial supply agreement to manufacture a Hypoparathyroid drug for one of its clients. This compound has been in development for several years and commercialise in the coming months.

Additionally, 12 of the 16 late phase projects are being prepared for validation in a single year in FY22, a record in our 40-year history. DCAL has also commenced a campaign to produce a highly complex GMP precursor for an oncology product; this is for a Japanese client.

GROWTH DRIVERS

- THE NUMBER OF NICHE APIs FOR DEVELOPMENT PROJECTS
- THE COMMERCIALISATION OF PHASE III PRODUCT PIPELINE
- ADDITIONAL CONTRACTS FOR ONCOLOGY AND OTHER HIGHLY POTENT COMPOUNDS
- BETTER CAPACITY UTILISATION OF FACILITIES, ESPECIALLY SHANGHAI FACILITY
- SHIFT TO HIGHER-MARGIN CONTRACTS

OUTLOOK

The outlook for the CRAMS business segment remains healthy, supported by commercialisation of high potential molecules, a healthy increase in customer inquiries, and the execution of landmark contracts.

We are confident that our CRAMS business will continue to act as the key revenue growth driver for the Company in the times ahead. The global pharmaceutical and bio-pharmaceutical CRAMS market has been growing steadily. With an expanded capacity in place and further CAPEX in the pipeline, we are well-positioned to reap the benefits of strong and emerging opportunities in the CRAMS space.

CORE BUSINESS SEGMENT REVIEW (CONTD.)

Delivering Excellence to Customers and Patients

MARKETABLE MOLECULES

OVERVIEW

Our Marketable Molecules comprises multiple sub-categories such as Specialty Chemicals, Vitamins and Analogues, Disinfectants, and Generic APIs.

1. SPECIALTY CHEMICALS

We manufacture and supply intermediates, fine chemicals, and various pharmaceutical and cosmetic-related products. Our domain expertise has allowed us to expand into ammonium and phosphonium high-purity solid Quats, Phosphoranes, and Wittig reagents.

2. VITAMINS AND ANALOGUES

We have gradually migrated from the formulation of low-margin Vitamin D products to formulating analogues with superior margins within this category. As a result, the final drug is a highly concentrated Vitamin D analogue with a considerably more diverse range of applications.

3. DISINFECTANTS

We produce a wide range of hand and body wash, sanitisers, and antiseptics, apart from its active pharmaceutical ingredients and formulations businesses. In addition, we aim to to build a deep portfolio of 'next generation' innovative antiseptic and disinfectant formulations.

4. GENERIC APIs

We plan to develop & manufacture niche generic APIs. The company is also developing specific generic molecules that have sound potential in terms of profitability.

FY21 PERFORMANCE

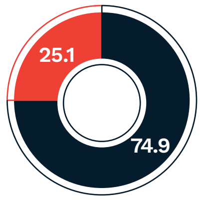
FINANCIAL PERFORMANCE

The Vitamin D Analogues and Cholesterol have been at the forefront of DCAL's Marketable Molecules segment performance. DCAL's subsidiary CARBOGEN AMCIS BV has been consistently performing well over the last few years, owing to its continued focus on the high-margin Vitamin D Analogues business and cholesterol sales.

FY21 witnessed an increase in the revenues of the Marketable Molecules segment to the tune of 3.6%; this was supported Marketable Molecules - Others, reporting 30.4 % revenue growth. On a consolidated level, the revenue contribution from Marketable Molecule declined from 26.1% to 25.1%, primarily due to a decrease in CRAMS revenue. On the profitability front, EBITDA margins for CARBOGEN AMCIS BV were 32.2% compared to 31.6% the previous year, and a spike in Others from 10.6% to 16.3% in the current year. Others include disinfectants, generic APIs, quaternary compounds and PTCs.

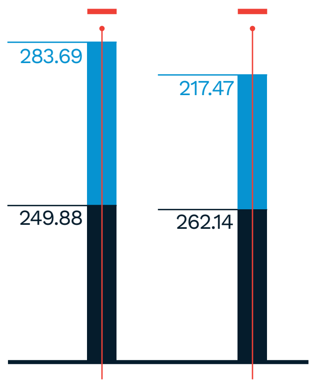
FY21 REVENUE-MIX

(IN %)



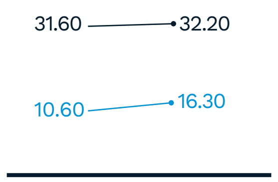
MARKETALE MOLECULES REVENUE

(IN ₹ CRORES)



MARKETALE MOLECULES EBITDA

(IN %)



OPERATIONAL PERFORMANCE

The Company's development teams continue their progress on three new projects in synthetic cholesterol and vitamin D2 areas, which are being prioritized across both – India and the Netherlands R&D teams. In addition, the R&D team in the Netherlands has been strengthened to ensure the timely execution of the projects.

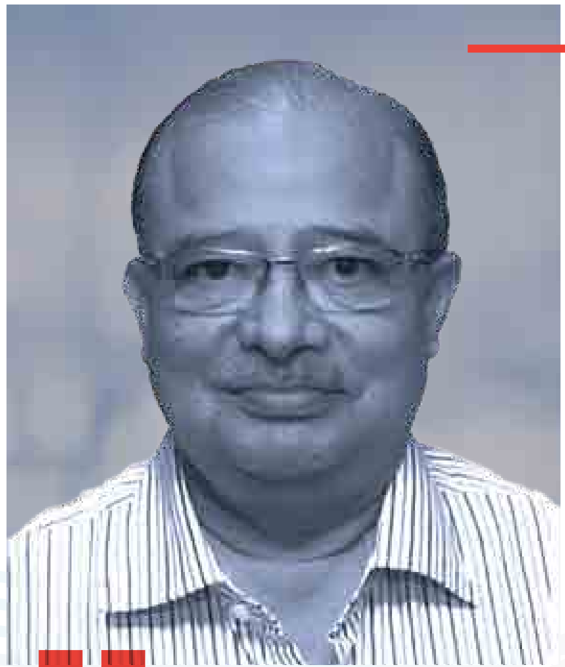
The company also announced successful results of a study in partnership with Boston University School of Medicine. This study uncovers treatment for Vitamin D deficiency and provides critical insights into the treatment of Vitamin D deficiency in obesity and fat malabsorption syndromes.

OUTLOOK

A strategic shift towards margin-accretive molecules led to a substantial change in the trajectory of EBITDA margins in the past; the Company continues to focus on this strategy to achieve better results in this segment. In addition, the Company will introduce new products and target new geographies for delivering results in this segment.

CHAIRMAN'S COMMUNIQUE

Building A Stronger Business



JANMEJAY R. VYAS
CHAIRMAN

"We are eyeing higher value opportunities in CRAMS and optimising our product line in the marketable molecules business. Our goal is to strengthen our foundation, improve our efficiency, and increase our overall profitability by augmenting our capacity utilisation.

Dear Shareholders,

It gives me immense pleasure to present to you the FY21 Annual Report of your Company. Our performance during the year was impacted due to the Covid-19 pandemic and the observation by the European Directorate for the Quality of Medicines and Healthcare (EQDM) at our Bavla facility. However, our numbers are expected to improve significantly going forward, led by fast remediation and widespread vaccination. Moreover, we remain positive on future growth outlook driven by our constant endeavour to inculcate innovation in our processes and our resolve to improve our operational efficiency, which provides us an edge in aiding drug innovators in the development and process optimisation of novel drug molecules.

16

API's in phase III development and close to commercialisation.

The second wave of Covid-19 pandemic has added uncertainty to the overall economic growth outlook. However, we are confident that the widespread deployment of vaccines will improve business and consumer confidence and lead to increased economic activity. Meanwhile, we continue to streamline our processes, establish strong customer relationships, and remain confident of emerging stronger from the current crisis.

STRENGTHENING THE BUSINESS

Over the years, we have worked tirelessly to transform into a world-class, fully integrated CRAMS player with a global presence. We have provided end-to-end integrated high-value niche offerings from process research and development to late-stage stage clinical manufacturing and supply of APIs to innovator pharmaceutical companies. We continue to improve our productivity and become more efficient to enhance our competitiveness and remain the preferred choice for existing and potential customers. As a result, we are well poitioned to benefit from the strong growth in the global CRAMS industry on the back of our expanded capacities, cutting-edge manufacturing capabilities, strong technical know-how and R&D.

STEPPING UP TO THE CHALLENGE

Coming to the EDQM observations, we responded by appointing consultants to supplement the team in India to rectify the deficiencies highlighted during the EDQM audit, submitted the Corrective Action Plan to the EDQM authority, and started its implementation. We have received the Final Audit Closure Report from EDQM, wherein our approach to remediate the deficiencies was considered appropriate. We also carried risk assessment of all the APIs and marketable molecules made and sold over the previous year to assure our customers that no products were negatively affected. In addition, the company undertook a major restructuring exercise and made the organisational structure much leaner and more efficient.

MAKING PRUDENT INVESTMENTS

We continue to invest in systems and technologies and leverage our core capabilities to ensure that we offer cutting-edge solutions to our clients. The Company is always on the lookout for meaningful opportunities and ready to capitalise on them. We have undertaken the expansion of our API capabilities in Switzerland and finished dosage form in France. In addition, the company is focused on improving its capacity utilisation at its manufacturing facilities by targeting small and mid-sized global biotech companies and diversifying across new geographies.

We have been investing in developing a strong pipeline of products, which continues to grow. Currently, we have a strong basket of about 16 APIs in Phase III development and closer to commercialisation. We have a good balance between pre-clinical, Phase I, Phase II and the Phase III validation and commercial launches.

TOWARDS A BRIGHT FUTURE

Going forward, we are directing our time and energy towards high-growth opportunities with better margins. We are eyeing higher value opportunities in CRAMS and optimising our product line in the marketable molecules business. Our goal is to strengthen our foundation, improve our efficiency, and increase our overall profitability by augmenting our capacity utilisation.

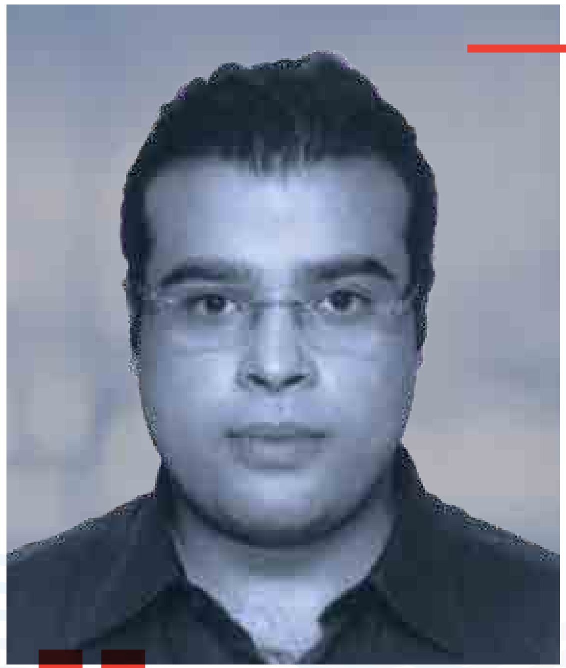
I want to take this opportunity to convey my heartfelt gratitude to our Board members for their constant guidance. We look forward to their continued support as we progress on our journey to create long-term value for our stakeholders. I would also like to thank all our shareholders and customers for their trust and faith in the Company. Finally, I would like to thank our employees for their invaluable contribution.

Sincerely,

JANMEJAY R. VYAS
CHAIRMAN

FROM THE GLOBAL MD'S DESK

A Year of Challenges and Milestones



ARPIT VYAS
GLOBAL MANAGING DIRECTOR

"We are confident of improved performance in both verticals – CRAMS and Marketable Molecules – as we continue to resolve past issues and focus on an innovation-led approach towards maximising efficiency and achieving process excellence.

Dear Shareholders,

The year under review has been a mixed bag on the back of challenging external environment and the observation by the European Directorate for the Quality of Medicines and Healthcare (EQDM) at our Bavla facility on the operational front. However, we managed to deliver decent performance on the back of growth momentum in our foreign subsidiaries. We continue to witness speedy commercialisation of our products, and it is heartening to note that some of our key projects hit milestones during the fiscal year. Our strategy for sustainable growth revolves around improving our customer experience, strengthening our product pipeline, and enhancing our R&D and manufacturing capabilities. We remain well-positioned to capture the upcoming opportunities by leveraging our core capabilities built over the years and unlock significant value for our shareholders.

MITIGATING THE CHALLENGE

During the year, the Indian CRAMS business was significantly impacted due to the EDQM observation, while the performance of the Marketable Molecules business was satisfactory against the backdrop of uncertainty in the global environment. However, the Indian CRAMS business is expected to start doing well going forward as we make progress related to resolution of the EDQM observation issues.

The EDQM observation caused a temporary setback during the year in terms of performance. However, we took it in our stride and strengthened our processes and compliance levels to avoid such instances in the future. In doing so, we appointed globally renowned consultants who have been instrumental in helping us in submitting the CAPA, which the EDQM Authority has accepted, and at the same time have been assisting us in upgrading our capabilities. As a result, we are satisfied with the progress made related to approvals from the local authorities and remain confident of resuming majority of the work.

MILESTONES ACHIEVED THIS YEAR

While the year was challenging due to the challenges posed by the EQDM audit, it was also a year of milestones for us. Switzerland busines completed a record-breaking year with around CHF 154 million revenue, which is the highest revenue in the history of our existence. Furthermore, the fact that China business staged a remarkable turnaround in performance and became profitable was heartening. Further, we signed one of the largest co-investments that we have ever entered into, worth CHF15 million, between Carbogen Amcis, Switzerland, and one of our Japanese clients to produce the commercial linker and payload. So, overall the fiscal year has been a satisfying and fruitful one.

NUMBERS THIS YEAR

During FY21, the CRAMS segment contributed 74.9% of our total revenue, while 25.1% of the revenue was contributed by the Marketable Molecules segment. Our revenue from operations stood at ₹1,912.0 crore and EBITDA stood at ₹274.4 crore, which translates into an EBITDA margin of 14.3%. In the CRAMS business, Carbogen Amcis demonstrated strong performance with a revenue of ₹1,280.4 crore as against ₹1,081.5 crore, registering an increase of 18.4% compared to the previous year. In the Marketable Molecules business, Carbogen Amcis BV recorded sales of ₹262.1 crore.

$100 MN
Pipeline of new product development

CHF ~154 MN
Record breaking revenues from switzerland business

THE ROAD AHEAD

We continue to witness progress in the product development pipeline (from Phase I to Phase II and then to Phase III). As a result, we stand to significantly as we unlock value from our growing pipeline. As of March 31, 2021, we had a pipeline of new product development worth US$ 100 million.

Going forward, we are confident of improved performance in both verticals – CRAMS and Marketable Molecules – as we continue to resolve past issues and focus on an innovation-led approach towards maximising efficiency and achieving process excellence.

As we continue on this satisfying and exciting journey and achieve significant milestones, we will keep striving to enhance our technical know-how and manufacturing capabilities, embrace innovation in whatever we do, and strengthen our portfolio pipeline with an aim to serve our customers better. On behalf of the Board, we would like to thank all the shareholders, suppliers and customers for their support and confidence and for trusting us and being a valued partner in our journey. Lastly, I would like to express my heartfelt gratitude towards my colleagues for their dedication and invaluable contribution.

We remain committed to deliver innovative and ground-breaking therapies and play a meaningful role in the industry's ongoing metamorphosis, and are confident of delivering on the aspirations of all our stakeholders.

Sincerely,

ARPIT VYAS
GLOBAL MANAGING DIRECTOR

MESSAGE FROM THE GLOBAL CEO

Well Prepared for The Future

MARK GRIFFITHS
DIRECTOR
(GLOBAL MARKETING & STRATEGY)

> We shall continue to work towards taking the Company to greater heights by leveraging our strong innovative engine, exceptional R&D and manufacturing capabilities, and a highly skilled team to unlock newer opportunities.

Dear Shareholders,

We are pleased to report a strong performance for the fiscal year 2020-21 despite the challenging economic environment and EDQM related issues due to our de-risked business model with a diversified portfolio spread across several geographies. We have built a strategic roadmap for profitable and sustainable growth and are well positioned to make the most of upcoming opportunities and unlock value for our shareholders.

During the fiscal year, the operations at the Bavla facility were impacted due to EDQM issues. As a result, we created a global task force to meet the challenge and submitted the corrective and preventive action plan to the EDQM authority. In the process of assessing the corrective actions, we also undertook a full restructuring of our Indian based Operations; this will have the long-term effect of making the Company leaner and much more efficient. Further, as part of the corrective actions, we performed a complete portfolio review of our product lines and have made a number of key changes, including an increased focus upon R&D efforts to introduce new products into our portfolio. Due to our relentless effort in identifying and addressing deficiencies, we have now emerged stronger and better placed to meet the challenges of the future.

Our focus remains on higher value-added projects and products, thus ensuring optimal utilization of our highly skilled resources. The core of our business today is to be the partner of choice globally for those innovators who are bringing New Molecular Entities to patients. As we strive to achive this goal, we are investing wisely in capacity, technology and bringing the best resources to face the challenges.

STRONG PIPELINE

The project pipeline continues to remain strong on the back of our exceptional R&D capabilities across all stages of chemical development. The rate at which projects transition from development to commercial supply is trending upwards, and this will provide a strong platform to take the company forward. To meet the market demand there are two key expansions that have commenced during the past year; the expansion of our API capabilities in Switzerland and the finished dosage manufacturing capabilities in France. We will continue to make strategic investment towards capacity expansion to meet the growing demand.

Our Marketable Molecules activity comprising of the Vitamin-D analogue and cholesterol business continues to strengthen. We have made significant progress related to the clinical trials in the US and the Middle East on the Vitamin D analogues to treat Vitamin D deficiency. We should be able to publish results from the numerous trials that have been carried out in the coming months. This could be a significant opportunity if everything goes through as expected. The key to these business verticals will be to invest wisely in R&D in the coming years to freshen up our product portfolio and bring new innovative solutions to our customers.

At Dishman, we remain committed to excellence and have built a strong foundation for growth by inculcating innovation in our processes, enhancing our capabilities, and nurturing and rewarding exceptional talent. We shall continue to work towards taking the Company to greater heights by leveraging our strong innovative engine, exceptional R&D and manufacturing capabilities, and a highly skilled team to unlock newer opportunities.

As I close, I would like to convey my earnest gratitude to all our stakeholders for their unwavering support and trust. I would also like to thank my fellow Board members for their much-needed support and guidance during a challenging year. Last but not the least, I would like to express my deepest gratitude to our employees across the globe for their commitment and invaluable contribution in helping us achieve so much this year.

We shall continue to endeavour towards enhancing the quality of life around us and making a positive difference through innovation.

Sincerely,

MARK GRIFFITHS
DIRECTOR (GLOBAL MARKETING & STRATEGY)

Board of Directors

MR. JANMEJAY R. VYAS
CHAIRMAN

Mr. Vyas is the founding Chairman of the Dishman group, incorporated in 1983 with 22 subsidiaries worldwide. He heads the company's R&D and production functions for over 30 years and is also engaged in marketing in-house technologies, products, research, and production capabilities domestically and internationally. He has been leading globalisation activities for more than 30 years. In addition, he has successfully led and negotiated several contract research proposals, long-term manufacturing and supply contracts with clients in Japan, the USA, and Europe.

His emphasis on quality and adherence to international manufacturing standards ensured all Dishman facilities are set up as per international standards. In addition, he has been instrumental in the acquisition of several research-oriented companies, including CARBOGEN AMCIS and Vitamin D business in the Netherlands.

MRS. DEOHOOTI J. VYAS
WHOLE-TIME DIRECTOR

Mrs. Vyas holds a Bachelor's Degree in Science. She has vast experience in the field of Administration and Human Resource Development. She has been associated with the company for a long time and has been instrumental in strategic decision-making in the company's HR policies.

MR. ARPIT J. VYAS
GLOBAL MANAGING DIRECTOR

Mr. Vyas has completed his Chemical Engineering degree from the University of Aston, Birmingham, and has vast experience in marketing. He was first appointed as an Additional Director of the erstwhile DPCL and as a Whole-time Director later in 2009. He was promoted as the Managing Director of the Company in May 2013 while heading the CFO's office momentarily. He has been acting as the Global Managing Director since November 2018. He has been instrumental in the strategic decision-making processes, marketing policies, and the overall operation of the company's facilities worldwide. He is entirely in charge of corporate functions such as finance, legal, IT, marketing, sales, etcetera.

MR. MARK GRIFFITHS
DIRECTOR (GLOBAL MARKETING & STRATEGY)

Mr. Griffiths holds a Master's Degree in Science (Mechanical Engineering) from the University of Bristol. He has an extensive background in the Pharmaceutical industry and strong leadership skills. Mr. Griffiths has over 35 years of experience in Strategy, Business Operation, Facility & Plant Engineering Design for pharmaceutical and chemical plants.

Before joining the Dishman Group as Global CEO, he was the co-founder and joint owner of COSAM Developments Ltd., a multi-disciplinary pharmaceutical consultancy firm. He serves as a member of the Board since August 2014.

MR. SANJAY S. MAJMUDAR
INDEPENDENT DIRECTOR

Mr. Majmudar has a rich experience of over 30 years as a Practicing Chartered Accountant. He is the Proprietor of the firm M/s. Sanjay Majmudar and Associates and also a Partner with M/s. Parikh & Majmudar.

He has been the Chairman of the Editorial Committee of the Ahmedabad Chartered Accountants Association Journal in 1994-95. He has also been a Chairman of the NRRC Committee of the Chartered Accountants Association, Ahmedabad, during 2000-01 and 2002-03.

He has extensive experience in the areas of Finance, Corporate Law, Direct Tax, and Auditing & Accounting.

MR. ASHOK C. GANDHI
INDEPENDENT DIRECTOR

Mr. Gandhi has broad and rich experience as a Senior Advocate. He is also a Partner with M/s. C. C. Gandhi & Co., Advocates, which is an eminent and reputed firm based in Gujarat. He has extensive experience and expertise in the field of Corporate Law. Currently, he holds the position of Trustee in various Trusts having benevolent objects. He is also a Member and President of multiple Societies and Committees.

Board of Directors

MR. RAJENDRA S. SHAH
INDEPENDENT DIRECTOR

Mr. Shah is a Mechanical Engineer and the Chairman of Harsha Engineers Limited, which commenced operations in 1972 and manufactures bearing cages of any material and auto components.

He is recognised as the "Best Entrepreneur 2001" by the Ahmedabad Management Association, Ahmedabad. He is serving as a President of the Society for The Welfare of The Mentally Retarded, a parent organisation working for Welfare of Mentally Challenged Children, and running under the name "AASTHA" - a vocational rehabilitation centre for mentally challenged persons having age above 21 years.

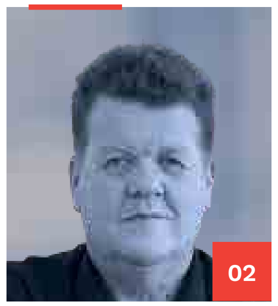
MR. SUBIR KUMAR DAS
INDEPENDENT DIRECTOR

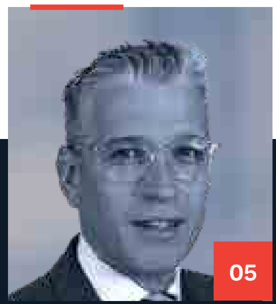
Mr. Das has over 36 years of commercial banking experience, superannuated as Chief General Manager from Bank of Baroda. He was also an Advisor to the Chairman, Bank of Baroda, for HR matters. After superannuation from Bank, Mr. Das was an Advisor and Faculty with Mckinsey & Company in HR and Business Process re-engineering areas in the BFSI segment for four years. Mr. Das is a regular guest faculty in NIBM Pune and other management institutes. He conducts various sessions on Managing Change, Innovation, HR management, and Leadership. He is an MBA, MSc., and CAIIB.

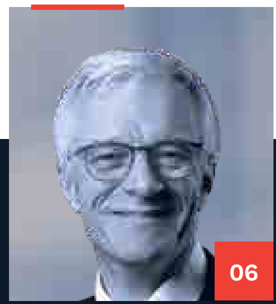
MS. MAITRI K. MEHTA
INDEPENDENT DIRECTOR

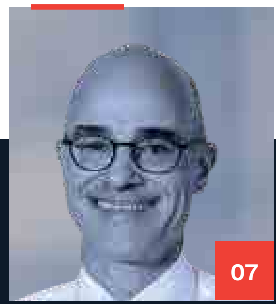
Ms. Maitri K. Mehta serves as an Independent Director of the Company from 1st April 2019. A Cost Accountant by profession, she also holds a Master's Degree in Business Administration specializing in Finance. She has experience of over 15 years as a Practicing Cost Accountant. She is also a partner of the firm M/s. Kiran J Mehta & Co., Cost Accountants. She is also a fellow member of the Insurance Institute of India (FIII-Life). She is proficient in the field of Cost and Management Accountancy.

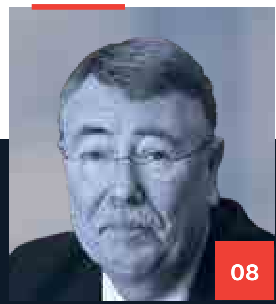
Global Leadership Team

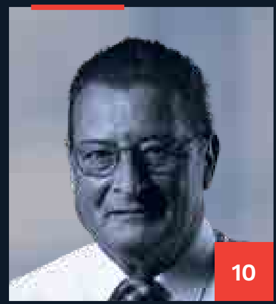












01. ARPIT VYAS
GLOBAL MANAGING DIRECTOR

02. MARK GRIFFITHS
DIRECTOR (GLOBAL MARKETING & STRATEGY)

03. HARSHIL DALAL
GLOBAL CHIEF FINANCIAL OFFICER

04. PAOLO ARMANINO
CHIEF OPERATING OFFICER INDIA

05. PASCAL VILLEMAGNE
VICE PRESIDENT SALES & MARKETING (CARBOGEN AMCIS)

06. STEPHAN FRITSCHI
VICE PRESIDENT OPERATIONS SWISS & UK (CARBOGEN AMCIS)

07. ALAN FISCHER
VICE PRESIDENT SUPPLY CHAIN & ENABLING (CARBOGEN AMCIS)

08. ROBERT J EIJKMAN
DIRECTOR OF OPERATIONS NETHERLANDS

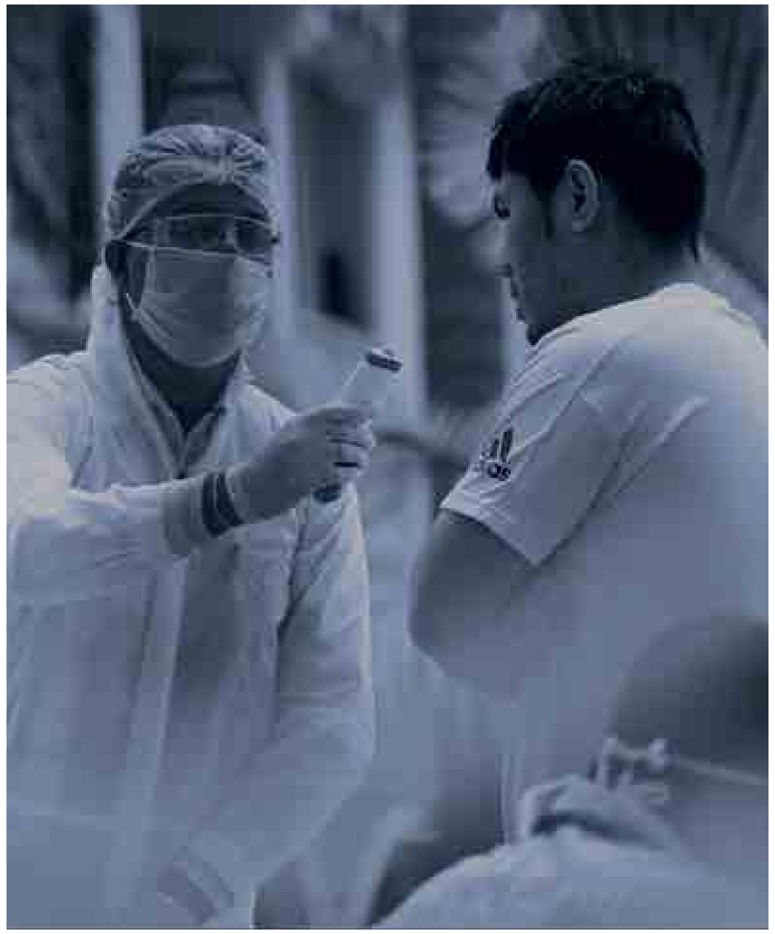
09. MARTIN SCHNEIDER
DIRECTOR QUALITY & ESH, CQO

10. DIETER THÜER
GLOBAL HEAD HR

CORPORATE SOCIAL RESPONSIBILITY

Uplifting and Empowering Lives

We believe that our success is measured not just by our financial performance but also by what we do beyond our business. For us, true profitability is when we can touch the lives of those less fortunate in some way or the other. We aim to serve humanity in several ways and make the lives of the weaker and underprivileged sections of society more sustainable.



59

CSR spend in FY21
(₹ in Lakhs)

HOW WE MAKE THE WORLD A BETTER PLACE

COMBATING COVID-19

- The COVID-19 pandemic has impacted lives, business and economies all over the world. We have implemented a set of measures to limit any risk to our employees, customers, and victims of this fatal virus. In addition, we have aggressively manufactured and distributed, free of cost, disinfectants, including sanitisers, for institutional and retail sale. We have especially tried to serve to the weaker sections of society and policemen who have been instrumental in monitoring the traffic flow for the safety of people and health workers who have been serving the patients relentlessly.

FURTHERING EDUCATION

- We are sponsoring Shree Rajput Kelavani Sahayak Mandal, Palanpur's efforts to set up a school, hostel, and computer training centre for girls in a tribal area of Banaskantha district. With this collaboration, we are working towards the educational, social, and monetary growth of the youth in the area.
- We are also working with Sri Sathya Sai Vidya Mandir, Rajkot, to establish schools to further the cause of education and motivate students to pursue education.
- Additionally, we are working with Shri Sagar Education and Charitable Trust in areas of education, skill development, literacy, women empowerment and youth affairs.

IMPROVING HEALTHCARE

- We have contributed to Sri Sathya Sai Heart Hospital, Ahmedabad, for a project that offers free medical services for heart surgeries of children.
- We also extended support to Naroda Industries Association Hospital Charitable Trust and Karunamati Jivdaya Foundation in their healthcare initiatives.

Management Discussion and Analysis

ECONOMIC OVERVIEW

GLOBAL ECONOMY

The global economy which was already facing pressure in terms of slowing growth received a major blow due to the Covid-19 pandemic which resulted into one of the worst recessions ever with global output estimated to have contracted by 3.3%1 in 2020. Slump in trade and investment due to unprecedented lockdown resulted in severe contraction in the second quarter which was followed by a sharp rebound in the following quarter on the back of easing of restrictive measures along with fiscal and monetary stimulus support. Responding to the crisis, governments increased spending and introduced various stimulus packages while the central banks slashed interest rates and purchased assets to inject liquidity into the financial system which helped in averting global economy collapse.

The global economy is gradually coming out of the sharp slowdown triggered by the pandemic and showing signs of subdued recovery as governments across the world began to ease the restrictive measures which had dampened economic sentiment. Global industrial production and global merchandise trade have reached pre-pandemic levels led by improving consumer sentiment and demand environment. According to IMF estimates, the global economy output is expected to expand by 6.0% on the back of increasing economic activity supported by the vaccination drive and continued accommodative fiscal, financial, and monetary conditions. The significant fiscal stimulus in the United States, along with continued US monetary policy accommodation and faster vaccination, has improved the outlook for US economy and overall global growth prospects. However, as we move ahead, significant structural reforms and continued policy support are required globally to lay a foundation for a strong, sustainable, and inclusive recovery.

INDIAN ECONOMY

India's gross domestic product (GDP) shrank by 7.3% in FY21 due to Covid-19 pandemic which resulted in unprecedented lockdown disrupting supply chain and leading to collapse in demand. After sharp contraction in the first half of the fiscal year, GDP turned positive in the second half due to spurt in economic activities on the back of calibrated easing of restrictions and fiscal stimulus. Easing of movement restrictions, pent-up and festive demand, and the revival of several infrastructure projects by the government helped the manufacturing and construction sectors to bounce back relatively strongly. Government spending and policy reforms along with liquidity measures by the Reserve Bank of India (RBI) helped in cushioning the slowdown. The government announced setting up a Rs 20,000 crore Development Finance Institution (DFI) with a view to mobilise funding of the ambitious national infrastructure pipeline which aims to provide, enable and catalyze infrastructure financing and in turn revive the economy.

According to IMF estimates, the Indian economy is expected to grow by 12.5% in FY22 making it the only major economy expected to register a double-digit growth. Resurgence in manufacturing and construction and widespread vaccine deployment along with supportive fiscal and monetary policies from the government should help in driving growth. Also, recent announcement of production-linked incentive (PLI) scheme for several manufacturing sectors including pharmaceuticals is likely to reduce the reliance on imports and increase the competitiveness of the domestic manufacturing and help in positioning India as the global manufacturing hub. While the economy continues to chart its pathway to recovery and revival, there is need for more supportive policy framework to support domestic demand and ensure sustainable and equitable economic growth.

[1] IMF World Economic Outlook Update, April 2021

INDUSTRY OVERVIEW

GLOBAL PHARMA SECTOR

Global pharmaceutical spending is expected to witness robust growth driven by the volume growth in Pharmerging markets and the launch of high-end specialty innovative products. According to Evaluate Pharma, total prescription drug sales worldwide are projected to reach nearly US$1.4 trillion by 2026 on the back of increased demand for demand for innovative and effective therapies. The orphan drug market continues to grow and is set to double from $127bn sales in 2019 to $255bn in 2026. Demand for medicines is growing at a faster pace in emerging economies as compared to advanced economies. Cancer treatments is expected to remain one of the fastest growing areas for pharmaceutical companies while drugs used to treat diabetes, rare diseases and autoimmune disorders is also likely to witness robust growth.

The pharmaceutical sector globally is undergoing rapid changes on the back of increased adoption of new technologies such as artificial intelligence (AI), machine learning, additive manufacturing, blockchain and robotics. Increasing investments, growth of technology start-ups, and the expiry of several key patents, as well as increasing inter-organizational collaborations and a favourable regulatory environment, are spurring innovation in the pharma industry. Ground-breaking innovation has turned gene and cell therapies into reality and cure seems to be round the corner for many rare diseases which were believed to be incurable. Artificial intelligence (AI) and machine-learning approaches have enabled the process of therapy discovery and development to be more innovative and at the same time more time- and cost-effective. Data-driven approaches have the potential to create value across manufacturing, the supply chain, and the entire health care ecosystem.

Source: Evaluate Pharma World Preview 2020

GLOBAL ONCOLOGY MARKET

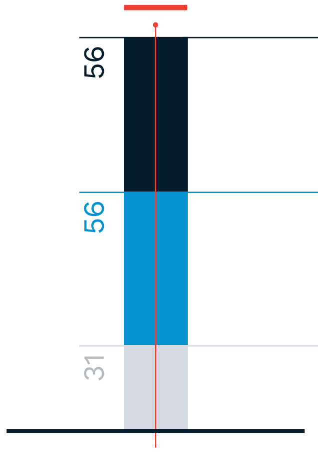
According to research by McKinsey & Company, the global oncology therapeutics accounted for $143 billion in branded pharmaceutical sales in 2019 which is equivalent to 20% of global pharmaceutical sales and is expected to grow at a robust 12% CAGR and reach $250 billion by 2024. A record number of new oncology drugs has been approved in recent years, bringing new treatment options to patients. However, despite robust levels of pipeline activity, oncology remains a challenging area for research and development.

New cell and gene therapies, Precision medicine, and Immuno-oncology combination therapies are some of the key disruptive trends that could vastly alter the fast-changing oncology innovation landscape. Novel modalities including cell therapy, viral vectors, RNA therapy, and stem-cell therapies are being developed and used. Also, Precision medicine has been growing rapidly with a number of oncology biomarkers being approved in recent years. Recently immuno-oncology combination studies have also found favour among companies and offer huge potential to transform the lives of patients.

The cancer treatment landscape in the United States has evolved over now with new medicines targeting different cancer types, out of which majority are targeted therapies. The European Medicines Agency (EMA) approved nine new active substances (NAS) in oncology in 2019, of which five are associated with a predictive biomarker and two have an approved companion diagnostic.

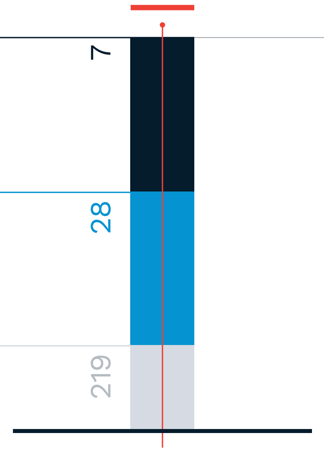
GLOBAL ONCOLOGY PERSCRIPTION SALES[1]

(IN $BN)



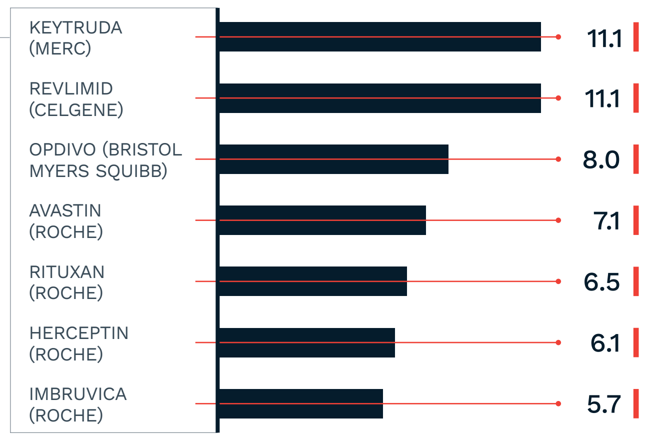
NUMBER OF PRODUCTS[2]

(IN NOS.)



PRODUCT SALES 2019

(IN $BN)



Blockbusters with sales of >$5 Billion

Blockbusters with sales of $1 Billion - $5 Billion

Nonblockbusters

[1]For branded and generic drugs, where data is reported.

[2]Only products with oncology prescriptions; excludes cancer prophylactic vaccines.

Source: IQVIA Institute – Supporting Precision Oncology | McKinsey & Company - Delivering innovation: 2020 oncology market outlook

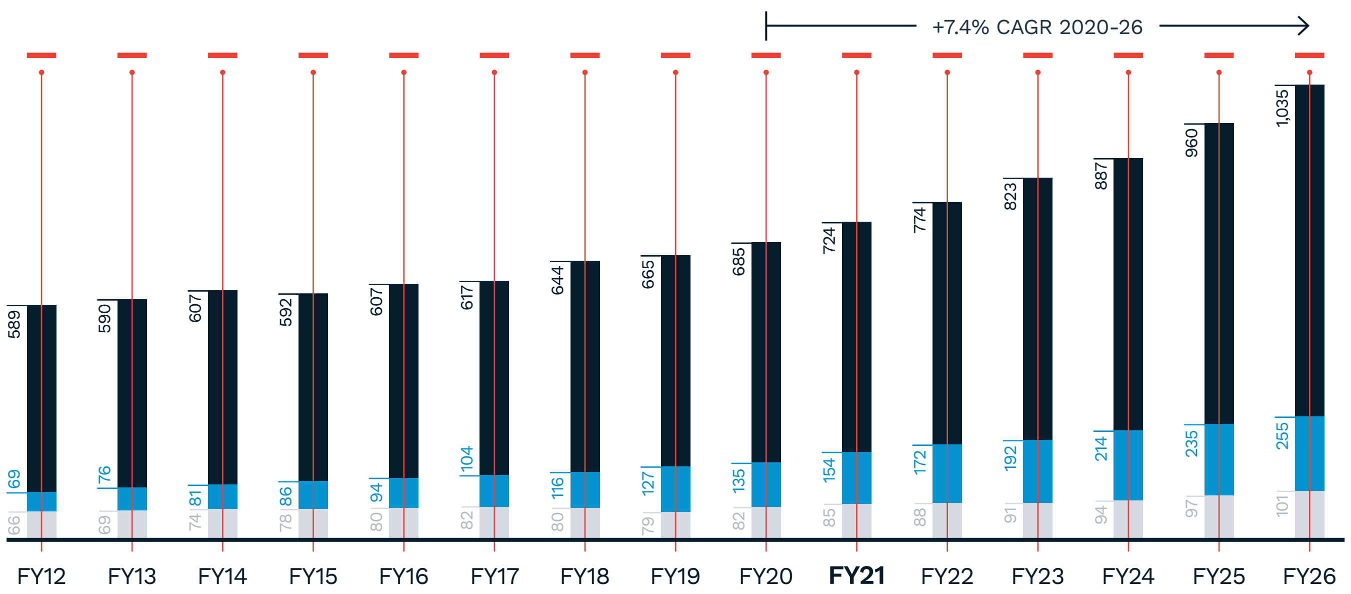
GLOBAL PRESCRIPTION DRUG SALES

According to a report by EvaluatePharma, prescription (Rx) drug sales are estimated to grow at a CAGR of 7.4% between 2020 and 2026, with sales expected to reach around $1.4trn in 2026 on the back of increasing prevalence of chronic diseases, such as cancer, cardiovascular diseases, diabetes and orphan disease.

Increasing prevalence of chronic and rare disease has led to significant R&D investment by pharmaceutical companies to satisfy the unmet clinical needs which is likely to propel the global drug market growth in the future.

WORLDWIDE TOTAL PRESCRIPTION DRUG SALES (2012-26)

(IN $BN)



Prescription excl. Generics & Orphan

Orphan

Generics

Source: EvaluatePharma, June 2020

Growth in global medicine spending is likely to be led by pharmerging market which will offset the slow growth in developed markets. Increase in healthcare access continue to drive growth in pharmerging countries while adoption of new treatments is likely to be one of the major factors driving growth in developed markets.

REGIONAL PRESCRIPTION DRUG SALES - DEVELOPED MARKETS

UNITED STATES OF AMERICA

The US dominates the pharma market, both in demand and drug development. According to STAT, prescription drug spending in the nation is estimated to add up to US$600 billion by 2023, up from an estimated US$500 billion in 2019. Increasing number of generic drug approvals to improve drug competition along with increasing prevalence of chronic and rare disease is likely to drive the growth in the coming years.

Specialty drugs which are used by only two percent of US population accounted for 47.7% of total drug spend in 2019, according to a study by Express Scripts. Inflammatory conditions, diabetes, oncology, HIV, and multiple sclerosis were the key drivers of prescription drug spending, among other conditions, according to the study.

EUROPE

Europe represents the second largest pharmaceutical market in the world and is expected to grow at a compound annual growth rate of 4.5% between 2019 and 2027, according to a report published by Coherent Market Insights. Unlike the US market where the drug prices are not regulated, governments in European countries have adopted several aggressive pricing strategies to exert downward pressure on the drug prices for both existing and new drugs.

The European Medicines Agency (EMA) has an accelerated approval process for breakthrough medicinal products which augurs well for the market. Moreover, rising incidence of chronic diseases such as diabetes, cancer, etc along with increasing strategic partnerships between manufactures to enhance their presence in the market is expected to drive the market growth.

CRAMS INDUSTRY – GLOBAL

According to a report by Technavio, the global pharmaceutical contract research and manufacturing (CRAM) market is expected to grow by US$ 69.09 billion during 2020-2024 on the back of increasing trend of outsourcing of critical operations by pharmaceutical companies to achieve cost efficiency amidst growing demand for effective therapies. Outsourcing is increasingly becoming a strategic function in most big pharma as they leverage the outsourcing partners to become more dynamic and cost-effective. Most pharma companies are increasingly focussing on core competencies and prefer to outsource functions across different stages of development including discovery research functions such as lead optimisation. As new molecules become increasingly complex, big pharma companies prefer to gain access to these competencies externally, instead of building these in-house. For big pharma companies, CRAMS offer an opportunity to manage costs, have flexible operations and realise efficiencies in R&D and related functions.

Pipeline development in next-generation therapies, opportunities in contract manufacturing for innovator molecules and new market entrants, as well as start-ups lacking manufacturing capabilities, should drive demand for contract manufacturing services. Owing to new technologies, new drugs and shifting priorities of innovator companies, CDMOs need to constantly evolve their business models to address clients' needs. Increasingly complex small molecules and biologics requiring highly specific drug technologies and expertise to handle highly potent and targeted therapies, namely, cell and gene therapies, cytotoxic/ Highly Potent Active Pharmaceutical Ingredients (HPAPIs), and antibody drug conjugates (ADCs) have resulted in increased trend of outsourcing. However, despite huge growth potential, the industry faces few challenges as well which include zero client tolerance for IP and data protection breaches, fragmented regulatory environment, high dependence on skilled labour, customer concentration and high competition for commoditised offerings.

INDIAN CRAMS INDUSTRY – KEY TRENDS & OPPORTUNITIES

India remains the preferred destinations for contract manufacturing and research services (CRAMS) owing to its expertise in pharmaceuticals manufacturing and the presence of large number of US FDA approved manufacturing facilities. Pharma outsourcing continues to evolve from a largely cost arbitrage strategy for innovator companies to enhancing R&D productivity and reducing time to market. While pharma is an innovation-driven industry that keeps developing new treatments for rare and difficult diseases, competition from generics is intensifying. As a result, R&D efficiency and manufacturing cost controls are needed more than ever, creating a significant need for high-quality outsourcing companies. CRAMS partners help improve operational agility of their clients. Utilising services of CDMOs helps big pharma companies avoid redundant manufacturing capacity. The increasing need for R&D efficiency and manufacturing cost controls is creating a significant need for high-quality outsourcing companies. Currently, India commands less than 4% share of the global market, much lower than over 16% for Chinese CRAMS companies implying significant growth opportunities.

As innovator companies look to further diversify their supply chain post COVID-19 and geo-political tensions, Indian companies with inherent strengths in terms of availability of skilled resources, cheap labour, world class infrastructure and higher regulatory readiness have an opportunity to garner a greater share. Moreover, healthcare has become one of the key priorities of the government which has launched favourable policies and programmes to boost the domestic industry.

Pipeline development in next-generation therapies, opportunities in contract manufacturing for innovator molecules and new market entrants, as well as start-ups lacking manufacturing capabilities, should drive demand for contract manufacturing services going forward.

INDIAN PHARMA – GROWTH OUTLOOK

India is among the leading global producers of cost-effective generic medicines and vaccines and supplies over 50% of global demand for various vaccines, 40% of generic demand in the US and 25% of all medicine in the UK. Significant raw material base and availability of a skilled workforce have enabled India to emerge as an international manufacturing hub for generic medicines. Further, India is the only country with the largest number of US-FDA compliant pharma plants outside of the US and home to nearly 1400 WHO-GMP (Good Manufacturing Practices) approved Pharma Plants. According to Indian Pharmaceutical Alliance (IPA), concerted efforts by the pharmaceutical companies and the government's intervention in the form of enabling policies and a supportive ecosystem can help the Indian pharmaceutical sector to touch $130 billion by 2030.

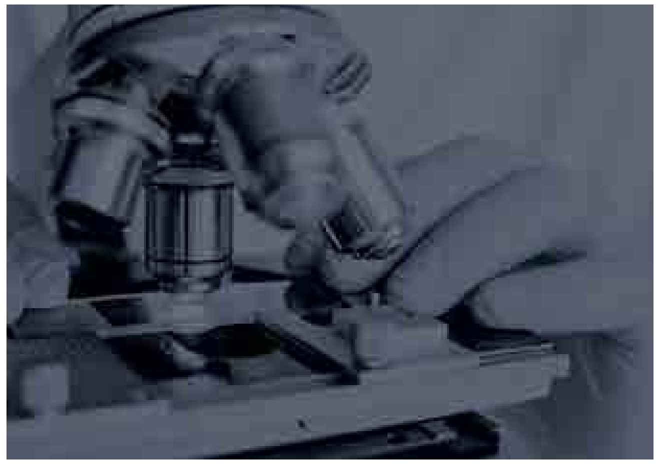
Covid-19 has presented both an opportunity and a challenge for India to emerge as the 'pharmacy of the world'. According to data available from US-FDA, Indian pharma companies have garnered nearly 45% of all new abbreviated new drug application (ANDAs) approvals during the first nine months of the fiscal year. The pandemic, however, exposed the excessive dependence of Indian pharmaceutical industry on China for sourcing Active Pharmaceutical Ingredients (APIs) and Key Starting Materials (KSMs). India's annual API exports, at ~US$4bn, are significantly lower than China's US$20-22bn. Further, there is a disproportionate dependence of Indian pharma exports on the USA and generics. To get over this challenge, the government has identified pharmaceuticals drugs as one of the ten key sectors for introducing Production Linked Incentive (PLI) Scheme for enhancing India's manufacturing capabilities and exports. Further, the government has also announced a scheme for promotion of bulk drugs and medical devices parks. Led by rising need of formulation companies to diversify supply chains, increasing regulatory oversight on API facilities, IP conflicts and competing interests, and geo-political tensions driving import substitution, Indian companies stand to benefit tremendously going forward.

India's top pharmaceutical companies have begun investing heavily in research and development, signalling an evolution of the Indian pharmaceutical market from generic drugs to unique drugs and biotechnology. Greater spending on healthcare and favourable government sponsored programmes like Ayushman Bharat for health insurance and Jan Aushadhi for availing low-cost but high-quality generic drugs are likely to support the growth of the sector.

DRUG DISCOVERY – EMERGING TRENDS

Artificial intelligence (AI) is being increasingly used in drug discovery market as it helps in reducing cost and time and provide a quicker validation of the drug target and optimization of the drug structure design. Artificial Intelligence powered precision imaging analytics technology is witnessing increased adoption as they enable drug developers to gain deeper insights from medical images than previously capable. Life science companies will need advanced AI-based technologies such as natural language NLP to advance their digital transformation efforts, enable a deeper understanding of data, and help boost organizational productivity. There is an increasing trend of drugs developed in conjunction with digital therapeutics (DTx) solutions.

BUSINESS OVERVIEW



ABOUT DISHMAN CARBOGEN AMCIS LIMITED

The Dishman Group is a global and integrated CRAMS player with strong capabilities across the value chain – from research and development, to late stage clinical and commercial manufacturing. Dishman Carbogen Amcis Limited, the flagship company, includes its Indian and foreign subsidiaries, joint ventures, and associate companies across the globe.

> Global and integrated CRAMS players with strong capabilities across the value chain – from research and development, to late stage clinical and commercial manufacturing

We are the preferred global outsourcing partner present across multiple continents and countries, including the United States, Switzerland, UK, France, Netherlands, China, Japan, and India. We service customers from all the key advanced markets including US, Europe, and Asia.

> Our HiPo facility at Bavla, India, is one of the largest facilities in Asia, which enables us to gain from the high margin HiPo opportunity in the oncology space and other highly potent compounds

We are equipped with strong chemistry skills and large-scale multi- purpose manufacturing capacities. We have a wide range of research competencies and 10 manufacturing capacities and a global presence with manufacturing sites in Europe, India, and China. Of these, 4 are in Switzerland; 2 in India; and one each in UK, France, Netherlands, and China. Our HiPo facility at Bavla, India, is one of the largest facilities in Asia, which enables us to gain from the high margin HiPo opportunity in the oncology space and other highly potent compounds.

Although we started out as a manufacturer of quaternary ammonium and phosphate compounds, we became one of the fastest-expanding companies in the CRAMS space in India in a short span of time. We ventured into the CRAMS business with a contract to develop and manufacture an Active Pharmaceutical Ingredient for the innovator. We were one of the first companies in India to bring a new chemical entity into India for successful development and commercial manufacturing. Since then, we have entered into multiple contracts with innovator companies. Our growth by way of acquisitions and greenfield projects over the last 14 years has yielded us rich dividends in terms of the exceptional talent pool and unparalleled operational excellence.

OUR KEY SEGMENTS

Our key segments include CRAMS (Contract Research and Manufacturing Services) and Marketable Molecules. The CRAMs segment is further broken down into Contract Research Services and Contract Manufacturing Services, which we offer to our customers.

OUR PRODUCT PORTFOLIO

1. Active Pharmaceutical Ingredients
2. High Potent APIs
3. Intermediates
4. Phase Transfer Catalysts
5. Vitamin D
6. Vitamin D analogues
7. Cholesterol
8. Lanolin-Related Products
9. Disinfectant Formulations

STRATEGIC REVIEW
STATUTORY REPORT
FINANCIAL STATEMENTS

OUR BUSINESS VERTICALS

1. CONTRACT RESEARCH AND MANUFACTURING SERVICES (CRAMS)

Our principal line of business is Contract Research and Manufacturing Services (CRAMS). We are an integrated CRAMS player with strong capabilities across the value chain. Through our CRAMS business, we assist drug innovators in development and optimisation of processes for novel drug molecules in various stages of the development process.

Once the innovative molecules are approved, this segment explores the possibility of possible largescale commercial supply tie-ups. We provide end-to-end high-value CRAMS offerings right from process research and development to late-stage clinical and commercial manufacturing. CRAMS segment contributes nearly 75% to our total revenues. Given our vast experience and high-end capabilities, we are comfortably placed to reap the benefits of strong growth and emerging opportunities in the global CRAMS industry.

A. Carbogen Amcis

Carbogen Amcis is a specialized service provider offering a portfolio of drug development and commercialisation services to the pharmaceutical and biopharmaceutical industries at all stages of drug development. Our integrated and tailored services for Drug Substances (DS) and Drug Products (DP) provide innovative solutions to support timely and safe drug development. We perform our custom synthesis operations within the Dishman Group which include two facilities in India and the Netherlands, as well as the seven facilities under the Carbogen Amcis brand: four in Switzerland, one in the UK, one in China, and one in France.

Carbogen Amcis provides services for the development and manufacturing of both non-potent and highly potent drug substances (APIs) and drug products applying state-of-the-art containment technologies. All facilities operate under current Good Manufacturing Practices (cGMP) and can produce material for preclinical testing, clinical trials, and commercial use. Our manufacturing sites are regularly inspected by the US Food and Drug Administration (FDA) and local regulatory authorities. The large-scale production capacities (up to 8,000 L) allow the efficient production of non-GMP intermediates that can be further processed at the Carbogen Amcis Swiss facilities.

Our well-equipped facilities in Riom (France) offers aseptic cGMP manufacturing for liquid or freeze-dried products including drug delivery, highly potent and antibody drug conjugates (ADC). A wide range of filling volumes and packaging components (vials or syringes) are applied to support pre-clinical and clinical studies all over the world. Formulation, process development and upscaling services for liquid and frozen-dried products are also part of our service offering.

We have successfully completed numerous drug linker projects. Since the first ADC project in 2005, many customers, ranging from small biotech to large pharmaceutical companies, expressed growing interest in our ADC and bio-conjugation abilities. We have handled projects ranging from payload/warhead manufacturing to drug-linker, then to conjugation and final drug product all inhouse. Our clean room suites are fully qualified for cGMP manufacturing dedicated to bio-conjugation. This is in conjunction with our state-of-the-art purification technologies and exceptional analytical/fill-and finish capabilities.

B. Dishman India

Dishman India is a global outsourcing partner for the pharmaceutical industry offering a portfolio of development, scale-up and manufacturing services. Dishman assists and empowers its customers businesses by providing a range of development and manufacturing solutions at locations in Europe and India. Our commitment is to deliver high added value solutions with technical excellence and to be a reliable partner to our customers, protecting their interests as if they were our own.

Dishman offers specialised research and development services in developing processes that are truly scalable through to commercialisation, be it through process research, process development or optimisation. We have a dedicated pool of highly skilled staff operating in three continuous shifts on a daily basis in state-of-the-art R&D centres. Our promise is safe, efficient scale-up and problem solving delivering robust, economic processes. Dishman enforces strict IP protection policies. We protect our customers' interests as if they were our own.

2. MARKETABLE MOLECULES

A. Specialty Chemicals

Dishman Specialty Chemicals manufactures and supplies high-quality intermediates, fine chemicals, and various products for pharmaceutical, cosmetic and related industries. The Company had a long association with the manufacture and supply of Quaternary ammonium compounds (Quats) for use as phase transfer catalysts. Our domain expertise in solids handling technology has helped us to expand our offerings to include ammonium and phosphonium high-purity solid Quats, Phosphoranes and Wittig reagents. These products find applications as phase transfer catalysts, personal care ingredients, fine chemicals, pharma intermediates and disinfectants. A number of our products are made under GMP manufacturing conditions at our Naroda facility in India. Furthermore, we maintain local stocks of select products in Europe and in the US.

We have significant expertise in providing tailor made solutions. We are well equipped to supply our customers with our quality products or provide them assistance on the next project with our world class manufacturing expertise, logistics and competitive pricing.

B. Vitamins and Analogues

Vitamin D play a vital role in brain development, muscle function, maintaining a healthy respiratory and immune system, and optimal cardiac function. It also strengthens our bodies against illnesses such as diabetes, asthma, chronic pains, cancer, infections, multiple sclerosis, psoriasis, depression, etc. However, if there is a Vitamin D deficiency, then it leads to bone disorders such as rickets, osteomalacia and osteoporosis.

Vitamin D is present in inactive form in the human body and gets activated in the presence of sunlight to process the release of Calcifediol. This Calcifediol is then metabolised in the kidney to release Calcitriol which is further absorbed by the intestine, kidney and bones. The bones mobilise the secretion of Calcium and Phosphate in the parathyroid gland to maintain the optimum balance of these elements which is a prerequisite for strong bones.

Functioning as the global outsourcing partner for other pharmaceutical companies; aiding them in development and scale-up production via its high potency supply of compounds; Dishman first realized the need of the hour with Vitamin D because of its elaborate research on its therapeutic uses that covers wide range of medical conditions. Keeping wellness as our primary objective, we acquired Solvay Pharmaceuticals' Veenendaal, Netherlands plant which focused on manufacturing cholesterol, serving as a precursor to vitamin D & its analogues.

As a multifaceted organisation with a high degree groundwork, we established greener processes to manufacture in a budgeted environment. Hence, we ensure the extraction of this cholesterol from sheep wool, making it a vegan source required to form a strong base for the formulations. Gradually, with a steadfast strategy, entrepreneurial spirit and a rising demand for the application of this raw material in various sectors: as a natural course towards the extension of existing and acquired business, we forayed into developing a wide spectrum of products for the pharmaceutical, nutraceutical and holistic animal nutrition verticals of Vitamin D3. This derivative if taken in the right quantity, can cure to the roots of many diseases, resulting in complete wellbeing.

In the pursuit of developing a world-wide circuit in the supply of Vitamins and its analogues, Dishman has initiated the establishment of WHO-cGMP compliant fully integrated manufacturing unit, at Bavla, based in Gujarat, India, which will also be a ISO 9001:2015 certified. Its core lies in its CRAMs model capabilities that umbrellas an entire gamut of services from production of raw materials to developing the final products as well as market the same. This has enabled us to be in the forefront with the capacity to manufacture 1,000 MT annually and simultaneously catering to specifically engineered requirements of our clients, all at one place.

C. Disinfectants

Dishman Care has a range of hand and body wash, sanitisers, and antiseptics, apart from its active pharmaceutical ingredients and formulations businesses. We offer a range of antiseptics and disinfectants for application in healthcare and related industries. Our aim is to build a deep portfolio of 'next generation' innovative antiseptic and disinfectant formulations. Our product pipeline specialises in high quality, cost effective, proven anti-microbial products based on Chlorhexidine Gluconate (CHG) and Octenidine dihydrochloride (OCT). We shall provide specialist products for environmental decontamination based on hydrogen peroxide disinfectant.

D. Generic APIs

Dishman plans to develop and manufacture niche generic APIs. The Company is working on development of certain generic molecules, which could have huge potential in terms of profitability. We are working towards capturing a larger market share of the profitable generic APIs where we have filed the Drug Master Filings or other regulatory filings. The Company will continue to file for such molecules in the future as well and strive to increase the proportion of these molecules in the marketable molecules business segment.

OUR COMPETITIVE STRENGTHS

A. CAPABILITIES ACROSS THE ENTIRE CRAMS VALUE CHAIN

Today, the Dishman brand is perceived by global customers as a preferred global outsourcing partner with capabilities across the entire CRAMS value chain, with services ranging from process R&D and pilot supply, to full scale and commercial manufacturing from purpose built and dedicated facilities. The Group's India and Chinese facilities possess strong chemistry skill sets: a large dedicated multiple shift R&D operation; and 25 dedicated production facilities for APIs, intermediates (India, China) with dedicated API manufacturing capacity at India and China.

OUR PRESENCE ALONG THE VALUE CHAIN

1. BUILDING BLOCKS → 2. COMMERCIALISATION → 3. LAUNCH STAGE

B. HIGH POTENCY API CAPABILITY

The Dishman Group has invested in world class capabilities to address the oncology and other highly potent compound therapy markets. Coupled with 15 years of HiPo API experience, the High Potency API business represents a significant opportunity for step change in the Group's top-line and bottom-line growth. The Group has a strongly differentiated set of capabilities in the HiPo API arena with pre-clinical API, phase 1/phase 2/phase 3 and commercial API and up to clinical Ph2 parenteral dosage form capabilities. All these capabilities remain in house and underwritten by a consolidated project management capability to take customers from pre-clinical stages through to commercial manufacturing of APIs, right through to formulated products.

C. SCIENTIFIC ADVANCEMENTS

Successful drug development is a balance between speed, quality and costs. We aim to offer our customers a choice of state-of-the-art tools combined with qualified and experienced staff to best meet these often-changing priorities. Carbogen Amcis has built up a portfolio of specialist services to give customers the highest degree of flexibility possible.

Chromatography

Chromatography often forms part of a fast route to producing initial quantities of material. We offer customised chromatography solutions for the separation and purification of APIs and intermediates, including highly active APIs and impurity isolation. Our dedicated group of chemists have more than 50 years' experience in the group expertise in method development and scale-up in a variety of different chromatographic techniques, all in accordance with current Good Manufacturing Practice (cGMP) environment. Cost-effective largescale chromatography is also possible given the correct infrastructure. Carbogen Amcis offers Flash Chromatography (Biotage), SMB and HPLC to effectively produce clinical trial quantities of APIs and commercial products.

Crystallization Services

Defining the best crystalline form of an Active Pharmaceutical Ingredient (API) is crucial in drug development, since it has a significant impact on its bioavailability and formulation properties. Carbogen Amcis has established a service supporting our customers with crystallisation investigations including solubility tests, salt screening, and optimisation of the crystallisation process and the solid/liquid separation in the API isolation process. Polymorphism screening complements the service portfolio. We offer online monitoring of critical parameters such as particle size, turbidity, temperature, and pH value, as well as analytical services dedicated to solid phase characterisation including hot stage microscopy, differential scanning calorimetry, Dynamic Vapor Sorption (DVS) and x-ray powder diffraction.

D. WORLD CLASS MANUFACTURING FACILITIES

Our state-of-the-art infrastructure includes process research and development (PR&D) laboratories and, one laboratory dedicated to conjugation of small and large molecules and manufacturing capabilities. Carbogen Amcis delivers leading process research services that support the drug development process. Early Active Pharmaceutical Ingredient (API) manufacture centres on the rapid synthesis of supplies necessary to perform both toxicology and early phase clinical trials. Typical batch sizes here range from 1 gram to 50 kg scale and are prepared as per the highest standard of current Good Manufacturing Practices (cGMP).

We internally optimise each site with all the equipment necessary to help your project to become a success. We provide unparalleled analytical support for research, development and commercial production of late stage intermediates and APIs, including pre-formulation studies to support drug product development. In addition to pre-formulation services, solid state and crystallisation services, and analytical support for physicochemical characterisation and method validation, Carbogen Amcis offers a complete range of drug product development and manufacturing services at our Riom site in France. Our specialty is the injectable space and the handling of complex compounds such as highly potent APIs, biological products and drug delivery. This site is exclusively dedicated to the development and the cGMP manufacturing to the fast supply of batches for clinical studies.

Carbogen Amcis utilises the Shanghai manufacturing facility for manufacturing the intermediates for the final API, which gets manufactured in the Swiss facility. This facility is also cGMP approved and the plan is to make it equipped to manufacture the final API as well, which would act as a good alternate manufacturing site for the APIs manufacturing. Carbogen Amcis utilises its UK facility as the one for manufacturing non-GMP intermediates and starting material, which again feeds into the Swiss facility for manufacturing the final API or gets shipped to the customer. Dishman Carbogen Amcis facilities in India equips the Group with large-scale development and manufacturing capabilities, which ensures that the customer does not have to move outside the Dishman Group to get the large volume products developed and manufactured. Thus, the group acts like a one-stop shop for the development and manufacturing of APIs for all types of molecules. Moreover, the HiPo capabilities are unique to the group and differentiates it from its peers.

KEY HIGHLIGHTS – FY21 & OUTLOOK

The Company delivered healthy performance in the year ended March 31, 2021 despite challenging economic environment and EDQM related issues. Revenue for the company stood at ₹1,912 crore as compared to ₹2,043 crore in the previous year. The EBITDA for the year was ₹274 crore as compared to ₹498 crore in the previous year. If we exclude the realized foreign exchange impact, the EBITDA stood at ₹302 crore. The Company had a positive cash profit of ₹278 crores excluding the forex impact for the full financial year which translates into a cash EPS of about ₹17.7. Net Debt excluding lease liabilities was USD 101 mn as on March 31, 2021 against USD 100 mn as on March 31,2020. Capital expenditure for FY 2021 was approximately USD 49.31 mn, which includes both growth and maintenance capex.

12 of our 16 late phase projects are now being prepared for validation during FY 2021-22 which is a record in the 40-year history of the company. These projects span therapeutic areas such as antibacterial infection, lymphoma, multiple myeloma, myeloid leukemia, hypersimplex and gastric related disease. We continue to have a strong basket of about 16 APIs in Phase III development.

Among other highlights, funds raised in the Offer for Sale undertaken by the promoter shareholder entity have already been infused in the company to the extent of ₹72 crores. The Company continues to maintain its focus on low-volume, high-value orders and ensure high capacity utilization to ensure better margins and profitability.

RESEARCH AND DEVELOPMENT

Dishman has strong Research and Development capabilities with innovation being our driving factor in all activities undertaken; be it processes, technologies or products. We continue to harness our cutting edge scientific and technological knowhow towards achieving breakthrough in tomorrow's innovative therapies. We have ensured that our processes comply with the latest stricter regulations from various regulatory agencies and we continue to make them more efficient and environment friendly.

We continue to make significant progress in our focus areas such as vitamins, disinfectants, oncology products, MRI agents and catalysts. We are gradually making headway in the range of products related to irradiation chemistry owing to our unwavering focus since the last few years. We have successfully optimized the upstream chemistry which has helped us to improve the mass balance as well as reduce wastes. New irradiation equipment has been installed for niche vitamin D analogues.

FINANCIAL OVERVIEW

BUSINESS HIGHLIGHTS (STANDALONE)

(₹ In Crores)

Particulars	2020-2021	2019-2020*
Income		
Revenue from Operations	208.01	580.74
Other Income	66.15	69.55
Total Income	274.16	650.29
EBIDTA (without Other income)	(57.46)	173.58
Depreciation	143.21	140.65
(Loss) / Profit before interest and taxes	(134.52)	102.48
Interest and other finance charges	34.17	47.02
(Loss) / Profit before tax	(168.69)	55.46
Tax Expenses	64.12	16.94
(Loss) / Profit after tax	(232.81)	38.52
Cash Profit*	27.59	136.49

BUSINESS HIGHLIGHTS (CONSOLIDATED)

(₹ In Crores)

Particulars	2020-2021	2019-2020*
Income		
Revenue from Operations	1912.03	2043.60
Other Income	38.45	44.46
Total Income	1950.48	2088.06
EBIDTA (without Other income)	274.35	497.56
Depreciation	307.94	282.87
Profit before interest and taxes	4.86	259.15
Interest and other finance charges	47.61	61.95
(Loss) / Profit before tax and exceptional items	(42.75)	197.20
Exceptional items	(22.28)	-
(Loss) / Profit before tax	(65.03)	197.20
Tax Expenses	100.10	38.69
(Loss) / Profit after tax	(165.13)	158.51
Cash Profit*	277.89	392.52

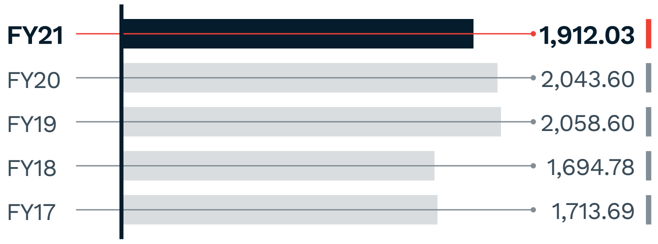
*Cash PAT = Adjusted PAT + (Depreciation - additional goodwill amortization), adjusted for merger impact + Exceptional item net of normalized tax, Adjusted PAT = Adjusted PBT - Normalized tax rate of 25% (Adjusted PBT excludes Forex Gain/Loss)

- Net Revenue at ₹ 1,912.03 crores in FY21 as compared to ₹ 2,043.60 crores in FY20 down marginally by 6.4% YoY.
  - CRAMS revenue declined by 5.1% YoY primarily due to : CRAMS India revenue decreased by 83.9% due to EDQM observations but on account of certain successful customer audits and production of certain complex intermediates, this is expected to improve going forward.
  - CRAMS Carbogen Amcis revenue increased by 18.4% due to increase in commercial revenue during the quarter
- Marketable Molecules revenue decreased 10.1% YoY primarily due to decline in sales of low-margin molecules
- EBITDA Margin stood at ₹ 274.35 crores in FY21 as compared to ₹ 497.56 crores in FY20 mainly due to negative margins in CRAMS India due to decline in production on account of EDQM observations.
- Net Profit has declined due to impact on India business due to EDQM Observation,Covid-19, one-time deferred tax liability expense and exceptional item.
- Capital expenditure for FY 2021 was approximately ₹ 366.03 crores, which includes both growth and maintenance capex.
- Net Debt excluding lease liabilities was at ₹ 736.62 crores as on March 31, 2021 as against ₹ 751.06 crores as on March 31,2020.
- Funds raised in the Offer for Sale undertaken by the promoter shareholder entity have already been infused in the Company to the extent of ₹ 72 crores.

PROFIT AND LOSS METRICS

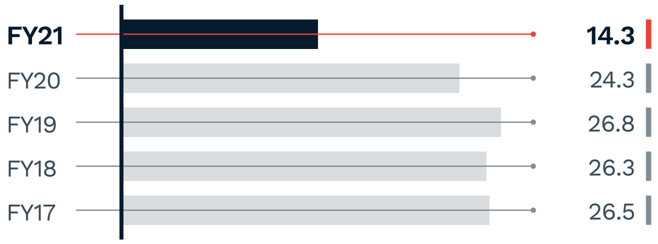
REVENUE FROM OPERATIONS

(IN ₹ CRORES)



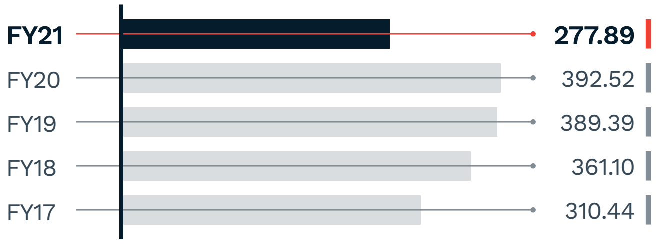
EBITDA

(IN %)



CASH PAT

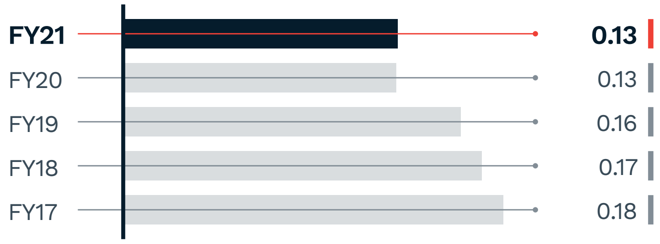
(IN ₹ CRORES)



@Cash PAT = Adjusted PAT + (Depreciation - additional goodwill amortization), adjusted for merger impact + Exceptional item net of normalized tax
Adjusted PAT = Adjusted PBT - Normalized tax rate of 25% (Adjusted PBT excludes Forex Gain/Loss)

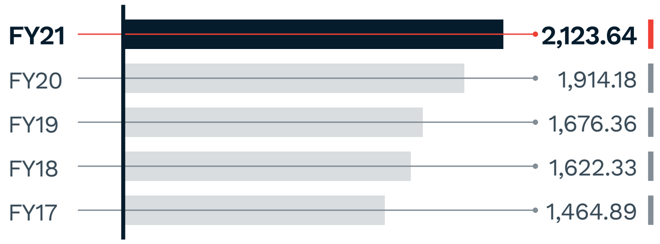
BALANCE SHEET METRICS

NET DEBT TO EQUITY RATIO



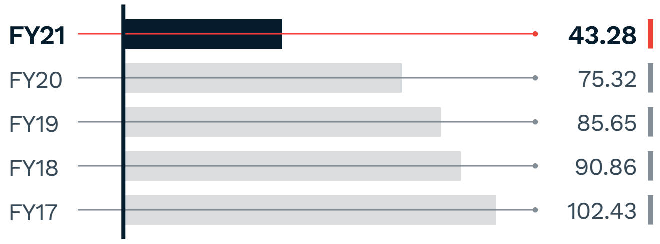
NET BLOCK

(IN ₹ CRORES)



WORKING CAPITAL CYCLE#

(IN DAYS)



#Working Capital cycle includes Debtors (Net of advances), Inventory and Creditors turnover in days.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

THE BUSINESS SEGMENTS OF THE COMPANY COMPRISE THE FOLLOWING:

Segment	Description of the activity
CRAMS	Contract Research and Manufacturing Segment under long term supply agreements
Marketable Molecules	Bulk Drugs, Vitamin D Analogues, Intermediates, Quats and Specialty Chemicals

THE BREAK-UP OF COMPANY'S TOTAL INCOME FROM THE PRODUCT SEGMENTS VIZ."CRAMS SEGMENT" AND "OTHER SEGMENTS" FOR THE LAST FIVE YEARS IS AS UNDER:

(₹ In Crores)

Product Segment	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
CRAMS	1,432.41	1,510.03	1,470.76	1,275.39	1,259.60
Marketable Molecules (incl. others)	479.62	533.57	587.84	419.39	454.09
Total Revenue from Operation	1,912.03	2,043.60	2,058.60	1,694.78	1,713.69

KEY FINANCIAL RATIOS

STANDALONE

Particulars	FY 2020-21	FY 2019-20
Debtors turnover ~	1.49	3.73
Inventory turnover ~	1.76	2.34
Operating profit margin*	(27.5%)	29.9%
Net profit margin (%) ^	(81.1%)	6.6%
Interest coverage ratio #	(4.81)	2.94
Current ratio	1.39	1.23
Debt equity ratio @	0.08	0.09
Return on Net Worth (%)$	(2.78%)	2.54%

~ Debtors and Inventory turnover ratio has declined due to declined in revenue on account of impact on business due to EDQM Observation and Covid-19.

* Operating profit margin has declined due to impact on business due to EDQM Observation and Covid-19.

^ Net Profit has declined due to impact on business due to EDQM Observation,Covid-19, one-time deferred tax liability expense.

Interest coverage ratio declined due to decline in operating profit on account of the reasons mentioned above.

@ Debt is calculated after deducting cash and cash equivalent, bank balance and investments in marketable securities from gross debt.

$ Return on Networth has declined due to decline in operating profit on account of the reasons mentioned above.

$ Networth is calculated after excluding Goodwill on account of Merger from total networth.

$ Amortisation on goodwill has been added back net off effective tax to PAT for calculating net income.

CONSOLIDATED

Particulars	FY 2020-21	FY 2019-20
Debtors turnover	4.00	4.00
Inventory turnover	3.34	3.01
Operating profit margin (%)*	14.3%	24.3%
Net profit margin (%) ^	(8.6%)	7.8%
Interest coverage ratio#	0.11	4.91
Current ratio	1.33	1.13
Debt equity ratio @	0.13	0.13
Return on Net Worth (%) $	(10.8%)	15.9%

* Operating profit margin has declined due to impact on India business due to EDQM Observation and Covid-19.

^ Net Profit has declined due to impact on India business due to EDQM Observation,Covid-19, one-time deferred tax liability expense and exceptional item.

Interest coverage ratio declined due to decline in operating profit on account of the reasons mentioned above.

@ Debt is calculated after deducting cash and cash equivalent, bank balance and investments in marketable securities from gross debt.

$ Return on Networth has declined due to decline in operating profit on account of the reasons mentioned above.

$ Networth is calculated after excluding Goodwill on account of Merger from total networth.

$ Amortisation on goodwill has been added back net off effective tax to PAT for calculating net income.

$ Reserve and Surplus is adjusted for "Foreign Currency Translation Reserve".

$ Goodwill and other intangible Assets is adjusted for the impact of foreign exchange revaluation.

INTERNAL CONTROL SYSTEMS

Your Company has a well-established system of internal control and internal audit, commensurate with its size and complexity of the business and 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 ("the ICAI"). Your Company has appropriate internal control systems for business processes with regards to efficiency of operations, financial reporting, compliance with applicable laws and regulations, among others and with the objective of safeguarding the Company's assets, ensuring that transactions are properly recorded and authorised and providing significant assurance at reasonable cost, of the integrity, objectivity and reliability of financial information. The Company continually upgrades internal control system by adding better process control, various audit trails and use of external management assurance services, whenever required. The internal control system is supplemented by extensive internal audits, conducted by independent firms of chartered accountants in close coordination with finance and account department. The findings of Audit Team are discussed internally as well as in audit committee meetings. The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them. The company has established controls department to ensure new controls implementation where necessary. With upgrade of S4 HANA platform, company is establishing robust system controls. Company is focusing on business process re-engineering with support of new technologies. Automated controls are being introduced to ensure robust control environment. Treasury module in SAP implemented for better control over end to end finance processes. The master data management including access controls have been redefined this year. The approval hierarchies are redefined for better management of expenses. There are many technological upgrades and implementation in planning for next couple of year including but not limited to ware- house management module, material requisition planning, plant maintenance, electronic quality management system (EQMS).

RISK MANAGEMENT

Global operations and product development for regulated markets pose significant challenges and risks for the organisation. Such risks, if not identified and addressed properly in a timely manner could adversely impact accomplishment of the overall objectives of the organisation and its sustainability. An effective risk management framework enhances the organisation's ability to proactively address its risks and opportunities by determining a risk mitigation strategy and monitoring its progress on continuous basis. Our Enterprise Risk Management (ERM) framework encompasses practices relating to identification, assessment, monitoring and mitigating of various risks to key business objectives. Its purpose is to assess how big the risks are, both individually and collectively, in order to focus management's attention on the most important threats and opportunities, and to lay the groundwork for risk response. ERM at Dishman seeks to minimise adverse impact of risks on our key business objectives and enable the Company to leverage the market opportunity effectively.
Our risk management framework is intended to ensure that risks are identified in a timely manner. By identifying and proactively addressing risks and opportunities, we protect and create value for our stakeholders, including owners, employees, customers, regulators, and society overall. We have implemented an integrated risk management framework to identify, assess, prioritise, manage/ mitigate, monitor and communicate the risk across the Company. Senior management personnel are part of our risk management structure. Plant level committees headed by senior management personnel meet at regular intervals to identify various risks, assess, prioritise the risks. After due deliberation, appropriate strategies are made for managing/ mitigating the risks. The Company takes the help of independent professional firms to review the risk management structure and implementation of risk management policies. Audit Committee, on a quarterly basis, reviews the adequacy and effectiveness of the risk management strategies, implementation of risk management/mitigation policies. Audit Committee advises the Board on matters of significant concerns for redressal.

OPPORTUNITIES AND THREATS

Most of the innovator companies are facing challenge of depleting research pipeline and losing patent protection for their blockbuster drugs in the next few years. The new drug discovery process is also becoming more difficult with reducing success probabilities and increasing research and development costs. This has opened up opportunities to CRAMS players from low cost destinations like India. Dishman has identified this opportunity very early and started working with innovators with customs synthesis projects and contract manufacturing of APIs, which result into overall growth in the turnover. In view of the huge potential the CRAMS segment offers to Indian companies, many of the big pharmaceutical companies in India started exploring opportunities for a share in CRAMS segment with big investments. This may result in increased competition in the long run. However, with the research and innovation capabilities that Dishman has developed over the years across the globe, the technical know-how is unparalleled. In addition to the above, another major development has been on the New Molecule Entities (NMEs) front. Most of the recent innovation in this segment is from "small to mid-sized" bio-pharmaceutical organisations. This has changed the dynamics of this business, as large pharmaceutical players are increasingly becoming mainly marketing and "finished dose form" organisations. The Company believes that it can manufacture various APIs/intermediates and speciality chemicals of best quality at a low cost. Many of innovator companies are outsourcing their products to our Company. Recognising this opportunity, the Company continued to take initiatives in reducing its costs by employing lean manufacturing techniques and resource management initiatives and broadening the product base.

INFORMATION TECHNOLOGY

The Company's goal is to make all business processes as much automated as possible thus increasing the efficiency and accuracy of all processes. Dishman has developed a framework to harness the opportunities presented by prevalence of new-age digital technologies and transform to become a digitally savvy pharmaceutical company. In analytics and automation, the Company's strategy has been to capitalise on the latest advancements in technology for improving the business performance. As a part of digital reinvention journey we have done:

SAP SUCCESSFACTOR PHASE TWO IMPLEMENTATION

In this phase we have implement Employee portal where they can track employee life cycle started from recruitment, onboarding, employee activity, events, approval, time sheet, leave and balances, resignation, company policies, organisation structure including his/her payroll and incentives. Employee can get his critical information and his approvals through mobile app as well.

NETWORK AND SERVER SECURITY

We have taken this to the next level, we have performed the exercise of VAPT (vulnerability assessment and penetration testing) in overall Dishman Network by external agency to make sure that our network and systems are fully secure. We have also implemented NMS (Network Monitoring System) and SYSLOG server to get online information of all the activities which are going in the network to that right action can be taken on right time.

INDUSTRIAL RELATIONS AND HUMAN RESOURCE MANAGEMENT

The Company has continued with its drive to institutionalise and upgrade its HR processes. The diversified skill sets of our employees add significant worth to the Company. Every organisation which values and appreciates its Human Resource succeeds in its goals and receives positive results. At Dishman, we always believe in the concept of human empowerment. We firmly believe that human resource is the most important assets of the organisation, as it influences growth, progress, profits and shareholders' values. During the year, we continued our efforts aimed at improving the HR policies and processes to enhance our performance. We implemented the SAP Success Factors system with all people related modules as a first step to digitalise HR.

Our mission is to create a value system and behavioural skills to ensure achievement of our short and long-term objectives. In a difficult year due to the Covid outbreak, we strived to ensure that our employees are well looked after and covered all our staff under the EDLI scheme and also checking the temperature and oxygen levels regularly. We are also acquiring Oxygen Concentrators to be kept at all our locations to meet any Oxygen related emergencies. The Company, as on March 31, 2021, had 929 employees on its rolls. We continue to attract excellent talent both from within and outside India to further our business interests. Industrial Relations continue to be cordial.

CAUTIONARY STATEMENT

This document contains statements about expected future events, financial and operating results of Dishman Carbogen Amcis Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirely by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Dishman Carbogen Amcis Limited's Annual Report, FY2021.

CORPORATE INFORMATION

Board Of Directors

Mr. Janmejay R. Vyas
Chairman (DIN 00004730)

Mrs. Deohooti J. Vyas
Whole time Director (DIN 00004876)

Mr. Arpit J. Vyas
Global Managing Director
(DIN 01540057)

Mr. Mark C. Griffiths
Director (Global Marketing and Strategy) (DIN 06981744)

Mr. Sanjay S. Majmudar
Director (DIN 00091305)

Mr. Ashok C. Gandhi
Director (DIN 00022507)

Mr. Subir Kumar Das
Director (DIN 02237356)

Mr. Rajendra S. Shah
Director (DIN 00061922)

Ms. Maitri K. Mehta
Director (DIN 07549243)

Board Committees

Audit Committee

Mr. Sanjay S. Majmudar, Chairman
Mr. Ashok C. Gandhi
Mr. Subir Kumar Das

Nomination and Remuneration Committee

Mr. Sanjay S. Majmudar, Chairman
Mr. Ashok C. Gandhi
Mr. Subir Kumar Das

Stakeholders Relationship Committee

Mr. Sanjay S. Majmudar, Chairman
Mr. Janmejay R. Vyas
Mr. Ashok C. Gandhi

Corporate Social Responsibility Committee

Mr. Janmejay R. Vyas, Chairman
Mr. Arpit J. Vyas
Mr. Sanjay S. Majmudar

Risk Management Committee

Mr. Janmejay R. Vyas, Chairman
Mr. Arpit J. Vyas
Mr. Harshil R. Dalal
Mr. Sanjay S. Majmudar
(w.e.f. 11/05/2021)

Management Committee

Mr. Janmejay R. Vyas, Chairman
Mr. Arpit J. Vyas
Mrs. Deohooti J. Vyas

Global Chief Financial Officer

Mr. Harshil R. Dalal

Company Secretary & Compliance Officer

Ms. Shrima Dave

Statutory Auditors

V. D. Shukla & Co.
Chartered Accountants
B-213, Gopal Palace, Nr. Shiromani Flats, Opp. Ocean Park, Shivranjani-Nehrunagar Road, Nehrunagar, Ahmedabad – 380015.

Haribhakti & Co., LLP
Chartered Accountants
701, Leela Business Park, Andheri Kurla Road, Andheri (E), Mumbai – 400059.

Internal Auditors

Shah & Shah Associates
Chartered Accountants
702, Aniket, Nr. Municipal Market, Navrangpura, Ahmedabad – 380009.

Registrar & Transfer Agent

Link Intime India Pvt. Ltd.
C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai – 400 083.
Tel. No.: 91-22-4918 6000
Fax No.: 91-22-4918 6060
Email: mumbai@linkintime.co.in

Registered Office

Dishman Corporate House, Iscon-Bopal Road, Ambli, Ahmedabad - 380 058.
Tel. No.: 91-2717-420102/124

Works

Phase-IV, 1216/20, GIDC Estate, Naroda, Ahmedabad - 382 330.
(Also other plots in Phase - I and IV)

Survey No. 47, Paiki Sub Plot No. 1, Village – Lodariyal, Taluka Sanand, District - Ahmedabad - 382 220.
(Also various adjacent plots)

Bankers

» State Bank of India
» Bank of Baroda
» Union Bank of India
» IDFC First Bank Ltd.
» HDFC Bank Ltd.
» Indian Bank

CIN NO.

L74900GJ2007PLC051338

Subsidiary Companies

» CARBOGEN AMCIS AG
» CARBOGEN AMCIS (Shanghai) Co. Ltd.
» CARBOGEN AMCIS B. V. (formerly known as Dishman Netherlands B. V.)
» CARBOGEN AMCIS Ltd. (U. K.)
» CARBOGEN AMCIS SAS, France
» CARBOGEN AMCIS Holding AG
» Dishman CARBOGEN AMCIS (Europe) Ltd. (formerly known as Dishman Europe Ltd)
» Dishman USA Inc.
» Dishman CARBOGEN AMCIS (Singapore) Pte. Ltd.
» Dishman Australasia Pty. Ltd.
» Dishman CARBOGEN AMCIS (Japan) Ltd. (formerly known as Dishman Japan Ltd.)
» Dishman International Trade (Shanghai) Co. Ltd.
» Dishman Middle East (FZE)
» Shanghai Yiqian International Trade Co. Ltd.
» CARBOGEN AMCIS Specialities AG
» CARBOGEN AMCIS Innovations AG
» Dishman CARBOGEN AMCIS AG
» CARBOGEN AMCIS REAL ESTATE
» Dishman IT Xellence Private Limited
» Dishman Engineering Xellence Pvt Ltd.
» Dishman Biotech Ltd.
» Invisible Biotech Ltd.

NOTICE

NOTICE is hereby given that the **14th Annual General Meeting** of the Members of **DISHMAN CARBOGEN AMCIS LIMITED** will be held on **Monday, the 19th July, 2021 at 3:00 p.m.** IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. **To receive, consider and adopt:**

(a) the Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2021 and the Reports of the Board of Directors and Auditors thereon; and

(b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2021 and the Report of the Auditors thereon.

2. To appoint a Director in place of Mr. Arpit J. Vyas (DIN 01540057) who retires by rotation and being eligible, offers himself for reappointment.

3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution,** to appoint Statutory Auditors of the company and to fix their remuneration:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and 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(s) thereof, for the time being in force), M/s. T R Chadha & Co. LLP, Chartered Accountants (Firm Registration No. 006711N/ N500028) be and are hereby appointed as the Statutory Auditors of the Company in the place of retiring Joint Statutory Auditors viz. M/s. V. D. Shukla & Co., Chartered Accountants, (Firm Registration No.110240W) and M/s. Haribhakti & Co. LLP, Chartered Accountants, (Firm Registration No.103523W/ W100048), effective from the conclusion of this 14th Annual General Meeting (2021) of the Company.

RESOLVED FURTHER THAT T R Chadha & Co. LLP, Chartered Accountants (Firm Registration No.006711N/ N500028) be and are hereby appointed as Statutory Auditors of the Company for a first term of 5 (five) consecutive years from the conclusion of 14th Annual General Meeting (2021) till the conclusion of 19th Annual General Meeting of the Company (2026) on such terms and conditions including remuneration as may be determined by the Board of Directors of the Company (or Committee thereof), in addition to reimbursement of travelling and other out-of-pocket expenses actually incurred by them in connection with the audit."

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution,** for payment of remuneration to Mr. Janmejay R. Vyas (DIN 00004730), Director of the Company for rendering professional service to the Company:

"RESOLVED THAT pursuant to Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any of the Companies Act, 2013, the approval of the members be and is hereby accorded for the payment of annual remuneration not exceeding ₹ 2.00 crores (Rupees Two Crores only) [excluding any tax incidence applicable upon the Company under the applicable tax laws and the payment of sitting fees, if any] to Mr. Janmejay R. Vyas (DIN 00004730) (Mr. J. R. Vyas), Director of the Company, in such manner and on such terms as the Board of Directors may determine in consultation with Mr. J. R. Vyas, for the professional services availed/to be availed by the Company, for the financial year 2021-22, being an amount exceeding 50% (fifty percent) of the total annual remuneration payable to all the Non-Executive Directors of the Company.

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

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution,** to approve proposed payment of remuneration to Executive Director viz. Mrs. Deohooti J. Vyas (DIN 00004876), who is Promoter in excess of threshold limits as per Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

"RESOLVED THAT pursuant to the provisions of Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**'Listing Regulations'**) and other applicable regulations, and subject to the maximum remuneration approved by the members at the 13th Annual General Meeting held on 28th September, 2020, approval of the members of the Company be and is hereby accorded for payment of remuneration to Mrs. Deohooti J. Vyas, Whole-time Director and Promoter of the Company, as per the requirements of Regulation 17(6)(e) of the Listing Regulations, for her new term commencing w.e.f. 3rd September, 2021 to 2nd September, 2026.

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

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution,** to approve the continuation of payment of remuneration to Non-Executive Directors of the Company even in case of absence or inadequacy of profit in view of the amendment in Section 197(3) of the Companies Act, 2013 introduced by the Companies (Amendment) Act, 2020 read with Table A of Section II of Part II of Schedule V as notified on 18th March, 2021:

"RESOLVED THAT pursuant the provisions of Sections 197, 149 (9) and other applicable provisions, if any of the Companies Act, 2013 (**"Act"**) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (**"Rules"**) read with Schedule V of the Act [including any statutory modification(s) as may be made from time to time including the modifications notified on 18th March, 2021] as well as in terms of Regulation 17(6)(a) and other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in addition to the maximum limit of 1% of net profit as approved by the members at the 11th Annual General Meeting held on 20th September, 2018 for payment of commission to Non-Executive Directors (i.e. Directors other than the Managing Director/ Whole Time Director, but including Independent Directors) ("**NED**") in case of availability of adequate profits, the further approval of the members, be and is hereby specifically given for payment of such lump sum amount as may be determined by the Board of Directors (which term shall also include its duly authorised committee) of the Company within overall limit specified in the amended Table A of Section II of Part II of Schedule V for NED even in absence or inadequacy of profit for the remaining tenure for each of the financial years ended on 31st March, 2021 upto and inclusive of financial year ending on 31st March, 2023.

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

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution,** for approval of Dishman Carbogen Amcis Limited - Employee Stock Option Plan 2021 ("DCAL ESOP 2021"):

"RESOLVED THAT pursuant to the provisions of section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as **"SEBI SBEB Regulations"**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as **"SEBI Listing Regulations"**), the circulars/ guidelines issued by the Securities and Exchange Board of India (**'SEBI'**), the provisions of the Foreign Exchange Management Act, 1999 (the **"FEMA"**) and such other rules, regulations, notifications, guidelines and laws as may be applicable in this regard, from time to time and subject to such approvals, consents, permissions, sanctions, as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the **"Board"** which term shall be deemed to include any Committee thereof, including the Nomination and Remuneration Committee (**"NRC"**) constituted by the Board, for the time being exercising the powers conferred on the Board, including the powers conferred by this resolution), approval and the consent of the shareholders of the Company be and is hereby accorded to introduce and implement **"Dishman Carbogen Amcis Limited - Employee Stock Option Plan 2021"** (**"DCAL ESOP 2021"/ "Scheme"/ "Plan"**) and to create, offer and grant from time to time, in one or more tranches, not exceeding 78,39,154 (Seventy Eight Lacs Thirty Nine Thousand One Hundred and Fifty Four) Employee Stock Options (**"ESOPs"/ "Option(s)"**), being 5% (Five percent) of the total outstanding equity shares of the Company as at March 31, 2021, to such persons who are in permanent employment of the Company and its existing and future subsidiary company(ies) whether in India or outside India, including any director, whether whole time or otherwise (other than promoters and promoter group of the Company, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), as provided under DCAL ESOP 2021, (hereinafter referred to as an **"Employee(s)"**), exercisable into not more than 78,39,154 (Seventy Eight Lacs Thirty Nine Thousand One Hundred and Fifty Four) fully paid-up equity shares of the Company in aggregate of face value of ₹ 2/- (Rupees Two) each, to be transferred to the option grantees by an Employee Welfare Trust (herein after referred to as **"ESOP Trust"**) to be set-up by the Company, at such price or prices and on such terms and conditions as may be decided by the Board and in accordance with the provisions of the DCAL ESOP 2021, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.

RESOLVED FURTHER THAT the equity shares to be transferred on exercise of Options shall be allocated to the ESOP Trust, which shall be set up in any permissible manner for implementation of the DCAL ESOP 2021 in accordance with applicable laws, provide monies/loan, to the Trust from time to time, on such terms as it may think fit, to enable the ESOP Trust to purchase the equity shares of the Company as issued and allotted by the Company or as acquired through secondary acquisition or in the form of gift from existing shareholders of the Company.

RESOLVED FURTHER THAT the equity shares issued and allotted by the Company upon exercise of Options from time to time in accordance with the DCAL ESOP 2021 (in case of fresh issuance of equity shares), shall rank *pari passu* in all respects with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT the number of ESOPs that may be granted to the Employee(s), during any one financial year, under the Plan shall not equal to or exceed 1% of the total issued Equity Share Capital in a financial year (excluding outstanding warrants and conversions) of the Company as at the time of grant of options except prior approval from shareholders by way of separate resolution in the general meeting.

RESOLVED FURTHER THAT the Options that have lapsed either by reason of non-vesting/ non-exercise be added to the ESOP Pool for future grants.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and/or sale of division/ undertaking or other re-organisation, and others, if any, additional Options of the Company are to be issued to the Employees for the purpose of making a fair and reasonable adjustment to the Options issued to them, the ceiling limit as aforesaid of 78,39,154 (Seventy Eight Lacs Thirty Nine Thousand One Hundred and Fifty Four) Options convertible in to 78,39,154 (Seventy Eight Lacs Thirty Nine Thousand One Hundred and Fifty Four) equity shares shall be deemed to be increased in proportion to the additional equity shares issued in the aforesaid corporate action(s).

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, the number of equity shares to be transferred on exercise of Options granted and the price of acquisition payable by the option grantees under the DCAL ESOP 2021 shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 2/- per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the option grantees.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the DCAL ESOP 2021.

RESOLVED FURTHER THAT the Board be and is hereby authorised to bring into effect the DCAL ESOP 2021 as per the terms approved in this resolution and at any time to modify, change, vary, alter, amend, suspend or terminate the DCAL ESOP 2021 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the shareholders of the Company and further to execute all such documents, writings and to give such directions and/ or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the DCAL ESOP 2021 and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take necessary steps for listing of the equity shares allotted under the DCAL ESOP 2021 (in case of fresh issuance of equity shares) on the stock exchanges, where the equity shares of the Company are listed as per the provisions of the SEBI Listing Regulations and other applicable laws, guidelines, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion, deem necessary including authorizing or directing to appoint various intermediaries, advisors, consultants or representatives for effective implementation and administration of DCAL ESOP 2021 as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

RESOLVED FURTHER THAT the Board is hereby authorise to represent the Company for carrying out any or all of the activities that the Board is authorised to do for the purpose of giving effect to this resolution."

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution,** for approval for extension Dishman Carbogen Amcis Limited - Employee Stock Option Plan 2021 ("DCAL ESOP 2021") to the employees of the existing and future subsidiary company(ies) of the Company in India or outside India:

"RESOLVED THAT pursuant to the provisions of section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as **"SEBI SBEB Regulations"**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as **"SEBI Listing Regulations"**), the circulars/ guidelines issued by the Securities and Exchange Board of India (**'SEBI'**), the provisions of the Foreign Exchange Management Act, 1999 (the **"FEMA"**) and such other rules, regulations, notifications, guidelines and laws as may be applicable in this regard, from time to time and subject to such approvals, consents, permissions, sanctions, as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the **"Board"** which term shall be deemed to include any Committee thereof, including the Nomination and Remuneration Committee (**"NRC"**) constituted by the Board, for the time being exercising the powers conferred on the Board, including the powers conferred by this resolution), approval and the consent of the shareholders of the Company be and is hereby accorded to extend the benefits of Dishman Carbogen Amcis Limited - Employee Stock Option Plan 2021 (**"DCAL ESOP 2021"**) to the permanent employees including directors whether whole time or otherwise, (other than Promoter(s) or belonging to the Promoter Group of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company) of existing and future subsidiary company(ies) of the Company, whether in India or outside India (hereinafter referred to as an **"Employee(s)"),** within the overall celling limit of 78,39,154 (Seventy Eight Lacs Thirty Nine Thousand One Hundred and Fifty Four) Employee Stock Options (**"ESOPs"/ "Option(s)"**) exercisable into not more than 78,39,154 (Seventy Eight Lacs Thirty Nine Thousand One Hundred and Fifty Four) fully paid-up equity shares in the Company in aggregate of face value of ₹ 2/- (Rupees Two) each under the DCAL ESOP 2021, to be transferred to the option grantees by an Employee Welfare Trust (herein after referred to as **"ESOP Trust"**) to be set-up by the Company, at such price or prices and on such terms and conditions as may be decided by the Board and in accordance with the provisions of the DCAL ESOP 2021, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem expedient and to settle any questions, difficulties or doubts that may arise with respect to the above matter without requiring the Board to secure any further consent or approval of the shareholders of the Company and the Board be and is hereby further authorised to nominate one or more representatives of the Company to execute such further deeds, documents and writings that may be considered necessary and to carry out any or all activities that the Board is empowered to do for the purpose of giving effect to this resolution."

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution,** for approval for Implementation of Dishman Carbogen Amcis Limited - Employee Stock Option Plan 2021 ("DCAL ESOP 2021") through Trust route:

"RESOLVED THAT pursuant to the provisions of section 62(1)(b), 67(3)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (**"the Act"**) and the rules made thereunder, the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as **"SEBI SBEB Regulations"**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as **"SEBI Listing Regulations"**), the circulars/ guidelines issued by the Securities and Exchange Board of India (**'SEBI'**), the provisions of the Foreign Exchange Management Act, 1999 (the **"FEMA"**) and such other rules, regulations, notifications, guidelines and laws as may be applicable in this regard, from time to time and subject to such approvals, consents, permissions, sanctions, as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the **"Board"** which term shall be deemed to include any Committee thereof, including the Nomination and Remuneration Committee (**"NRC"**) constituted by the Board, for the time being exercising the powers conferred on the Board, including the powers conferred by this resolution), consent of the shareholders of the Company be and is hereby accorded to implement Dishman Carbogen Amcis Limited - Employee Stock Options Plan 2021 (**"DCAL ESOP 2021"**) through an Employee Welfare Trust (hereinafter referred to as **"ESOP Trust"**) to be set-up by the Company as per the provisions of all applicable laws, including without limitation, Indian Trusts Act,1882, as amended, the SEBI Regulations and the Companies Act, 2013 and the Rules made thereunder and the ESOP Trust to subscribe, acquire, purchase, hold and deal in equity shares of the Company for the purpose of implementation of DCAL ESOP 2021 or any other employee stock plan or share based employee benefit plan which may be introduced by the Company from time to time, or for any other purpose(s) as contemplated herein and in due compliance with the provisions of the SEBI SBEB Regulations, the Companies Act, 2013 (including rules framed thereunder) and other applicable laws and regulations.

RESOLVED FURTHER THAT the Company should conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the DCAL ESOP 2021.

RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem expedient and to settle any questions, difficulties or doubts that may arise with respect to the above matter without requiring the Board to secure any further consent or approval of the shareholders and the Board be and is hereby further authorised to nominate one or more representatives of the Company to execute such further deeds, documents and writings that may be considered necessary and to carry out any or all activities that the Board is empowered to do for the purpose of giving effect to this resolution."

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution,** for approval for acquisition of equity shares from secondary market through Trust route for implementation of Dishman Carbogen Amcis Limited - Employee Stock Option Plan 2021 ("DCAL ESOP 2021"):

"RESOLVED THAT pursuant to the provisions of section 62(1)(b), 67(3)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (**"the Act"**) and the rules made thereunder, the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as **"SEBI SBEB Regulations"**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as **"SEBI Listing Regulations"**), the circulars/ guidelines issued by the Securities and Exchange Board of India (**'SEBI'**), the provisions of the Foreign Exchange Management Act, 1999 (the **"FEMA"**) and such other rules, regulations, notifications, guidelines and laws as may be applicable in this regard, from time to time and subject to such approvals, consents, permissions, sanctions, as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the **"Board"** which term shall be deemed to include any Committee thereof, including the Nomination and Remuneration Committee (**"NRC"**) constituted by the Board, for the time being exercising the powers conferred on the Board, including the powers conferred by this resolution), approval and consent of the shareholders of the Company be and is hereby accorded for secondary acquisition of equity shares of the Company by the Employee Welfare Trust (**"ESOP Trust"**) to be set-up by the Company, in one or more tranches, not exceeding 78,39,154 (Seventy Eight Lacs Thirty Nine Thousand One Hundred and Fifty Four) equity shares, being 5% (Five percent) of the total outstanding equity shares of the Company as at March 31, 2021, for implementation of Dishman Carbogen Amcis Limited - Employee Stock Option Plan 2021 (**"DCAL ESOP 2021"**) as approved by the Board and subject to the overall limits on secondary acquisition specified in the SEBI SBEB Regulations, at such price or prices and at such terms and conditions that Board may deems fit and to do all such acts, deeds and things incidental and ancillary in this regards.

RESOLVED FURTHER THAT the ESOP Trust is permitted to accept equity shares either by way of issuance and allotment of equity shares by the Company or as acquired through secondary acquisition or gift from existing equity shareholders for the purpose of transferring such equity shares for implementing DCAL ESOP 2021.

RESOLVED FURTHER THAT secondary acquisition by the ESOP Trust in any financial year shall not exceed 2% (two percent) of the paid-up equity share capital as at the end of the previous financial year and in accordance with the provisions of the DCAL ESOP 2021, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.

RESOLVED FURTHER THAT in the event of expansion of equity share capital of the Company arising due to any corporate action(s), including issue of bonus shares, split or rights issue, the limits set hereinabove prescribed for secondary acquisition shall accordingly apply to such increased equity share capital, in proportion of such expanded equity share capital, subject however that, the Company shall adhere to the celling cap prescribed under Regulation 3(11) of the SEBI SBEB Regulations.

RESOLVED FURTHER THAT the ESOP Trust shall not deal in derivatives and shall undertake transactions as permitted by SEBI SBEB Regulations.

RESOLVED FURTHER THAT the ESOP Trustees of the ESOP Trust shall not vote in respect of the shares held by such ESOP Trust.

RESOLVED FURTHER THAT the ESOP Trustees of the ESOP Trust shall ensure compliance of the provisions of the SEBI SBEB Regulations, Companies Act and all other applicable laws at all times in connection with dealing with the shares of the Company including but not limited to maintenance of proper books of account, records and documents as prescribed.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the DCAL ESOP 2021.

RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem expedient and to settle any questions, difficulties or doubts that may arise with respect to the above matter without requiring the Board to secure any further consent

or approval of the shareholders and the Board be and is hereby further authorised to nominate one or more representatives of the Company to execute such further deeds, documents and writings that may be considered necessary and to carry out any or all activities that the Board is empowered to do for the purpose of giving effect to this resolution."

11. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution,** for approval of provisions of money to the ESOP Trust by the Company for purchase its own shares for Dishman Carbogen Amcis Limited - Employee Stock Option Plan 2021 ("DCAL ESOP 2021")

"RESOLVED THAT pursuant to the provisions of section 62(1)(b), 67 and all other applicable provisions, if any, of the Companies Act, 2013 (**"the Act"**) read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Act, the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as **"SEBI SBEB Regulations"**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as **"SEBI Listing Regulations"**), the circulars/ guidelines issued by the Securities and Exchange Board of India (**'SEBI'**), the provisions of the Foreign Exchange Management Act, 1999 (the **"FEMA"**) and such other rules, regulations, notifications, guidelines and laws as may be applicable in this regard, from time to time and subject to such approvals, consents, permissions, sanctions, as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the **"Board"** which term shall be deemed to include any Committee thereof, including the Nomination and Remuneration Committee (**"NRC"**) constituted by the Board, for the time being exercising the powers conferred on the Board, including the powers conferred by this resolution), approval and consent of the shareholders of the Company be and is hereby accorded for making an interest free provision of money by way of loan, not exceeding 5% of the aggregate of the paid-up equity share capital and free reserves of the Company, from time to time, to an Employee Welfare Trust (hereinafter referred to as **"ESOP Trust"**) to be set-up by the Company, in one or more tranches for acquisition of equity shares of the Company, for implementation of Dishman Carbogen Amcis Limited Employee Stock Option Plan 2021 (**"DCAL ESOP 2021"**), subject to the overall limits specified under SEBI SBEB Regulations and other applicable laws.

RESOLVED FURTHER THAT subject to provision of applicable law, the loan provided by the Company shall be repayable to and recoverable by the Company from time to time during the term of the DCAL ESOP 2021, to the extent realization of exercise price by the ESOP Trust.

RESOLVED FURTHER THAT the ESOP Trust shall not deal in derivatives and shall undertake transactions as permitted by SEBI SBEB Regulations.

RESOLVED FURTHER THAT the ESOP Trustees of the Trust shall ensure compliance of the provisions of the SEBI SBEB Regulations, Companies Rules and all other applicable laws at all times in connection with dealing with the shares of the Company including but not limited to maintenance of proper books of account, records and documents as prescribed.

RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem expedient and to settle any questions, difficulties or doubts that may arise with respect to the above matter without requiring the Board to secure any further consent or approval of the shareholders and the Board be and is hereby further authorised to nominate one or more representatives of the Company to execute such further deeds, documents and writings that may be considered necessary and to carry out any or all activities that the Board is empowered to do for the purpose of giving effect to this resolution."

Registered Office

Dishman Corporate House,
Iscon-Bopal Road, Ambli,
Ahmedabad - 380 058

Date: 16th June, 2021

By Order of the Board of Directors

Shrima Dave
Company Secretary

NOTES:

1. In view of the Continuing COVID-19 pandemic, Ministry of Corporate Affairs (MCA) has vide its General Circular numbers 02/2021; 20/2020; 14/2020 and 17/2020 issued on 13th January, 2021, 5th May, 2020, 8th April, 2020 and 13th April, 2020 respectively read with Circular numbers SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (SEBI) on 15th January, 2021 and 12th May, 2020 respectively (hereinafter collectively referred to as "the Circulars"), allowed Companies to hold Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of members at a common venue. Hence, in compliance with provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Circulars, the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

   Central Depository Services (India) Limited ("CDSL") will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. Instructions for participating/joining in the meeting through VC/OAVM and e-voting during the AGM is explained hereunder at Note No.11 below.

2. The relevant Explanatory Statement and reasons in respect of proposed special business pursuant to Section 102(1) of the Companies Act, 2013 are annexed hereto.

   Pursuant to Regulation 36 of SEBI Listing Regulations, relevant information of M/s. T R Chadha & Co. LLP, Chartered Accountants proposed to be appointed as Statutory Auditors vide ordinary resolution at item no.3 of accompanying Notice, is annexed hereto and forms part of Explanatory Statement.

3. As the AGM shall be conducted through VC/OAVM, the facility for appointment of proxies by the members will not be available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

4. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.

5. Institutional/ Corporate members are required to send a scanned copy (PDF/JPG format) of its Board or Governing Body Resolution/ Authorization, authorizing its representative to attend the AGM through VC/ OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent through its registered email address to the Scrutinizer at the email address viz. csashokppathak@gmail.com or to the Company at grievance@dishmangroup.com.

6. At the ensuing AGM, Mr. Arpit J. Vyas retires by rotation and being eligible, offers himself for reappointment. The information or details required as per Regulation 36(3) of Listing Regulations and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, pertaining to him (brief Resume) are as under:

Name of the Director	Mr. Arpit J. Vyas (Mr. A. J. Vyas)
Age	35 years
Date of first Appointment on the Board of the Company	7th April, 2012 Upon Scheme of Merger between erstwhile Dishman Pharmaceuticals and Chemicals Limited (DPCL) and Company became effective, he has been appointed as Managing Director & CFO of the Company w.e.f. 17th March, 2017 with the existing terms and conditions as approved by the Board and Shareholders of erstwhile DPCL. Thereafter, he has been elevated to the role of Global Managing Director and in view of the said new role, he has been resigned as CFO w.e.f. 28th November, 2018.
Qualification	He is Chemical Engineer. He has completed his Chemical Engineering degree from the University of Aston, Birmingham.
Experience (including expertise in specific functional area)	He has vast experience in the field of Marketing and strong leadership skills. Initially, he was appointed as an Additional Director and thereafter appointed as Whole-time Director of erstwhile DPCL w.e.f. 1st June, 2009. Thereafter, he was appointed as a Managing Director w.e.f. 1st June, 2014 and also appointed as CFO w.e.f. 17th July, 2015 of erstwhile DPCL. Upon Scheme of Merger between erstwhile DPCL and Company became effective, he has been appointed as Managing Director and CFO of the Company w.e.f. 17th March, 2017 with the existing terms and conditions as approved by the Board and Shareholders of erstwhile DPCL. He has been extremely instrumental in the strategic decision making processes and Marketing Policies and the overall operation of Company's Plants worldwide. He is completely in-charge of the corporate functions such as finance, legal, IT, marketing, sales etc.
Disclosure of Relationship	He is son of Mr. Janmejay R. Vyas, Chairman and Mrs. Deohooti J. Vyas, Whole Time Director of the Company.
No. of Shares held in the Company	1000 equity shares of ₹ 2/- each.
Terms and Conditions of Re-appointment	As per the resolution passed by the members of the Company at 11th Annual General Meeting held on 20th September, 2018, Mr. A. J. Vyas has been re-appointed as Managing Director for a period of five years w.e.f. 1st June, 2019. In terms of Section 152 of the Companies Act, 2013, he retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.
Remuneration last drawn (including sitting fees, if any)	NIL during FY 2020-21. Mr. A. J. Vyas has voluntarily decided not to draw any remuneration from the Company during financial year 2020-21.
Remuneration proposed to be paid	As per the existing terms and conditions which has been approved by the members of the Company by passing an ordinary resolution at 11th Annual General Meeting held on 20th September, 2018.
Number of meetings of the Board attended during the financial year	Pl. refer Corporate Governance Report section of the Annual Report 2020-21.
Directorship held in other Companies	
Chairmanship/ Membership of Committees of other Boards	None

7. *Members holding shares in demat form are requested to intimate any change in their address and / or bank details immediately to their Depository Participants and to Registrar & Share Transfer Agent of the Company in case shares are held in physical form.*

8. **To support 'Green Initiative' shareholders who hold shares in electronic mode and who have not registered their email addresses, so far, are requested to register their email address and changes therein from time to time, with their concerned Depository Participant. Shareholders who holds share in physical mode are requested to register their email addresses with the Company/ Registrar.**

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

9. In compliance with, the MCA and SEBI Circulars, Notice of the Meeting along with the Annual Report for FY 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report for FY 2020-21 will also be available on website of the Company, i.e. www.imdcal.com; website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of the CDSL www.evotingindia.com.

10. Members holding shares in physical mode and who have not registered/ updated their email addresses with the Company are requested to register/ update their email addresses by writing to the Company with details of folio number along with self-attested copy of PAN card at grievance@dishmangroup.com.

    Members holding shares in dematerialized mode are requested to register/ update their email addresses with the relevant Depository Participant.

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

11. Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. The procedure for attending meeting & e-Voting during the AGM is same as the instructions mentioned under the head **"INSTRUCTION FOR E-VOTING".**

12. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned under the head **"INSTRUCTION FOR E-VOTING".**

STRATEGIC REVIEW STATUTORY REPORT FINANCIAL STATEMENTS

13. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned here under in the Notes to the Notice. the facility of joining the AGM through VC/OAVM will be available for Members on first come first served basis.

14. Members are encouraged to join the Meeting through Laptops / IPads for better experience.

15. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

16. 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.

17. *For ease of conduct, members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 (seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at grievance@dishmangroup.com. The members who do not wish to speak during the AGM but have queries may send their queries in advance 7 (seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at grievance@dishmangroup.com. These queries will be replied to by the Company suitably by email. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.*

18. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM.

19. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through Remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

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

21. Shareholders who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

22. Members who need assistance before or during the AGM, can send a request at helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Rakesh Dalvi (022-23058542/43).

23. E-Voting

In terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 ("Rules"), as amended, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Circulars, the Company is pleased to provide the e-voting facility through Central Depository Services Limited (CDSL) to its Members holding shares in physical or dematerialized form, as on the cut-off date to exercise their right to vote by electronic means on any or all of the business specified in the accompanying Notice (the "Remote e-voting").

The facility for voting during the AGM will also be made available. Members present in the AGM through VC/OAVM and who have not cast their vote on the resolutions through Remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

The information with respect to Voting Process and other instructions regarding Remote e-voting are detailed hereinafter under "INSTRUCTION FOR E-VOTING".

24. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner as on **the cut-off date i.e. Monday, 12th July, 2021.** Members holding shares either in physical form or dematerialized form, as on cut-off date only shall be entitled to vote on the Resolutions set forth in the Notice. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

25. 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.

26. General information on E-voting

(i) The e-voting period commence on, **Friday, 16th July, 2021 at 9.00 a.m. and ends on Sunday, 18th July, 2021 at 5.00 p.m.** During this period, shareholders holding shares either in physical form or in dematerialised mode as on **Monday, 12th July, 2021 (cut-off date)** may cast their vote electronically. The e-voting module will be disabled by CDSL for voting thereafter. Once the vote on resolution is casted by the shareholder, he shall not be allowed to change it subsequently.

(ii) Mr. Ashok P. Pathak, Practicing Company Secretary (Membership No. ACS: 9939; CP No: 2662) (Address: F-904, Titanium City Centre, 100 ft. Anand Nagar Road, Near Indian Oil Petrol Pump, Satellite, Ahmedabad-380015) has been appointed as the Scrutinizer to scrutinize the voting during the AGM and the Remote e-voting process in a fair and transparent manner.

(iii) The Scrutinizer shall first count the votes cast at the meeting, thereafter, unblock the votes cast through Remote e-voting in the presence of at least two witnesses not in employment of the Company.

(iv) The Scrutinizer shall within a period not exceeding 48 hours from the conclusion of the AGM make a Consolidated Scrutinizer's Report of the votes cast in favour or against, if any, and submit the same to the Chairman of the meeting or a person so authorised by him in writing, who shall countersign the same.

(v) The results shall be declared forthwith by the Chairman or a person so authorised by him in writing on receipt of consolidated report from the Scrutinizer. The Results declared along with Scrutinizer's Report will be displayed on the:

(i) Notice Board of the Company at its Registered Office;

(ii) Company's website https://imdcal.com/investor-relations;

(iii) CDSL website www.evotingindia.com and

(iv) Stock exchanges' website www.nseindia.com and www.bseindia.com.

27. Members desiring any relevant information with regard to the Accounts or any other matter at the Annual General Meeting are requested to write to the Company at least 7 (seven) days before the date of the meeting through email at grievance@dishmangroup.com to enable the management to keep the required information available at the meeting.

28. The Securities and Exchange Board of India ("SEBI") vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all physical securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Link Intime India Pvt. Ltd./ the Company. Members holding shares in demat form are requested to submit their PAN and update Bank Details and e-mail ID, with their respective Depository Participant.

29. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition and relodged transfers of securities. Accordingly, the Company/ Link Intime India Pvt. Ltd. has stopped accepting any fresh lodgment of transfer of shares in physical form.

Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/ CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent for assistance in this regard.

30. (a) Pursuant to the provisions of Section 124(5) and 125 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividend upto and for the financial year 2012-13, to the Investor Education and Protection Fund (IEPF) established by the Central Government.

The details of unclaimed dividend amounts as referred to sub section (2) of Section 125 read with Rule 8 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 of the Companies Act, 2013, is available on the Company's website: www.imdcal.com.

(b) Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has during financial year 2020-21, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. August 29, 2020. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link https://www.imdcal.com/investor-relations. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link www.iepf.gov.in.

(c) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink http://www.iepf.gov.in/IEPF/corporates.html or contact Link Intime India Private Limited for lodging claim for refund of shares and/or dividend from the IEPF Authority.

31. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the accompanying Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. 19th July, 2021. Members seeking to inspect such documents can send an email at grievance@dishmangroup.com.

32. Members are entitled to make nomination in respect of shares held by them. Members desirous of making nominations are requested to send the prescribed Form (SH-13) duly filled in and signed by them to the Depository Participants in case the shares are held in electronic form and to Registrar & Share Transfer Agent of the Company in case shares are held in physical form.

INSTRUCTION FOR E-VOTING

Instructions and Procedure for Remote e-voting, attending the meeting and e-Voting during the AGM

(i) The voting period begins on **Friday, 16th July, 2021 at 9.00 a.m. and ends on Sunday, 18th July, 2021 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on **the cut-off date i.e. Monday, 12th July, 2021** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

Type of Members	Login Method
Individual Members holding securities in Demat mode with **CDSL**	1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.
Individual Members holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) 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. 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 e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Members (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. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website 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 abovementioned website.

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

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

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

1) The members should log on to the e-voting website www.evotingindia.com.

2) Click on Shareholders module.

3) Now Enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

6) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is mentioned in Email sent.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(vi) After entering these details appropriately, click on “SUBMIT” tab.

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

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

(ix) Click on the **EVSN 210623003** for the relevant **“Dishman Carbogen Amcis Limited”** on which you choose to vote.

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

(xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

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

(xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

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

(xvi) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

(xvii) PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES/ MOBILE NO. ARE NOT REGISTERED WITH THE DEPOSITIORIES/ THE COMPANY.

a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to Company at grievance@dishmangroup.com.

b) For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)

c) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address viz. csashokppathak@gmail.com and to the Company at the email address viz grievance@dishmangroup.com, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the Scrutinizer to verify the same.

(xix) If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-Voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Rakesh Dalvi (022-23058542/43).

Contact Details:

Company	**Dishman Carbogen Amcis Limited** e-mail ID: grievance@dishmangroup.com Phone No.: 02717-420102/124
Registrar & Transfer Agent Ahmedabad Office	**Link Intime India Pvt. Ltd.** 506-508, Amarnath Business Centre-1, (ABC-1), Besides Gala Business Centre, Near St. Xavier’s College Corner, Off C G Road , Ellisebridge, Ahmedabad - 380 006 Email: ahmedabad@linkintime.co.in Phone. No. 079 – 2646 5179
e-Voting Agency	**Central Depository Services (India) Limited** Name of Official – Mr. Rakesh Dalvi Designation – Manager Address - 25th Floor, A Wing, Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel (E), Mumbai - 400 013 E Mail ID - helpdesk.evoting@cdslindia.com **Phone/ Helpline No.** 022-23058542/43 and 022- 23058738
Scrutinizer	**Mr. Ashok P. Pathak, Practicing Company Secretary** Email: csashokppathak@gmail.com

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 3

M/s. V. D. Shukla & Co., Chartered Accountants, (Firm Registration No.110240W) and M/s. Haribhakti & Co. LLP, Chartered Accountants, (Firm Registration No.103523W/ W100048) were appointed as Joint Statutory Auditors of the Company by the members at their Annual General Meeting (AGM) held on 28th September, 2017 for the term of four years starting from 10th AGM till the conclusion of 14th AGM to be held in the year 2021. Accordingly, their term gets completed on conclusion of 14th AGM of the Company in terms of the said approval and Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rule, 2014. As term of Joint Statutory Auditors will expire on conclusion of 14th AGM and they are Joint Statutory Auditors of the Company since FY 2015-16, the Board of Directors of the Company proposes to change the Statutory Auditors as part of good corporate governance.

After a detailed review of the profile, experience and expertise of few audit firms / entities, on the recommendation of Audit Committee, Board of Directors of the Company recommends the appointment of M/s. T R Chadha & Co. LLP, Chartered Accountants (Firm Registration No.006711N/ N500028) as Statutory Auditors of the Company for a term of 5 (five) consecutive years commencing from conclusion of the ensuing 14th AGM until the conclusion of 19th AGM of the Company, for approval of the members at the ensuing 14th AGM.

M/s. T R Chadha & Co. LLP, Chartered Accountants is registered with the Institute of Chartered Accountants of India (ICAI) with Registration No.006711N \ N500028. M/s. T R Chadha & Co. LLP is an old and well-established Chartered Accountancy firm, having been setup in the year 1946. Being an elite chartered accountancy firm, with over 74 years of history, the firm has been providing industry expertise to numerous multinationals as well as reputed Indian companies. The firm also ranked in top 10 CA Firms in Economic Times Survey in 2015. The firm has head-quartered in New Delhi and has branches in Ahmedabad, Mumbai, Pune, Hyderabad, Bengaluru, Chennai, Gurgaon and Tirupati, with its operations adequately supported by qualified professionals and experienced team having unparalleled exposure across diverse industries.

M/s. T R Chadha & Co. LLP have accorded their consent and confirmed that they full-fill all the eligibility criteria envisaged under Companies Act, 2013 and SEBI LODR Regulations 2015, to hold the office and perform the role of statutory auditor of the Company effectively. They hold a valid peer review certificate which is valid up to September 15, 2022.

Considering the professional experience, expertise and technical competencies by M/s. T R Chadha & Co. LLP, the Audit Committee and the Board of Directors are of the opinion that it would be in the best interest of the Company to appoint M/s. T R Chadha & Co. LLP as Statutory Auditors. Accordingly, the Board of Directors recommend to the shareholders the appointment of M/s. T R Chadha & Co. LLP, Chartered Accountants, as Statutory Auditors for a term of 5 (five) consecutive years commencing from conclusion of this 14th AGM till the conclusion of 19th AGM on a remuneration of ₹ 30.00 Lacs (Rupees Thirty Lacs only) per annum for the first financial year 2021-22 plus reimbursement of applicable taxes, travelling and any other out of pocket expenses incurred by them towards statutory audit and quarterly limited reviews. The proposed fees are subject to annual revisions as may be determined by the Board in consultation with the Auditors.

The current fees of Joint Statutory Auditors are aggregating to ₹ 62.00 Lacs (Rupees Sixty Two lacs only) per annum plus reimbursement of actual out of pocket expenses that may be incurred in connection with the audit for the financial year 2020-21 which shall include the Audit fees for the stand alone as well as consolidated accounts and quarterly limited review report. Being proposed appointment is for single Statutory Auditors, there is no material change in the fee payable from that paid to the outgoing Joint Statutory auditors.

Your Directors, therefore, recommend an Ordinary Resolution at Item No.3 of the accompanying Notice, for your approval. None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the above resolution.

ITEM NO. 4

As per Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**), the approval of the members of the Company by way of special resolution, giving details of remuneration, is required every year for payment of annual remuneration to single non-executive Director exceeding 50% (fifty percent) of the total annual remuneration payable to all non-executive Directors of the Company.

In the 12th Annual General Meeting held on 24th September, 2019, the members of the Company had granted their approval for payment of remuneration to Mr. Janmejay R. Vyas (DIN 00004730) (**Mr. J. R. Vyas**), Director of the Company, for the professional services availed/ to be availed by the Company w.e.f. 1st April, 2019, in such manner and on such other terms, as the Board of Directors (with liberty to the Board of Directors to delegate this power) may, from time to time determine in consultation with Mr. J. R. Vyas, subject to maximum of ₹ 2.00 crores (Rupees Two Crores only) per annum (excluding any tax incidence applicable upon the Company under the applicable tax laws and the payment of sitting fees, if any). The said approval has been given by the members is ongoing basis i.e. without any reference to specific duration subject to limit of remuneration of ₹ 2.00 corers per annum and subject to regulation 17(6)(ca) of Listing Regulations.

It is likely that in some or all of the years, the remuneration payable to Mr. J. R. Vyas may exceed 50% of the total remuneration payable to all non-executive Directors for any particular financial year. Accordingly, the approval of members of the Company is sought under Regulation 17(6)(ca) of the Listing Regulations for the payment of remuneration not exceeding ₹ 2.00 crores (Rupees Two Crores only) [excluding any tax incidence applicable upon the Company under the applicable tax laws and the payment of sitting fees, if any] for the professional services availed/to be availed by the Company, for the financial year 2021-22, being an amount exceeding 50% (fifty percent) of the total annual remuneration payable to all the Non-Executive Directors of the Company.

Your Directors, therefore, recommend a Special Resolution at item No.4 for your approval. Mrs. Deohooti J. Vyas, Whole-time Director and Mr. Arpit J. Vyas, Global Managing Director of the Company may be considered as concerned and interested as being relatives of Mr. J. R. Vyas and Mr. J. R. Vyas may also be considered as concerned and interested as the resolution pertains to himself. The other relatives of Mr. J. R. Vyas may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

ITEM NO. 5

As per Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if-

(i) the annual remuneration payable to such executive director exceeds ₹ 5.00 Crore or 2.5 per cent of the net profits of the listed entity calculated as per the provisions of Section 198 of the Companies Act, 2013, whichever is higher; or

(ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity calculated as per the provisions of Section 198 of the Companies Act, 2013.

The shareholders have approved remuneration payable to Mrs. Deohooti J. Vyas (D. J. Vyas), Whole-time and Promoter Director within the limits as prescribed at that time as per Companies Act, 2013, while approving her re-appointment at the 13th Annual General Meeting held on September 28, 2020, which may in excess of 2.5% of the net profits of the Company, individually and more than 5% of the net profits of the Company in aggregate, during the tenure of her re-appointment.

This necessitates seeking approval of the shareholders by way of special resolution for retaining all existing terms and conditions of re-appointment of Mrs. Deohooti J. Vyas, Whole-time Director including remuneration payable to her till the expiry of her re-appointed term w.e.f. 3rd September, 2021 to 2nd September, 2026, in order to comply with the above mentioned Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board, therefore, recommends the special resolution set out at Item No. 5 of the Notice for your approval.

Mr. J. R. Vyas, Chairman and Mr. Arpit J. Vyas, Global Managing Director of the Company may be considered as concerned and interested as being relatives of Mrs. D. J. Vyas and Mrs. D. J. Vyas may also be considered as concerned and interested as the resolution pertains to herself. The other relatives of Mrs. D. J. Vyas may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

ITEM NO. 6

Section 197 of the Companies Act, 2013 provides for payment of remuneration by way of commission to a Director who is neither in whole time employment nor a Managing Director, up to a limit of one per cent of the net profits, if the Company has a Managing or Whole-time Director or three per cent in case the Company is managed by the Board of Directors having no Whole Time or Managing Director, if the Members by special resolution authorizes such payment.

As the members are aware that payment of remuneration by way of Commission to Non-Executive Directors of the Company (Other than the Managing Director and Whole-time Directors) for a period of five years starting from FY ending on 31st March, 2019 upto and including FY ending on 31st March, 2023 was approved by the Board of Directors of the Company at its meeting held on 16th May, 2018 and also approved by the members of the Company by passing a special resolution on 20th September, 2018 in terms of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

By passing a special resolution as such, Members of the Company given their consent and authorized Board of Directors for payment of commission to Non-Executive Director(s) as may be determined by the Board of Directors for each such Non-Executive Director for each financial year starting from FY ending on 31st March, 2019 upto and including financial year ending on 31st March, 2023 within the maximum limit of 1% of net profits of the Company to be calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 and in a way which includes any statutory modification(s) or re-enactment in Companies Act, 2013.

MCA vide its Notifications dated 18th March, 2021 notified amendments in Section 149(9) and Section 197(3) as well as in Schedule V of the Companies Act, 2013 ("Act") which has permitted the payment of remuneration to Non-Executive Directors including the Independent Directors based on limits laid down in Table A of Section II of Part II of Schedule V of the Act in case of absence or inadequacy of profit.

In respect of the financial year ended on 31st March, 2020 and in terms of the approval of the members given on 20th September, 2018, the Company made payment of remuneration to its Non-executive & Independent Directors (**NEID**) as under:

Name of Non-Executive & Independent Directors	Amount of Remuneration (₹)
Mr. Sanjay S. Majmudar	15,00,000
Mr. Ashok C. Gandhi	11,00,000
Mr. Subir Kumar Das	11,00,000
Mr. Rajendra S. Shah	8,00,000
Ms. Maitri K. Mehta	7,00,000

However, for the financial year ended on 31st March, 2021, if Company decide to continue to pay the aforesaid remuneration to its NEID, it will exceed 1% of the Net profit of the Company for the FY 2020-21 as authorised by the members earlier.

As per the said changes and in accordance with the amended provisions of Schedule V of the Companies Act, 2013 the Company can pay remuneration to Non-Executive Directors including an Independent Directors, wherein a financial year, the Company has no profits or its profits are inadequate on the basis of effective capital as on the end of financial year provided the remuneration shall not exceed the ceiling limits prescribed in Section II of Part II of Schedule V to the Companies Act, 2013, for that year, which will be payable to them as minimum remuneration for that year.

As per the current slab of effective capital and in terms of limits laid down in Table A of Section II of Part II of Schedule V of the Act, the Company can pay remuneration upto ₹ 40.57 Lacs p.a. to each of the NEID in case of absence of inadequacy of profit for a particular financial year.

In view of the above, to enable the Company to pay remuneration to NEID of such lump sum amount as may be determined by the Board of Directors (which term shall also include its duly authorised committee) of the Company within overall limit specified in the amended Table A of Section II of Part II of Schedule V even in absence or inadequacy of profit for the remaining tenure for each of the financial years ended on 31st March, 2021 upto and inclusive of financial year ending on 31st March, 2023, consent of the members is required.

Needless to say, the other terms shall remain the same as approved by the shareholders at the Annual General Meeting held on 20th September, 2018 in case of adequacy of profit. Moreover, the approval of the members given vide special resolution passed at the Annual General Meeting held on 24th September, 2019 for payment of remuneration to Mr. Janmejay R. Vyas, Non-Executive & Non-Independent Director for professional services, shall remain in force.

Thus, the approval of the members sought by this resolution is in addition to the other approvals given/ to be given by the members and does not affect the operations of any such approvals given the past or to be given in future unless specified otherwise.

It is also clarified that as permitted by the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**'Listing Regulations'**), the Company may continue to pay sitting fees to its NEDs.

In terms of the provisions of Regulation 17(6)(a) and other applicable Regulations of the Listing Regulations, the approval of the members is also sought by way of Special resolution.

The payment of remuneration as proposed in this resolution including the remuneration payable to the NEIDs for the year 2020-21, have already been recommended by the Nomination and Remuneration committee and the Board of Directors of the Company at their meetings held on 11th May, 2021.

This statement containing information as required in terms of clause (iv) of the second proviso of Paragraph (B) of Section II of Part II of Schedule V of the Companies Act, 2013, is also placed as under:

I. General information:

(1) Nature of industry	Pharmaceuticals
(2) Date or expected date of commencement of commercial production	Not applicable as the Company is already in Operation
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable

(₹ in Cr.)

	Particulars	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17
(4) Financial performance based on given indicators (on Standalone basis)	Revenue from Operations	208.01	580.74	549.47	474.46	516.74
	(Loss)/Profit before Tax	(168.69)	55.46	81.73	62.17	43.91
	(Loss)/Profit after Tax	(232.81)	38.52	56.01	37.07	24.24
(5) Foreign investments or collaborations, if any.	The Company has not entered into any foreign collaboration. As per the shareholding pattern for the quarter ended 31st March, 2021, 6.38 % shares holds by Foreign Portfolio Investors and 0.62 % shares holds by Non Resident Indians in the Company.					

II. Information about the appointee:

(1) Background details	Approval is sought for payment of remuneration by way of commission to Non-Executive & Independent Directors in case company has no profit or inadequate profit. Presently Company has following Non-Executive & Independent Directors who were appointed by the shareholders of the Company: 1) Mr. Sanjay S. Majmudar (DIN 00091305) 2) Mr. Ashok C. Gandhi (DIN 00022507) 3) Mr. Subir Kumar Das (DIN 02237356) 4) Mr. Rajendra S. Shah (DIN 00061922) 5) Ms. Maitri K. Mehta (DIN 07549243)
(2) Past remuneration	In terms of the approval of the members given on 20th September, 2018, the Company made payment of remuneration to its Non-executive & Independent Directors during FY 2018-19 and 2019-20 as under:

Name of Non-Executive & Independent Directors	Amount of Remuneration (₹ in lacs) 2019-20	2018-19
Mr. Sanjay S. Majmudar	15.00	15.00
Mr. Ashok C. Gandhi	11.00	11.00
Mr. Subir Kumar Das	11.00	10.25
Mr. Rajendra S. Shah	8.00	8.00
Ms. Maitri K. Mehta	7.00	NA*

* Ms. Maitri K. Mehta has been appointed as Non-Executive & Independent Director of the Company w.e.f. 1st April, 2019, therefore no remuneration has been given in FY 2018-19.

(3) Recognition or awards	All the above mentioned Independent Directors of the Company are highly experienced, competent and renowned persons from their respective field. They are well recognized for his/her leadership, visionary and entrepreneur skills.
(4) Job profile and his suitability	The duties, role, functions and professional conduct of the Independent Directors are broadly mentioned in Schedule IV of the Companies Act, 2013. Moreover, the role of the above mentioned Independent Directors of the Company are to improve corporate credibility and governance standards functioning as an overseer, and playing a vital role in risk management. They actively participate in the Board and Committee Meetings which is a great value addition in the decision making process and to ensure good Corporate Governance and enhancing the corporate or company image in the business world.
(5) Remuneration proposed	By passing a special resolution on 20th September, 2018, Members of the Company given their consent and authorized Board of Directors for payment of commission to Non-Executive Director(s) as may be determined by the Board of Directors for each such Non-Executive Director for each financial year starting from FY ending on 31st March, 2019 upto and including financial year ending on 31st March, 2023 within the maximum limit of 1% of net profits of the Company to be calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 and in a way which includes any statutory modification(s) or re-enactment in Companies Act, 2013.

	The remuneration paid/proposed to be paid for the remaining tenure for each of the financial years ended on 31st March, 2021 upto and inclusive of financial year ending on 31st March, 2023 is detailed herein above under explanatory statement and in proposed resolution.
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Pursuant to amendments in Section 149(9) and Section 197(3) as well as in Schedule V of the Companies Act, 2013 which has permitted the payment of remuneration to Non-Executive Directors including the Independent Directors based on limits laid down in Table A of Section II of Part II of Schedule V in case of absence or inadequacy of profit. As per the said changes and in accordance with the amended provisions of Schedule V of the Companies Act, 2013 (**"Act"**) the Company can pay remuneration to Non-Executive Directors including an Independent Directors, wherein a financial year, the Company has no profits or its profits are inadequate on the basis of effective capital as on the end of financial year provided the remuneration shall not exceed the ceiling limits prescribed in Section II of Part II of Schedule V to the Act, for that year, which will be payable to them as minimum remuneration for that year. As per the current slab of effective capital and in terms of Table A of Section II of Part II of Schedule V of the Act, the Company can pay remuneration upto ₹ 40.57 Lacs p.a. to each of the Non-Executive Director in case of absence or inadequacy of profit for a particular financial year. Also, considering the responsibilities entrusted to the Non-executive & Independent Directors under the Companies Act, 2013 to make their role more objective and purposeful and keeping in view the enhanced role, responsibilities and duties of such directors and after considering the contribution and valuable services rendered by Non-Executive & Independent Directors of the Company, the remuneration proposed within the ceiling limit prescribed in Schedule V of Act in case of absence or inadequacy of profit for a particular financial year, is comparable and competitive, considering the industry, size of the Company, the role & responsibility and credentials of Non-Executive & Independent Directors.
(7) Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel, if any.	Except the remuneration as stated above, none of the Non-Executive & Independent Directors have direct or indirect pecuniary relationship with the Company and not, in any way, concerned/interested/related with any of the managerial personnel and other Directors of the Company.

III. Other information:

(1) Reasons of loss or inadequate profits	1) During the month February, 2020, the Company's Bavla Site was jointly inspected by the Swissmedic and European Directorate for the Quality of Medicines & HealthCare (**EDQM**) for the company's product Dihydrotachysterol, which resulted in certain observations deficient to EU GMP Part II and other relevant Annexes for the site. Certain Certificate of Suitability (**CEPs**) belonging to the company were also suspended. 2) Also, during financial year 2020-21, due to COVID-19 situation in India deployment of optimal workforce at the manufacturing plants was impacted. Company has also faced certain logistic issues on the importation of raw materials and exportation of finished products to be supplied to its customers due to the COVID-19 situation. This has been resulting in delay of supply of goods to customers from India as majority of company's revenues in India comes from exports. These have had an adverse impact on the standalone financial results for the year ended 31st March, 2021 and is expected to have an impact on standalone financial results for the financial year ended 31st March, 2022.
(2) Steps taken or proposed to be taken for improvement	1) The observations that were pointed out at the conclusion of the audit conducted by the SwissMedic and European Directorate for the Quality of Medicines & HealthCare (**EDQM**) in February, 2020 are being addressed to by your company in the best manner possible in order to ensure that such surprises are avoided in the future. The company has formed an internal task force staffed by team members from around our global group. Moreover, the company has appointed world renowned consultants to supplement the team in India in order to rectify the deficiencies highlighted during EDQM audit. As a consequence of the EDQM Audit observations, the company is also performing risk analysis on other products as well, according to the customer requirements, due to which there is an impact on production of other products as well at the Bavla site. The company should be able to manufacture products other than the ones where the CEPs were suspended by putting in interim controls to the satisfaction of the customers. The company remains committed to maintaining highest standards of compliance and will work closely with the Swissmedic and EDQM to comprehensively address all the observations. The company had submitted the Corrective Action Plan to the EDQM authority on August 21, 2020 and started its implementation. On October 16, 2020, the company received the Final Audit Closure Report from EDQM, wherein the company's approach to remediate the deficiencies were considered as being appropriate. The Company has been steadily ramping up manufacturing activities at the Bavla site in order to meet the customer requirements. Two of the largest Global Pharmaceutical Companies have successfully audited the company's Bavla site during the year. The implementation of the Corrective Action Plan submitted to the EDQM is also underway and on track wherein the company should be able to successfully address the audit observations. 2) The Company has taken the risks associated with COVID-19 very seriously, and has implemented a set of measures aimed at limiting any risk to Company's employees, customers and associates. The Company continues to monitor the impact of Covid-19 on its business, including its impact on customers, supply-chain, employees & logistics and do its best to take all necessary measures.
(3) Expected increase in productivity and profits in measurable terms	Though the financial performance of your company was impacted adversely due to EDQM observations & Covid-19 pandemic situation, it is expected to normalize during upcoming quarters due to resumption of business operations in Bavla site. In view of the same, the Company is expecting around Compounded Annual Growth Rate (**CAGR**) of 15% in revenue over the next three years and company also expect it will turn into profit in next 12 to 24 months and expects to achieve CAGR of 20% in profits over the next three years.

Your Directors, therefore, recommend a Special Resolution at item No. 6 for your approval. Except Mr. Sanjay S. Majmudar; Mr. Ashok C. Gandhi; Mr. Subir Kumar Das; Mr. Rajendra S. Shah; Ms. Maitri K. Mehta being a Non-Executive & Independent Directors and their relatives, none of the other Directors or key managerial personnel or their relatives, are in any way, concerned or interested, financially or otherwise in this resolution.

ITEM NOS. 7 TO 10

Equity based compensation is an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through stock based incentive plan. The Company recognises that employees are most valuable resource and their steadfast commitment and highly motivated performance is instrumental in sustained growth of the Company. It is therefore essential to attract and retain talent to ensure long-term commitment to the company to contribute to the growth and development of the company.

The Company believes in rewarding its employees including directors of the Company as well as of the existing and future subsidiary company(ies) for their continuous hard work, dedication and support, which has led the Company and existing and future subsidiary company(ies) on the growth path. The Company intends to implement Dishman Carbogen Amcis Limited - Employee Stock Option Plan 2021 (**"DCAL ESOP 2021"**) with a view to attract and retain business critical and high potential employees of the Company and its existing and future subsidiary company(ies) by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

DCAL ESOP 2021 shall be implemented through the Employee Welfare Trust to be set up by the Company (**"ESOP Trust"**) and administered by the Company through Board of Directors and/or Nomination and Remuneration Committee of the Company (**"NRC"**) in accordance with the applicable laws.

The Company seeks members' approval in respect of DCAL ESOP 2021 and grant of Options to the eligible employees of the Company and its existing and future subsidiary company(ies) as decided by the Board/NRC from time to time in compliance of the SEBI SBEB Regulations.

The main features of the DCAL ESOP 2021 are as under:

1. Brief Description of the Scheme – DCAL ESOP 2021

The "Dishman Carbogen Amcis Limited - Employee Stock Option Plan 2021" (**"DCAL ESOP 2021"/ "Scheme"/ "Plan"**) provides for grant of stock options to such persons who are in permanent employment of the Company and its existing and future subsidiary company(ies) whether in India or outside India, including any director, whether whole time or otherwise (other than promoters and promoter group of the Company, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company). The DCAL ESOP 2021 shall be implemented through an Employee Welfare Trust (**"ESOP Trust"**) to be set-up by the Company and administered by the Company through Board of Directors of the Company and/or Nomination and Remuneration Committee of the Company (**"NRC"**) in accordance with the applicable laws.

2. Total number of Options to be granted

The aggregate number of stock Options to be granted under the plan shall not exceed 78,39,154 (Seventy Eight Lacs Thirty Nine Thousand One Hundred and Fifty Four) Employee Stock Options (**"ESOPs"/ "Option(s)"**), being 5% (Five percent) of the total outstanding equity shares of the Company as at March 31, 2021, exercisable into not more than 78,39,154 (Seventy Eight Lacs Thirty Nine Thousand One Hundred and Fifty Four) fully paid-up equity shares of the Company in aggregate of face value of ₹ 2/- (Rupees Two) each (**"ESOP Pool"**).

3. Identification of classes of employees entitled to participate in the Scheme

Following classes of employees are entitled to participate in DCAL ESOP 2021:

a. a permanent employee of the Company who has been working in India or outside India; or

b. a director of the Company, whether a whole time director or not but excluding an independent director; or

c. an employee as defined in clause (a) or (b) of existing and future subsidiary of the Company, in India or outside India.;

but does not include:

a. an employee who is a promoter or a person belonging to the promoter group; or

b. a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding Equity Shares of the company;

The Employees to whom the Options shall be granted and their eligibility criteria shall be determined by the NRC.

4. Requirements of vesting and period of vesting

Options granted under DCAL ESOP 2021 shall Vest after a minimum period of 1 (One) year from the date of Grant. Vesting of Options may happen in one or more tranches. The Vesting conditions subject to which vesting would take place shall be outlined in the letter of grant given to the Option Grantee at the time of grant of such Options.

5. Maximum period within which the Options shall be vested

Options granted under DCAL ESOP 2021 would vest subject to maximum period of 4 (four) years from the date of grant of such Options. The NRC shall determine the specific vesting percentage and schedule which may be different for different Eligible Employees or class thereof at the time of grant. The NRC shall always have a right, at its sole discretion to vary the vesting schedule in respect of any Option to be granted subject to minimum and maximum vesting period.

6. Exercise price or pricing formula

The consideration payable by an Option Grantee for exercising an individual Option would be the Exercise Price (as adjusted for any amount paid upon Grant), which shall be as mentioned in the letter of grant. Such Exercise Price shall not be less than Face Value of the Shares of the Company. Exercise Price and/or any amount payable upon Grant by an Option Grantee and the manner thereof, shall be determined by the NRC, from time to time and which may be different for different Eligible Employees or class thereof.

7. Exercise Period and the process of Exercise

The Exercise Period in respect of Vested Option shall be a period not exceeding 6 (six) months from the date of Vesting of such Options.

Any Option Grantee may exercise the vested Options, at any time, in accordance with the Plan and the letter of grant, by giving a notice in writing to the ESOP Trust and/or to the Company. The Options will be exercisable in part or whole, subject to applicable laws and regulations.

On Exercise of the Options, the Option Grantee shall forthwith pay to the Company/ESOP Trust the Exercise Price as adjusted for any amount paid upon Grant. Upon Exercise, the ESOP Trustee shall issue instructions to transfer, in favour of the Option Grantee, the equity shares subject to payment of complete Exercise Price by the Option Grantee for the Options being exercised.

8. The appraisal process for determining the eligibility of employees under DCAL ESOP 2021

The Employees to whom the Options shall be granted and their eligibility criteria shall be determined by the NRC. The eligibility criteria may be based on designation, period of service, band, performance linked parameters such as work performance and such other criteria as may be determined by the NRC at its sole discretion, from time to time.

9. Maximum number of benefits to be issued per employee and in aggregate

The maximum number of Options granted per Employee will be determined by the NRC. However, the maximum number of Options, that may be granted to Eligible Employees under this Plan, in any financial year shall not equal to or exceed 1% of the issued equity share capital (excluding outstanding warrants and conversions, if any) of the Company at the time of Grant if the prior specific approval from shareholders of the Company through a special resolution to this effect is not obtained.

The aggregate number of equity shares to be issued and allotted by the Company and/or received as gift from the existing shareholders and/or to be acquired through secondary acquisition by the ESOP Trust and to be offered to the eligible employees upon exercise of Options under the Plan shall not exceed 78,39,154 (Seventy Eight Lacs Thirty Nine Thousand One Hundred and Fifty Four) Shares, being 5% of the total outstanding equity shares of the Company as at March 31, 2021.

10. Maximum quantum of benefits to be provided per employee under the Scheme

Apart from granting the Options as mentioned above, no other monetary benefits are contemplated under the DCAL ESOP 2021 for Employees.

11. Whether the Scheme is to be implemented and administered directly by the company or through a trust

DCAL ESOP 2021 shall be implemented through Employee Welfare Trust to be set up by the Company (**"ESOP Trust"**) and administered by the Company through Board of Directors of the Company and/or NRC in accordance with the applicable laws.

The NRC/ ESOP Trustees (in consultation with the NRC), as the case may be, shall in exercise of the powers conferred on them, solely and exclusively administer, manage and operate the Plan.

The NRC is constituted for administration and superintendence of DCAL ESOP 2021 and to formulate detailed terms and conditions of the DCAL ESOP 2021. All the rights, powers, duties, or liabilities of the Board, to the extent delegated, shall be discharged by the NRC.

12. Whether the Scheme involves new issue of shares by the company or secondary acquisition by the trust or both

The DCAL ESOP 2021 contemplates fresh issuance of equity shares by the Company to ESOP Trust, acquiring equity shares through secondary acquisition by the ESOP Trust as well as acquiring equity shares in the form of gift from existing shareholders of the Company in accordance with the provisions of the applicable laws.

13. The amount of loan to be provided for implementation of the Scheme to the trust its tenure, utilization repayment terms, etc.

The Company may provide an interest free loan to the ESOP Trust for implementation of DCAL ESOP 2021. The NRC shall decide on the amount, tenure, utilization, repayment and other terms of loan to be provided to the ESOP Trust for implementation of the Plan. However, the proposed amount of loan shall not exceed 5% of the aggregate of the paid-up equity share capital and free reserves of the Company, from time to time.

14. Maximum percentage of secondary acquisition that can be made by the trust for the purposes of the Scheme

ESOP Trust can make acquisition of maximum 78,39,154 (Seventy Eight Lacs Thirty Nine Thousand One Hundred and Fifty Four) equity shares, being 5% of the total outstanding equity shares of the Company as at March 31, 2021, from the secondary market for the purpose of implementation of the DCAL ESOP 2021, subject to the overall limits specified in the SEBI SBEB Regulations. However, Equity Shares that can be acquired through secondary acquisition in any financial year by the ESOP Trust shall not exceed 2% of the paid-up equity share capital as at the end of the previous financial year, or such other limits as may be prescribed under the SEBI SBEB Regulations from time to time.

15. Accounting Policies

The Company shall conform to the accounting policies specified in Regulation 15 of the SEBI SBEB Regulations.

16. Method of valuation of Options

The Company shall use an appropriate fair value method for valuation of Options on the date of the grant to calculate the employee compensation cost.

Regulation 6(1) of the SEBI SBEB Regulations requires that every employee stock option scheme shall be approved by the shareholders of the company by passing a special resolution in a general meeting. Accordingly, the Special Resolution set out at Item No. 7 of this Notice is proposed for approval by shareholders.

As per the SEBI SBEB Regulations, approval of shareholders by way of a separate Special Resolution is also required to be obtained by the Company, if (i) the benefits of the DCAL ESOP 2021 are to be extended to the employees of the subsidiary companies; and (ii) the Scheme is to be implemented through ESOP Trust.

The SEBI SBEB Regulations provide that if a scheme involves secondary acquisition or gift or both, it is mandatory for the Company to implement such a scheme through a trust, subject to compliance with the conditions stated in the SEBI SBEB Regulations. Equity shares for the purpose of the DCAL ESOP 2021 shall be acquired by fresh issuance by the Company to the ESOP Trust and/ or through secondary acquisition by the ESOP Trust and/or by way of a gift to ESOP Trust.

The special resolution set out at Item No. 8 proposes to cover the employees of the existing and future subsidiary company(ies) of the Company under the DCAL ESOP 2021.

The special resolutions set out at Item Nos. 9 and 10 propose to authorize the Board of Directors including NRC to implement the DCAL ESOP 2021 through the

ESOP Trust and to authorize the ESOP Trust to acquire equity shares of the Company through secondary acquisition.

The Options to be granted under the DCAL ESOP 2021 shall not be treated as an offer or invitation made to public for subscription of securities of the Company. The DCAL ESOP 2021 conforms to the SEBI SBEB Regulations.

A copy of the DCAL ESOP 2021 will be available for electronic inspection without any fee by the members by sending an email at grievance@dishmangroup.com up to the date of AGM.

Directors / Key Managerial Personnel of the Company / their relatives who may be granted Options under the DCAL ESOP 2021 may be deemed to be concerned or interested in the Special Resolutions at Item No. 7 to 10 of this Notice. Save as aforesaid, none of the Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said Special Resolutions.

The Board recommends the Special Resolutions set out at Item Nos. 7 to 10 of this Notice for approval by the shareholders of the Company.

ITEM NO. 11

For acquisition of equity shares by the Employees Welfare Trust to be set up by the Company (**"ESOP Trust"**) for the purpose of implementation of Dishman Carbogen Amcis Limited - Employee Stock Option Plan 2021 (**"DCAL ESOP 2021"**), ESOP Trust may need financial assistance. The Company proposes to make an interest free provision of money by way of loan, not exceeding 5% of the aggregate of the paid up equity share capital and free reserves of the Company, from time to time, in one or more tranches, to the ESOP Trust for acquisition of equity shares of the Company for implementation of the Plan, subject to the overall limits specified under the applicable laws. The money so provided to the ESOP Trust by the Company shall be repayable to the Company by the ESOP Trust in the manner as may be determined by the Board of Directors [including the Nomination and Remuneration Committee of the Company (**"NRC"**)].

Disclosures as required under Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014:

1. The class of employees for whose benefit the Scheme is being implemented and money is being provided for purchase of shares:

Following classes of employees are entitled to participate in DCAL ESOP 2021:

a. a permanent employee of the Company who has been working in India or outside India; or

b. a director of the Company, whether a whole time director or not but excluding an independent director; or

c. an employee as defined in clause (a) or (b) of existing and future subsidiary of the Company, in India or outside India.;

but does not include:

a. an employee who is a promoter or a person belonging to the promoter group; or

b. a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding Equity Shares of the company;

The Employees to whom the Options shall be granted and their eligibility criteria shall be determined by the NRC.

2. Particulars of the Trustee(s) in whose favor such shares are to be registered

The ESOP Trust will acquire the share in form of fresh issuance of equity shares by the Company to ESOP Trust and/ or acquiring equity shares through secondary acquisition and/ or acquiring equity shares in the form of gift from existing shareholders of the Company in accordance with the provisions of the Applicable Laws. The equity shares will be registered in the name of all or any of the ESOP Trustees of the ESOP Trust.

If the equity shares are registered in the name of all or any of the ESOP Trustees, such ESOP Trustee(s) shall hold equity shares of the Company for and on behalf of the ESOP Trust.

The equity shares acquired by the ESOP shall be transferred to the Employees on exercise of vested Options and registered in their respective names upon such transfer.

3. The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the Promoters, Directors or Key Managerial Personnel, if any

An Irrevocable Trust is proposed to be set-up having its office at such place as may be decided by the Board.

The trustee(s) of the ESOP Trust would be appointed by the Board / NRC and in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI SBEB Regulations. A person shall not be appointed as a trustee, if he is a director, key managerial personnel or promoter of the Company or its holding, subsidiary, or associate company or any relative of such director, key managerial personnel or promoter or beneficially holds ten percent or more of the paid-up equity share capital of the company.

Subject to compliance with the provisions of applicable laws, the ESOP Trustees may be changed at any time.

4. Any interest of key managerial personnel, directors or promoters in Scheme or trust and effect thereof

The key managerial personnel and directors are interested in the DCAL ESOP 2021 only to the extent of Options that may be granted to them under the DCAL ESOP 2021.

5. The detailed particulars of benefits which will accrue to the employees from the implementation of the Scheme

The eligible employees shall be granted Options under DCAL ESOP 2021 which would vest subject to vesting conditions. After vesting and on exercise of the Options, the ESOP Trust/ ESOP Trustees shall transfer corresponding number of equity shares to the eligible employees at the Exercise Price as per the terms of the grant. The employees would get the benefit on sale of equity shares depending on sale price of such shares.

6. Details about who would exercise and how the voting rights in respect of the shares to be purchased under the scheme would be exercised

In compliance with SEBI SBEB Regulations, the ESOP Trustees shall not vote in respect of equity shares held in the ESOP Trust. In these circumstances, the voting rights can be exercised by an employee only when the equity shares are transferred to them after due process of exercise of Options.

In terms of Section 67 of the Act read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Act and the rules made thereunder, approval of the shareholders of the Company is sought by way of special resolution for provision of money to the ESOP Trust for acquisition of equity shares of the Company for implementation of the DCAL ESOP 2021.

Directors / Key Managerial Personnel of the Company / their relatives who may be granted Options under the DCAL ESOP 2021 may be deemed to be concerned or interested in the Special Resolution at Item No. 11 of this Notice. Save as aforesaid, none of the Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said Special Resolution.

The Board commends the Special Resolution set out at Item No. 11 of this Notice for approval by the shareholders of the Company.

Registered Office

Dishman Corporate House,
Iscon-Bopal Road, Ambli,
Ahmedabad - 380 058

Date: 16th June, 2021

By Order of the Board of Directors

Shrima Dave
Company Secretary

DIRECTORS' REPORT

To
The Shareholders of
Dishman Carbogen Amcis Limited

Your Directors have pleasure in presenting their Report along with the Audited Accounts (Standalone as well as Consolidated) of your Company for the year ended March 31, 2021.

FINANCIAL RESULTS

(₹ In Crores)

Particulars	Standalone		Consolidated	
	2020-2021	2019-2020	2020-2021	2019-2020*
Revenue from Operations	208.01	580.74	1912.03	2043.60
Earning Before Interest Tax Depreciation and Amortisation (EBITDA)	(57.46)	173.58	274.35	497.56
Other Income	66.15	69.55	38.45	44.46
Depreciation & Amortisation (other than Goodwill)	54.76	52.19	219.49	194.41
Amortisation of Goodwill	88.45	88.46	88.45	88.46
(Loss) / Profit Before Interest and Tax	(134.52)	102.48	4.86	259.15
Finance Costs	34.17	47.02	47.61	61.95
(Loss) / Profit Before Tax and exceptional items	(168.69)	55.46	(42.75)	197.20
Exceptional Items	-	-	22.28	-
(Loss) / Profit Before Tax	(168.69)	55.46	(65.03)	197.20
Tax Expense	64.12	16.94	100.10	38.69
(Loss) / Profit After Tax	(232.81)	38.52	(165.13)	158.51

* Pl. refer "Impact of Adjustment in FY 2019-20"

PERFORMANCE AND OPERATION REVIEW

Standalone Financial Results

In FY 2020-21, your Company achieved revenue of ₹ 208.01 crores as compared to ₹ 580.74 crores in FY 2019-20. Loss before tax stood at ₹ (168.69) crores in FY 2020-21 as against Profit before tax ₹ 55.46 crores in FY 2019-20. Loss after tax for the year remain at ₹ (232.81) crores in FY 2020-21 as compared to Profit after tax of ₹ 38.52 crores in FY 2019-20.

Earnings per share for the FY 2020-21 remains at ₹ (14.85) per share as against ₹ 2.46 per share in FY2019-20.

Financial performance of your company was mainly impacted adversely due to European Directorate for the Quality of Medicines & Health Care (EDQM) observations that were pointed out at the conclusion of the audit conducted at Company's Bavla site by the SwissMedic and EDQM in February 2020. Certain Certificate of Suitability (CEPs) belonging to your Company were suspended due to said observations. A further details on current status of EDQM Audit observations is given under the head "EDQM Audit Update".

Consolidated Financial Results

In FY 2020-21, your Company achieved revenue of ₹ 1912.03 crores as compared to ₹ 2043.60 crores in FY 2019-20. Loss before tax stood at ₹ (65.03) crores in FY 2020-21 as against Profit before tax of ₹ 197.20 crores in FY 2019-20. Loss for the year remains at ₹ (165.13) crores in FY 2020-21 as compared to Profit of ₹ 158.51 crores in FY 2019-20.

Earnings per share for the FY 2020-21 remains at ₹ (10.53) per share as against ₹ 10.10 per share in FY 2019-20. Cash Earning per share for the current year works out to ₹ 17.72 as against ₹ 25.02 in the previous year.

Impact of Adjustment in FY 2019-20

During the quarter ending September 30, 2020, one of the company's subsidiaries, CARBOGEN AMCIS AG identified two projects pertaining to Q4 FY 2019-20 where the Cost of Goods sold were now appropriately allocated to these projects in the relevant period. Due to this adjustment, for Q4 and full year FY 2019-20, the Cost of Goods sold on a consolidated basis increased by INR 24.88 crores and Deferred Tax Asset increased by INR 3.09 crores. Correspondingly, the retained earnings reduced by INR 21.79 crores at the subsidiary level and on a consolidated basis as on March 31, 2020.

A detail analysis of the performance of the company, its subsidiaries and financial results is given in the Management Discussion and Analysis Report, which forms part of this report.

IMPACT OF COVID-19

During the year under review, the company initiated implementation of set of measures aimed at limiting any risk related to COVID-19 to Company's employees, customers and associates. This impacted the deployment of optimal workforce at the manufacturing plants. Moreover, in India, the company faced logistics issues on the import of raw materials and export of finished goods. Due to these factors, the production and revenue at the company's sites in India were impacted to certain extent. The Company continues to monitor the impact of Covid-19 on recoverability of receivables/advances, assessment of impairment of goodwill and intangibles, investments and inventory.

EDQM AUDIT UPDATE

The observations that were pointed out at the conclusion of the audit conducted at Company's Bavla site by the SwissMedic and European Directorate for the Quality of Medicines & HealthCare (EDQM) in February 2020 are being addressed to by your company in the best manner possible in order to ensure that such surprises are avoided in the future.

Though the financial performance of your company was impacted adversely due to these observations, it is expected to normalize during upcoming quarters due to resumption of business operations in Bavla site. Moreover, the company has appointed world renowned consultants to supplement the team in India in order to rectify the deficiencies highlighted during EDQM audit. The company had submitted the Corrective Action Plan to the EDQM authority on August 21, 2020 and started its implementation. On October 16, 2020, the company received the Final Audit Closure Report from EDQM, wherein the company's approach to remediate the deficiencies were considered as being appropriate.

The Company has been steadily ramping up manufacturing activities at the Bavla site in order to meet the customer requirements. Two of the largest Global Pharmaceutical companies have successfully audited the company's Bavla site during the year. The implementation of the Corrective Action Plan submitted to the EDQM is also underway and on track wherein the company should be able to successfully address the audit observations.

DIVIDEND

The results of the Company do not permit payment of any dividend. Hence your Directors do not recommend the payment of any dividend for the financial year ended March 31, 2021.

TRANSFER TO RESERVES

Your Company has not transferred any amount to the general reserves.

DEPOSIT

The Company has neither accepted nor invited any deposit from public, falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

OPERATIONS

The company had a great year in terms of number of molecules moving into Phase III validation and those moving from Phase III development to commercial manufacturing. The company is expanding its operations in Switzerland in order to increase its capacity for taking additional projects for development as well as for small scale commercial manufacturing. The company is also forward integrating its business by setting up formulation manufacturing facility in France, which will ensure that we truly become a one-stop shop for our customers. The company's Shanghai operations turned profitable for the first time ever due to increase in the number of projects serviced from that plant for the projects won by CARBOGEN AMCIS AG. The Netherlands plant has been operating at decent capacity utilization.

Though the company had faced operational challenges in its Bavla plant in India due to EDQM observations received in March 2020, the company took it positively to realign its management structure and undertook massive restructuring exercise to excel the operational activities in Bavla facility for its global customers. The company had been successful in undertaking risk assessments of the customers' products to their satisfaction and also successfully pass audits undertaken by certain global pharmaceutical customers at its Bavla operations. This helped the company to gradually restart manufacturing of the products in the CRAMS segment and hence increase the production quarter over quarter throughout the year at this manufacturing site. The company expects the Bavla plant to return to its normal operations for the CRAMS products during the course of the current financial year. The products for which the Certificate of Suitability (CEPs) have been suspended would be restarted once the audit clearance from the EDQM is received. The company expects the implementation of the Corrective Action Plan to be completed during the current financial year after which the EDQM authority would be invited to conduct a re-audit of the plant. Your company has achieved an important milestone by receiving approval from the World Health Organization for its Bavla site in January, 2021.

CRAMS

Your company's management major focus is on improving the performance of the CRAMS segment by adding more niche molecules for development, which would improve the chances of those molecules moving to Phase III development and eventually commercial manufacturing. There has been a tremendous flow of molecules in Phase III validation during the course of the last financial year in addition to many molecules moving into commercial phase. This augurs very well for the future growth of the company at a global level and helps your company achieve the objective of better utilizing its capacity across the globe. Your company's strategy of moving more large scale manufacturing of APIs or intermediates to India and China would help your company improve revenues and profitability significantly over the next 3-5 years.

Your company is expanding heavily its CRAMS capabilities and capacities in Switzerland and France, which will make sure that you are able to position yourself as a company that is a unique company, one of its kind in the global pharmaceutical space, catering to the entire needs of the global pharmaceutical companies for their outsourcing services. Your company's focus would remain on developing and manufacturing APIs for niche molecules and also forward integrate this business into manufacturing commercial scale formulated products for your customers.

Vitamin D Analogues and Cholesterol

Your company's focus on manufacturing cholesterol and Vitamin D analogues such as calcifediol and calcitriol, among others, has yielded very good results for the whole group. Your company has partnered with the Boston University to undertake clinical trials on patients who are suffering from obesity and have gone through gastric bypass by administering calcifediol instead of the vitamin D3 and determining its efficacy. Similarly your company has been undertaking clinical trials by administering calcifediol to patients who have contracted certain viruses and suffering from certain ailments. The preliminary sets of results have been very encouraging and should help the company further its objective of finding cure for unaddressed diseases.

Your company plans to utilize its softgel capsules facility located in Bavla, India, by formulating the analogues into finished dosage form and then strategize to market the final product either in own brand name and/or partnering with another pharmaceutical company.

Generic API and Disinfectant Business

Your company had supplied disinfectants totalling 300 tonnes to the entire world to fight against the COVID pandemic. Also, there was a massive distribution of the disinfectants to employees, workers, policemen, social servants, etc. throughout the course of the year.

Your company has taken a critical review of all the products under the generic API, quats, intermediates and Phase Transfer Catalyst products, which are lower margin yielding products and as a strategy, may decide to discontinue some of these products in the future as the major focus of your company is to improve the profitability margins over the next 3-5 years.

Capital Expenditure Plan at the Company's subsidiaries located at Switzerland and France

Company has initiated Capital Expenditure Plans at the Company's subsidiaries in Switzerland and France. The Company's subsidiaries will be investing in two major expansion projects that will increase manufacturing capacity to better meet the demands of the current market and its customers. The new facilities will be located in Switzerland and France and will be completed in a phased manner over the next four years, totaling investments in excess of CHF 100 million. This Capital Expenditure will be funded by way of debt and cash accruals at the Company's Subsidiaries.

Performance of Major Subsidiary Associates

The major subsidiary companies have performed quite well during the year under review. CARBOGEN AMCIS AG., Switzerland has performed quite satisfactorily as it reported a healthy revenue of ₹ 1240.92 crores and operating profit of ₹ 210.57 Crores.

CARBOGEN AMCIS BV., perform well during the year, reported revenue of ₹ 275.39 crores and operating profit of ₹ 77.99 crores. CARBOGEN AMCIS Ltd. (UK) reported a revenue of around ₹ 109.39 Crores and operating profit of ₹ 11.99 Crores. CARBOGEN AMCIS SAS (RIOM) reported revenue of ₹ 40.96 crores and operating loss of ₹ 3.54 crores. CARBOGEN AMCIS (Shanghai) Co. Ltd. has reported revenue of ₹ 94.28 crores and operating profit of ₹ 19.54 crores. Other subsidiaries have performed reasonably well during the year under review.

The other marketing subsidiaries viz. Dishman USA Inc. reported revenue of ₹ 85.94 crores and operating profit of ₹ 6.26 Crores. Dishman CARBOGEN AMCIS (Europe) Ltd reported revenue of ₹ 114.80 crores and operating loss of ₹ 5.86 Crores during the year under review.

SEARCH CONDUCTED BY THE INCOME TAX DEPARTMENT

On 19th December 2019, the Income Tax Department conducted a search at the Company's premises. As part of the process, the Company received notice under the Income Tax Act for filing the Income Tax Returns for past years to which necessary compliance has been made.

BUY-BACK OF SHARES

As the members are aware that the Board of Directors at its meeting held on 16th January, 2020 had approved the buy-back by the Company of its equity shares from the open market through stock exchange mechanism as prescribed under Buy-back regulations at the maximum price of ₹ 150.00 per share for an aggregate maximum amount of ₹ 72.00 Crore.

The Buy-back was commenced on Monday, January 27, 2020 and closed on Friday, July 24, 2020 (both days inclusive). Till the date of closure of the Buy-back, the Company has bought back total 46,11,177 Equity Shares of ₹ 2/- each for an aggregate consideration of ₹ 34,66,87,214/- (Rupees Thirty Four Crores Sixty Six Lakh Eighty Seven Thousand Two Hundred and Fourteen Only) excluding Transaction Costs. Hence, the paid-up share capital of the Company as on 31st March, 2021 is reduced to ₹ 31,35,66,190/- divided into 15,67,83,095 equity shares of ₹ 2/- each. All the Equity Shares bought back under the Buy-back are extinguished in accordance with the provisions of the Buy-back Regulations.

RESEARCH AND DEVELOPMENT

The year has seen some exciting developments within Company's R & D Organisation. Company is now organised along therapeutic areas, with dedicated teams focusing on highly potent projects, contrast agents, vitamin D technology and other niche therapies alongside our traditional therapeutic areas. We are confident that this strategy will allow our R & D teams

to be even more effective in bringing new medicines to both our customers and thus to patients of need around the world.

Company's focus remains solving complex technical challenges in chemical development and preparing complex processes for routine manufacture and have seen some great success in supporting its clients as well as working across our global platform to innovate and bring new products to patients. A tangible demonstration of this has been our vitamin D analogues where a global team made up of colleagues from India and Europe have been able to supply a highly challenging API process that actually benefitted patients in a recent clinical trial.

Company's global R & D pipeline remains at the highest level and it believe that globally this remains its key driver for future success. Company's global R & D teams continually demonstrate their skill and passion for making the complex and challenging tasks that lie before them transition to real products that are benefiting patients today.

Company's sole focus is to treat disease in all therapeutic areas and do this using the vehicles of science, technology and a passion for solving problems. At the core of Company's capabilities are its world class global R & D teams who strive to solve complex technical challenges for its clients and then ensure that through to manufacture of API's, complex starting materials and intermediates that the products company deliver meet the industries stringent standards and advance its customers new therapies towards market launch.

CRAMS pipeline continues to be healthy across the Dishman platform both in terms of number of projects but also importantly in diversity of client base.

Company's product R & D teams also have a pivotal role to play in the growth of our business by developing new Quartenary Compounds, Phase Transfer Catalysts, Disinfectants and Vitamin D analogues to keep Dishman at the forefront of innovation in these markets.

New chemical entities are becoming more and more complex and as such it is vital that company continue to innovate and evolve its services and capabilities in areas such as highly potent API, to continue the war against cancer and Company's Antibody Drug Conjugates (ADC) capability has now started to bear fruit. Areas such as chromatography, high pressure, low temperature, irradiation and containment technology will continue to keep us at the forefront in the CRAMS sector globally.

Looking ahead to the coming year company's focus in CRAMS R & D will be to better leverage the skills that exist across the Company's global R & D platform in India, Switzerland, Holland, China and Manchester in a more Co-ordinated way to further support company's customers changing and diverse needs.

In company's product R & D groups have an exciting and challenging target list of new and improved products that company will begin to develop to both ensure sustainability of its product business and to introduce new products to the market especially in response to the ongoing challenges of disinfecting surfaces and spaces under the dark shadow of the global pandemic our world is gripped with.

QUALITY, HEALTH, SAFETY & ENVIRONMENT (QHSE)

Dishman is responding to COVID 19 outbreak, consist with its belief that the pharmaceutical industry has a humanitarian responsibility to serve the patient who are in need. Your Company remain committed to the health & safety of its employees and their families as well as business continuity to safety guard the interests of company's patient, partners, customers and other stockholders. COVID measures includes thermal & SPO2 screening at entrance, ensure social distancing at workplace & during transportation, encourage hand sanitization at strategic locations, periodic sanitization at workplaces & offices, training & counselling to company's employees, procured Oxygen concentrators for employees & their families in need. Company has also initiated vaccinated drive for its employees, their family members and surrounding peoples.

Your Company is committed to ensuring that those working with the Company are safe at work and that everyone takes responsibility for achieving this. We include EHS and climate change-related considerations in our business decisions and strive to minimize the environmental impact of our operations on the environment. Measuring, appraising and reporting on environmental, health and safety performance is an important part of continuous improvement in our EHS performance. Dishman's Environment, Health and Safety (EHS) organization conducts strategic planning to establish long-term EHS goals, assess resources required to achieve specific goals, and ensure critical business alignment.

Dishman evaluate customer feedback and satisfaction by internal and external communication in proposing and establishing its long-term relations and to achieve goals in manufacturing operations. Dishman's products and processes are developed in accordance with strictly defined local and international rules to ensure safety and Health of workers as well as the environment. This is achieved by conducting the Risk Assessment, Process Hazard Assessment, Identification of significant environmental aspects, Safety Audits, customer audits, HAZOP study and Environment audits. Safety & Environment Management Program are being taken to reduce the Significant Risk & Environment Aspects.

The Company's QHSE policy is being implemented, among others, through (i) Maintaining the "Zero Discharge" of waste water by series of treatment; (ii) Stripper system, Multiple effect evaporator and ATFD for concentrated effluent stream; (iii) Biological Effluent Treatment System, Tertiary treatment, Two Stage R.O. System and Multiple Effect Evaporator for Dilute Stream Effluent; (iv) Practicing On-site emergency plan by conducting mock-drills; (v) Replacement of hazardous process / chemical to non-hazardous process for converting to low hazards; (vi)

Fire detection and protection system available at site; (vii) Conducting intensive QHSE Training programs including contractor employees and monitoring the effectiveness of the same; (viii) Participation of employees in Safety committee meetings at all levels and celebrating the National Safety Day / Week and World Environment Day as well as observing Fire Service Day; (ix) Tree plantation to increase the green cover at site; (x) Independent safety and environment audits at regular intervals by third party and also in-house by cross functional team; (xi) In-house medical and health facility at site for pre- employment & periodical medical check-up of all employees including contract employees; (xii) Additional health checkup for employees based on their occupational needs; (xiii) Blood Donation Camp at site in association with the Ahmedabad Red Cross Society for social cause; (xiv) Rain water Harvesting System to conserve rain water and improve ground water level.

Dishman continues to pursue world class operational excellence on Process Safety Management (PSM). Dishman has established the capabilities within the Company and developed in-house experts in various facets of PSM. Process Hazard Analysis (PHA) at various plants is being carried out to reduce process safety risks.

Dishman, in its pursuit of excellence towards sustainable development and to go beyond compliance, integrated its ISO 14001:2015 for EMS, ISO 9001:2015 for QMS and BS ISO 45001:2018 for Occupational, Health and Safety Management systems. The company is also certified EN/ISO 13485:2016 for Medical Device Quality Management System for Disinfectant Products. The adopted systems are being monitored for continual improvements.

CREDIT RATING

India Ratings & Research Pvt. Ltd. ("Ind-Ra") has changed Credit Rating Outlook from "Rating Watch Evolving" ("RWE") to "Positive" after resolving RWE outlook. Ind-Ra has assigned both the Long Term Loan and Short Term Loan rating of the Company as IND A+ with a Positive Outlook and IND A1+, respectively.

Ind-Ra has evaluated the Company's rating during August, 2020.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124(5) and 125 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividend upto and for the financial year 2012-13, to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Year wise amount of unpaid/unclaimed dividend lying in the unpaid account upto the Year and the corresponding shares, which are liable to be transferred to the IEPF, and the due dates for such transfer are given in details in the report on Corporate Governance which forms part of this Annual Report.

LISTING

The equity shares of the Company are listed on the National Stock Exchange of India Ltd., Mumbai (NSE) and BSE Ltd., Mumbai. Annual listing fees for the FY 2021-22, as applicable, have been paid before due date to the concerned Stock Exchanges.

FORMATION OF VARIOUS COMMITTEES

Your Company has several Committees which have been established as part of the best Corporate Governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has following Committees of the Board:

- Audit Committee
- Stakeholders Relationship Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Management Committee
- Internal Complaints Committee (for redressal of Sexual Harassment complaint)

During the year, the Board has accepted all the recommendations made by various committees including Audit Committee. The details with respect to the compositions, powers, terms of reference, number and dates of meetings of such committees held during the year are given in details in the report on Corporate Governance which forms part of this Annual Report.

DISCLOSURES UNDER THE COMPANIES ACT, 2013

i) Annual Return

In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at https://imdcal.com/images/files/Investor-Relations/Annual%20Return/Annual%20Return%20for%20the%20year%20ended%2031.03.2021.pdf

ii) Board Meetings

Regular Meetings of the Board are held, *inter-alia*, to review the financial result of the Company. Additional Board Meetings are convened to discuss and decide on various business policies, strategies and other businesses. Due to business exigencies, certain business decisions are taken by the board through circulation from time to time.

During the FY 2020-21, the Board met Five (5) times i.e. on 3rd June, 2020, 13th August, 2020, 8th September, 2020, 12th November, 2020 and 11th February, 2021. The Board of Directors has also passed circular resolutions on 23rd March, 2021. Detailed information on the meetings of the Board is included in the report on Corporate Governance, which forms part of this Annual Report.

iii) Related Party Transactions

All Related Party Transactions are placed before the Audit Committee and also the Board for approval. All the related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as **Annexure A** to this Board's report. The policy on Related Party Transactions has been approved by the Board and uploaded on the website of the Company. The details of the transactions with Related Party are provided in the accompanying financial statements vide note no.31 of notes on financial statement as per requirement of Ind AS 24 -related party disclosure. These transactions are not likely to conflict with the interest of the Company at large. All significant transaction with related parties is placed before audit committee periodically.

iv) Particulars of Loans, Guarantees or Investments under Section 186

The details of Loans, Investments and Guarantees covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements forming part of Annual Report.

v) Material Changes and Commitments affecting the Financial Position of the Company occurred after the end of Financial Year

There are no material changes and commitments affecting the Financial Position of the Company occurred after the end of financial year.

vi) Subsidiaries, Joint Ventures and Associate Companies

During the year following changes happened in Subsidiary, Joint Ventures and Associate Companies:

- During the year, name of wholly owned subsidiary company viz. "Dishman Europe Ltd." has been changed to "Dishman CARBOGEN AMCIS (Europe) Ltd."
- On 19th November, 2020, a new step-down subsidiary company namely "CARBOGEN AMCIS REAL ESTATE" has been incorporated in France. The said subsidiary is wholly-owned subsidiary of Company's one of the step-down wholly-owned subsidiaries viz. CARBOGEN AMCIS INNOVATIONS AG.
- On 19th March, 2021, a new wholly owned subsidiary company namely "Invisible Biotech Pvt. Ltd." has been incorporated in India. Subsequently, it has been converted into Public Limited Company w.e.f. 11th May, 2021.

In view of the above, the total number of subsidiaries including step down subsidiaries as on 31st March, 2021 was Twenty Two (22).

CONSOLIDATED FINANCIAL STATEMENT

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules framed thereunder and pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015, your Company had prepared consolidated financial statements of the company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1 forms part of the Annual Report.

The annual financial statements and related detailed information of the subsidiary companies will be provided on specific request made by any shareholders and the said financial statements and information of subsidiary companies are open for inspection at the registered office of the company during office hours on all working day except Saturdays, Sunday and Public holidays between 2 p.m. to 4 p.m. The separate audited financial statement in respect of each of the subsidiary companies is also available on the website of the Company at www.imdcal.com.

As required under Regulation 33 of SEBI (LODR) Regulations, 2015 and in accordance with the requirements of Ind AS 110, the Company has prepared Consolidated Financial Statements of the Company and its subsidiaries and is included in the Annual Report.

GENERAL DISCLOSURE

i) Issue of Equity Shares with differential rights as to dividend, voting or otherwise:

During the year 2020-21, the Company has not issue any of Equity Shares including sweat equity with differential rights as to dividend, voting or otherwise.

ii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS :

During the year, the Company has not issued any shares under Employee Stock Option Scheme.

iii) Whether the Managing Director or the Whole-time Directors of the Company receive any remuneration or commission from any of its holding /subsidiary companies :

Mr. Arpit J. Vyas, Global Managing Director of the Company has received remuneration as a Director from one foreign wholly owned subsidiary company namely CARBOGEN AMCIS AG., Switzerland, which is in compliance with the provisions of the Companies Act, 2013. He being a Partner of Adimans Technologies LLP, a holding LLP of the Company, has right to receive profit in the ratio of 20% from the said LLP.

Mrs. Deohooti J. Vyas, Whole-time Director, being a Partner of Adimans Technologies LLP, a holding LLP of the Company, has right to receive profit in the ratio of 40% from the said LLP.

Mr. Arpit J. Vyas and Mrs. Deohooti J. Vyas have voluntarily decided not to draw any remuneration from the Company during financial year 2020-21. Other details of remuneration pertaining to Mr. Arpit J. Vyas and Mrs. Deohooti J. Vyas have been disclosed in report on Corporate Governance.

iv) Any significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which could impact the going concern status and the Company's future operations.

v) Secretarial Standards

Secretarial Standards issued by the Institute of Company Secretaries of India as applicable to the Company were followed and complied with during 2020-21. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

DIRECTORS & KMPS

Retire by Rotation

Mr. Arpit J. Vyas, Director of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2021 are i) Mr. Arpit J. Vyas, Global Managing Director; ii) Mr. Harshil R. Dalal, Global Chief Financial Officer and iii) Ms. Shrima Dave, Company Secretary.

Statement of Declaration by Independent Directors

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013, read with Regulations 25(8) of the SEBI (LODR) Regulation, 2015 ("Listing Regulations") that he/she meets the criteria of independence as laid out in the Companies Act, 2013 and the Listing Regulations.

Also, Independent Directors affirmed that they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act as well as Code of Conduct for Directors and senior management personnel formulated by the Company.

Board Evaluation & Criteria

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of SEBI (LODR) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition, effectiveness of processes & information etc. of the Board and its committees. The Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees and Independent Directors after seeking inputs from all the members of the Board and its Committees. The Board of Directors expressed their satisfaction with the evaluation process.

Nomination and Remuneration Committee also reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

Independent Directors' Meeting

A Separate meeting of Independent Directors held on 11th February, 2021 without the attendance of Non-Independent Directors and members of the Management. In the said meeting, Independent Directors reviewed the followings:

- Performance evaluation of Non Independent Directors and Board of Directors as a whole;
- Performance evaluation of the Chairperson of the Company taking into account the views of executive directors and nonexecutive directors;
- Evaluation of the quality of flow of information between the Management and Board for effective performance by the Board.

The Independent Directors expressed their satisfaction with the evaluation process.

Board Diversity

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help to retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on company's website www.imdcal.com.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The salient features of the Policy on Directors' appointment and remuneration of Directors, KMP & senior employees and other related matters as provided under Section 178(3) of the Companies Act, 2013 is stated in the report on Corporate Governance which is a Part of the Board's Report. The detailed Policy is placed on the website of the Company at https://imdcal.com/images/files/Investor-Relations/Policies%20of%20Dishman%20Carbogen%20Amcis%20Limited/Policy%20on%20Remuneration%20of%20Directors,%20Key%20Managerial%20Personnel%20&%20Senior%20Employees%20AND%20Succession%20Policy.pdf

DISCLOSURE UNDER RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in separate annexure forming part of this Report as **Annexure B.**

The statement containing particulars of employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report as **Annexure C.**

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR

The Independent Directors are provided with necessary documents, brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Company undertook various steps to make the Independent Directors have full understanding about the Company. The Company has through presentations at regular intervals, familiarized and updated the Independent Directors with the strategy, operations and functions of the Company and Pharma Industry as a Whole. Generally, site visits to various plant locations are organized for the Directors to enable them to understand the operations of the Company. However, due to COVID-19 pandemic such visits were not organised during the financial year 2020-21. The details of such familiarisation programmes have been disclosed on the Company's website at https://imdcal.com/images/files/Investor-Relations/Policies%20of%20Dishman%20Carbogen%20Amcis%20Limited/Familiarisation%20Programme.pdf.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state that :

- In the preparation of the annual accounts for the financial year ended 31st March, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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 at the end of the financial year and of the profit or loss of the Company for that period;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a going concern basis;
- The Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROL SYSTEM

The details in respect of internal financial control system and their adequacy are included in Management Discussion and Analysis Report, which forms part of this report.

INSURANCE

Assets of your Company are adequately insured against various perils.

RISK MANAGEMENT FRAMEWORK & POLICY

In compliance with the provisions of Regulation 21 of SEBI (LODR) Regulations, 2015, the Board of Directors has constituted a Risk Management Committee. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Director's Report. The Risk Management policy is formulated and implemented by the Company in compliance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The policy helps to identify the various elements of risks faced by the Company, which in the opinion of the Board may threatens the existence of the Company.

As per Regulation 17(9) of SEBI (LODR) Regulations, 2015, the Company has framed formal Risk Management framework for risk assessment and risk minimization for Indian operation which is periodically reviewed by the Board of Directors to ensure smooth operations and effective management control. The Audit Committee has additional oversight in the area of financial risks and control.

Risk management is an integral part of business practices of the Company. The framework of risk management concentrates on formalising a system to deal with the most relevant risks, building on existing management practices, knowledge and structures.

The Company has framed formal Risk Management framework to identify, evaluate business risks and opportunities. Corporate Risk Evaluation and Management is an ongoing process within the Organization. The Company's Risk Management framework is well-defined to identify, monitor and minimizing/mitigating risks. While defining and developing the formalized risk management system, leading standards and practices have been considered. The risk management system is relevant to business reality, pragmatic and simple.

The Risk Management framework has been developed and approved by the Risk Management Committee in accordance with the business strategy. Risk Management and Risks & concerns have also been discussed in the Management Discussion and Analysis, which forms part of this report.

The key elements of the framework include: Risk Structure; Risk Portfolio and Risk Measuring & Monitoring and Risk Optimising. The implementation of the framework is supported through criteria for Risk assessment, Risk forms & MIS.

The brief role of Risk Management Committee as per amended Listing Regulations are:

- To formulate a detailed Risk Management Policy;
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy pursuant to the requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The Policy empowers all the stakeholders to raise concerns by making protected disclosures as defined in the Policy.

The policy also provides for adequate safeguards against victimization of whistle blower who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The details of the Whistle Blower Policy are explained in the Report on Corporate Governance and the Policy is available on the website of the Company at www.imdcal.com.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s. V. D. Shukla & Co., Chartered Accountants, Ahmedabad, (Firm Registration No. 110240W) and M/s. Haribhakti & Co. LLP, Chartered Accountants, Mumbai, (Firm Registration No. 103523W/W100048) were appointed as Joint Statutory Auditors of the Company by the members of the Company at their Annual General Meeting (AGM) held on 28th September, 2017 for the term of four years starting from 10th AGM till the conclusion of 14th AGM to be held in the year 2021.

Accordingly, the term of existing joint statutory auditors gets completed on conclusion of 14th AGM of the Company in terms of the said approval and Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rule, 2014. As their term will expire on conclusion of 14th AGM and they are Joint Statutory Auditors of the Company since FY 2015-16, the Board of Directors of the Company proposes to change the Statutory Auditors as part of good corporate governance. The Audit Committee and the Board of Directors at their meetings held on 11th May, 2021, after considering various parameters and subject to approval of the shareholders, recommended the appointment of M/s. T R Chadha & Co. LLP, Chartered Accountants (Firm Registration No.006711N/ N500028) as Statutory Auditors in place of retiring Joint Statutory Auditors, for a term of 5 (five) consecutive years commencing from conclusion of this 14th AGM till the conclusion of 19th AGM.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditor' Report does not contain any qualification or reservation. There is also no fraud has been reported by the Auditors in their Audit Report for the year ended March 31, 2021.

Internal Auditors

M/s. Shah & Shah Associates, Chartered Accountants, Ahmedabad (Firm Registration No. 113742W) has been internal auditor of the Company for the year 2020-2021. Internal auditors are appointed by the Board of Directors of the Company on a yearly basis, based on the recommendation of the Audit Committee. The Internal Auditor's reports and their findings on the internal audit, has been reviewed by the Audit Committee on a quarterly basis. The scope of internal audit is also reviewed and approved by the Audit Committee.

M/s. Shah & Shah Associates, Chartered Accountants are associated with the Company as an Internal Auditors since year 2015, hence, as a part of good corporate governance, the Board of Directors at their meeting held on 11th May, 2021, on the recommendation of the Audit Committee appointed M/s. Sharp & Tannan Associates, Chartered Accountants (Firm Registration No. 109983W) as an Internal Auditors of the Company for the financial year 2021-22.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company had appointed Mr. Ashok P. Pathak, Practicing Company Secretary (Membership No. ACS: 9939; CP No: 2662), as Secretarial Auditors to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is appended in the **Annexure D** to the Directors' Report. The observations and comments, if any, appearing in the Secretarial Audit Report are self-explanatory and do not call for any further explanation / clarification. The Secretarial Auditors Report does not contain any qualification, reservation or adverse remark and also no fraud has been reported for the year ended March 31, 2021.

Cost Audit

Central Government has notified rules for Cost Audit and as per Companies (Cost Records and Audit) Rules, 2014 issued by Ministry of Corporate Affairs; Company is not falling under the Industries, which will subject to Cost Audit. Therefore, filing of cost audit report for the FY 2020-21 is not applicable to the Company. However, as required under Section 148(1) of the Companies Act, 2013, Company has maintained necessary Cost Records.

CORPORATE GOVERNANCE, MANAGEMENT DISCUSSION ANALYSIS REPORT

As per Regulation 34 of SEBI (LODR) Regulations, 2015, a separate section on corporate governance practices followed by the Company, as well as "Management Discussion and Analysis" confirming compliance, is set out in the Annexure forming an integral part of this Report. A certificate from Practicing Company Secretary regarding compliance with corporate governance norms stipulated in Regulation 34 of SEBI (LODR) Regulations, 2015 is annexed to the report on Corporate Governance.

In compliance with one of the Corporate Governance requirements as per Regulation 34 read with Schedule V of the SEBI (LODR) Regulations, 2015, the Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company, who have affirmed compliance thereto.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

Information of conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134 (3) (m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014, is given in the **Annexure E** and forms part of this Report.

CORPORATE SOCIAL RESPONSIBILITY

As a part of Corporate Social Responsibility (CSR), the Company continued extending help towards social and economic development of the villages and the communities located close to its operations and also providing assistance to improving their quality of life. Company's intention is to ensure that we meet the development needs of the local community. CSR is not just a duty; it is an approach towards existence. The Company see CSR as a creative opportunity to fundamentally strengthen the Company's business, while contributing to the society and creating social, environmental and economic impact. The Company's motto is to build a sustainable life for the weaker and under-privileged sections of the Society.

The Company has constituted CSR Committee and has framed a CSR Policy. The brief details of CSR Committee and contents of CSR Policy is provided in the report on Corporate Governance. The details of CSR activities carried out by the Company are appended in the **Annexure F** to the Director's Report. The CSR Policy is available on the website of the Company at – www.imdcal.com.

URL: https://imdcal.com/images/files/Investor-Relations/Policies%20of%20Dishman%20Carbogen%20Amcis%20Limited/Corporate%20Social%20Responsibility%20Policy..pdf

BUSINESS RESPONSIBILITY REPORT

In pursuance of Regulation 34 of SEBI (LODR) Regulations,2015, top 1000 companies based on market capitalization (calculated as on March 31 of every financial year) are required to prepare and enclose with its Annual Report, a Business Responsibility Report describing the initiatives taken by them from an environmental, social and governance perspectives. A separate report on Business Responsibility is annexed herewith as **Annexure G.**

DIVIDEND DISTRIBUTION POLICY

As per amended Regulation 43A of SEBI (LODR) Regulations, 2015, top 1000 companies based on market capitalization (calculated as on March 31 of every financial year) are required to formulate Dividend Distribution Policy. In this regard, the Board has approved the Dividend Distribution Policy in line with said Regulation. The said policy is available on website of the Company and can be accessed at https://imdcal.com/images/files/Investor-Relations/Policies%20of%20Dishman%20Carbogen%20Amcis%20Limited/Dividend%20Distribution%20Policy.pdf.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the assistance and co-operation received from foreign institutions, banks, associates, Government authorities, customers, supplier, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services and teamwork by the executives, staff members and workers of the Company for enthusiastic contribution to the growth of Company's business.

For and on behalf of the Board of Directors

Date: 11th May, 2021
Place: Ahmedabad

Janmejay R. Vyas
Chairman
DIN - 00004730

ANNEXURE A

FORM NO. AOC-2

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

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

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
				Not Applicable				

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board and Audit Committee, if any	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting u/s 188(1)	Amount involved during the year (₹ in Crores)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1.	Dishman Carbogen Amcis (Europe) Ltd. (formerly known as "Dishman Europe Ltd.") (Wholly owned subsidiary)	Sale of Goods/ Export of Services	On going	Based on transfer pricing guidelines	As per Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015, all transaction are being placed before the Audit Committee and Board on quarterly basis and at regular intervals	Advance paid have been adjusted against billings/ invoice/debit note, etc. wherever applicable	As the transactions were with wholly owned subsidiary companies are being exempt under Companies Act, 2013 and SEBI (LODR) Regulations, 2015, therefore no approval of shareholder is required. However, as per Section 188 of the Act and Regulation 23 of SEBI (LODR) Regulations, 2015, arm length material contracts or arrangements above 10% of the Standalone and Consolidated Turnover, respectively, if any, are being shown as material transactions.	73.00
2.	Dishman USA Inc (Wholly owned subsidiary)	Sale of Goods/ Export of Services	On going	Based on transfer pricing guidelines		Advance paid have been adjusted against billings/ invoice/debit note, etc. wherever applicable		35.59

For and on behalf of the board

Date: 11th May, 2021
Place: Ahmedabad

Janmejay R. Vyas
Chairman
DIN – 00004730

ANNEXURE B

Details Pertaining To Remuneration As Required Under Section 197 (12) Of The Companies Act, 2013 Read With Rule (5) 1 Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2020-21, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during FY 2020-21 are as under:

Sr. No.	Name & Designation	Ratio of Remuneration of Director to Medians Remuneration of employees [Sub-clause (i) of Rule 5(1)]	% increase in Remuneration In FY 2020-21 ($) [Sub-clause (ii) of Rule 5(1)]
Executive Directors			
1.	Mr. Arpit J. Vyas, Global Managing Director	0	(100.00%)
2.	Mrs. Deohooti J. Vyas, Whole-time Director	0	(100.00%)
Non-executive Director & Non-Independent Director			
3.	Mr. Janmejay R. Vyas, Chairman	0	(100.00%)
4.	Mr. Mark C. Griffiths, Non-Executive Director	-	-
Non-executive Director & Independent Directors			
5.	Mr. Sanjay S. Majmudar, Independent Director	3.95:1	0.00%
6.	Mr. Ashok C. Gandhi, Independent Director	2.90:1	0.00%
7.	Mr. Subir Kumar Das, Independent Director	2.90:1	0.00%
8.	Mr. Rajendra S. Shah, Independent Director	2.11:1	0.00%
9.	Ms. Maitri K. Mehta Independent Director	1.85:1	0.00%
Key Managerial Personnel (other than Director)			
10.	Ms. Shrima Dave, Company Secretary	1.88:1	0.00%
11.	Mr. Harshil R. Dalal Global CFO	26.36:1	0.00%

$ Decrease in Percentage of remuneration of Mr. Arpit J. Vyas, Mrs. Deohooti J. Vyas and Mr. Janmejay R. Vyas is because they voluntarily decided not to draw any remuneration during FY 2020-21.

2. Sub-clause (iii) of Rule 5(1): The median remuneration of the employees in FY 2020-21 increased by 16.64% (due to the Company has undergone massive manpower restructuring during the year). While calculating % of Median Remuneration, the Company has considered only permanent employees and unionized employee's/ Contract labour whose remuneration is based on periodic settlements has been excluded for this purpose.

3. Sub-clause (iv) of Rule 5(1): The number of permanent employees on the rolls of Company as on 31st March, 2021 was 929.

4. Sub-clause (viii) & (x) of Rule 5(1): The average percentage increase already made in the salaries of employees other than the managerial personnel in FY 2020-21 was 1.26% (excluding rewards in cash or kinds), whereas the total managerial remuneration (excluding independent Directors) for the same financial year has decreased by 100.00% (Reason of the same is explained herein above in note under "$"). Increase/decrease in salary of employees other than managerial personnel is decided based on criteria like Company's policy and Performance, Individual

Performance, inflation, prevailing industry trends; while Managerial Remuneration does not have any variable component, but it is based on the remuneration approved by the members of the Company. The Managerial Remuneration also reviewed by Nomination and Remuneration Committee and Board annually.

5. Sub-clause (xii) of Rule 5(1): It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company.

For and on behalf of the board

Date: 11th May, 2021
Place: Ahmedabad

Janmejay R. Vyas
Chairman
DIN – 00004730

ANNEXURE C

Statement of particulars of employees pursuant to provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of top ten employees in terms of remuneration drawn per annum #

Sr. No.	Name of the Employee
1	Mr. Harshil R. Dalal
2	Mr. Paolo Armanino
3	Mr. Niraj Kumar Tyagi
4	Mr. Anand C. Joshi
5	Mr. Badarinarayan Herur
6	Mr. Sanjeev K. Jain
7	Mr. Suunil Nair
8	Mr. Saleem Raza Shaikh
9	Mr. Amish J. Trivedi
10	Mr. Ravindra Rastogi

#The details required under sub-rule 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided on specific request made by any shareholder, which is forming part of this report. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

Details of Employees who were:

i. employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than ₹ 1,02,00,000 per annum: **None**

ii. employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than ₹ 8,50,000 per month: **None**

iii. employee who employed throughout the financial year or part thereof, was in receipt of remuneration during the year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: **None**

For and on behalf of the board

Date: 11th May, 2021
Place: Ahmedabad

Janmejay R. Vyas
Chairman
DIN – 00004730

ANNEXURE D

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended on 31st March, 2021

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

To
The Members,
Dishman Carbogen Amcis Limited
Dishman Corporate House,
Iscon-Bopal Road, Ambli,
Ahmedabad – 380 058

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Dishman Carbogen Amcis 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.

Based on our verification of the Dishman Carbogen Amcis Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information / representations provided by its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering **the financial year ended on 31st March 2021,** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, registers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(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 and amendments from time to time, where applicable;

(d) *The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(j) *The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; and

(k) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

* No event took place under these regulations during the audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2) issued by The Institute of Company Secretaries of India which the company has generally complied with.

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

We further report that

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

Adequate notices were given to all directors of the Board Meetings. Agenda and detailed notes on agenda are 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.

Based on the compliance mechanism established by the company and on the basis of the Compliance Certificate(s) issued by the Respective Plant Heads / Department Heads and take on record by the Board of Directors at their meeting(s), we are of the opinion that the management has :

a. Adequate systems and processes commensurate with its size and operation, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

b. Identified and complied with following laws applicable to the company :

   i. Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974

   ii. The Patents Act, 1970

   iii. The Trade Marks Act, 1999

   iv. Indian Boilers Act, 1923

   v. Pharmacy Act, 1948

   vi. Drugs and Cosmetics Act, 1940

   vii. Narcotics Drugs and Psychotropic Substances Act, 1985

   viii. Food Safety and Standards Act, 2006

We further report that during the period under review :

i. The Board of Directors at its Meeting held on 16.01.2020 has approved the Buy Back of fully paid up equity shares of ₹ 2/- each from open market through stock exchange mechanism prescribed under the Buy Back Regulations and the Companies Act, 2013, for an amount not exceeding ₹ 72 Crore excluding transaction costs at a price not exceeding ₹ 150/- per equity share payable in cash which represents 1.48% and 1.38% of the total paid up share capital and free reserves (including Securities Premium Account) as per audited Standalone Financial Statements and audited consolidated financial statements respectively of the company for the financial year ended on 31st March, 2019. Maximum Buy Back Shares would be 48,00,000 Equity Shares representing 2.97% of total number of Equity Share Capital of the company. The Buy-back commenced on January 27, 2020 and Closed on July 24, 2020 (both days inclusive). Till the date of closure of the Buy Back total 46,11,177 Equity Shares (aggregating to 2.86%) of ₹ 2/- each for an aggregate consideration of ₹ 34,66,87,214/- excluding transaction costs which represents 48.15% of the maximum Buy Back size. All the Equity Shares bought back under the Buy Back extinguished in accordance with the provisions of the Buy-Back Regulations. The paid-up share capital of the Company as on 31st March, 2021 is ₹ 31,35,66,190/- divided into 15,67,83,095 Equity Share of ₹ 2/- each.

ii. One of the Promoter Adimans Technologies LLP has made Offer for Sale on 17.12.2020 for 68,98,457 Equity Shares aggregate representing 4.40% of the paid up share capital out of which 19,93,590 shares were sold being 1.27% and another offer for sale was given on 11.01.2021 for 60,71,429 Equity Shares aggregate representing 3.87% of the paid up share capital out of which 40,95,866 shares were sold being 2.61% of the total paid up share capital of the Company, resulting into dilution of Promoter's holding from 63.20% to 59.32%. Necessary disclosure has been made by the shareholder and company within specified period of time.

iii. CARBOGEN AMCIS Real Estate, new step-down subsidiary has been incorporated in France on 19th November, 2020. The said subsidiary is wholly-owned subsidiary of Company's one of the step-down wholly-owned subsidiaries viz. CARBOGEN AMCIS INNOVATIONS AG., Switzerland.

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iv. Invisible Biotech Private Limited, a new wholly-owned subsidiary of the Company has been incorporated in India on 19th March, 2021, and the company has made an application on 07/05/2021 for conversion of private limited company into public company in prescribed e-Form INC 27 in compliance of Section 14 and 18 of the Act read with Rule 33 of the Companies (Incorporation) Rules, 2014.

For, Ashok P. Pathak & Co.,
Company Secretaries,
ICSI Unique Code : S1997GJ020700

CS Ashok P. Pathak*
Proprietor
ACS No : 9939 | COP No : 2662
Peer Review Certificate No. : 492/2016
ICSI UDIN : A009939C000272401

11th May, 2021
Ahmedabad

*Insolvency Professional (IP) registered with the Institute of Insolvency and Bankruptcy Board of India. (IBBI) IBBI/IPA-002/IP-N00329/2017-18/10934

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

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Annexure – I

TO SECRETARIAL AUDIT REPORT

To,
The Members,
Dishman Carbogen Amcis Limited
Dishman Corporate House,
Iscon-Bopal Road, Ambli,
Ahmedabad – 380 058.

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

1. Maintenance of Secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of 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 follow provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.

6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

For, Ashok P. Pathak & Co.,
Company Secretaries,
ICSI Unique Code : S1997GJ020700

CS Ashok P. Pathak
Proprietor
ACS No : 9939 | COP No : 2662
Peer Review Certificate No. : 492/2016

Date: 11th May, 2021
Place: Ahmedabad

ANNEXURE E

A. CONSERVATION OF ENERGY

Measures taken & investment made for reduction of consumption of energy and consequential impact on cost of production

The Company has taken all the necessary measures from the beginning for energy conservation as part of maintaining the operating cost to the minimum.

The Company had conducted Energy Audit through government approved auditors and identified saving potential and implementation on the same has already been started. The Company had also replaced High voltage Lamps, CFL and Mercury lamps with LED lights. These initiatives taken by your Company helped in energy conservation and minimize the cost of production. The Company is already a trading and self clearing member of Power Exchange of India Limited (PXIL) from 2nd April, 2012. The power initiative taken by the Company helped in energy conservation and minimize the cost of production.

B. TECHNOLOGY ABSORPTION

Efforts made in Technology absorption - Research & Development (R & D)

Specific areas in which R & D carried out and benefits derived:

Your Company has fully equipped R & D facilities with sophisticated instruments and is constantly engaged in developing and updating manufacturing processes of the existing products leading to reduction in process time and cost of production and also in developing new products.

Based on the R & D activities carried out for the client, if the molecule is commercialized, it can be converted into contract manufacturing during the entire life cycle of the drug.

Future plan of action

Your Company has created a state-of-the-art R & D center and cGMP pilot facility at Bavla plant. The Company has been investing aggressively in its R & D activities. During the year Company has invested in its R & D activities to the level of 6.73% of its turnover over and above CRAMS R&D expenditure and continues augmenting R & D capabilities & productivity through technological innovations, use of modern scientific and technological techniques, training and development.

(₹ in Crores)

Expenditure on R & D	
Capital	9.80
Recurring	1.31
Total	**11.11**
Total R & D Expenditure as a percentage of Total Turnover	6.73%

Technology absorption, adaption & innovation

The Company has successfully scaled up processes using enzyme catalyzed conversion. These processes were water based reactions which are environment friendly.

Dishman added an ultrafiltration equipment in one of its commercial plant which allows Dishman to undertake projects with special requirement of membrane filtration. One large filter dryer with special facilities was on site for specific drying requirements of certain products.

We have also optimized our current processes in order to make them more energy efficient and also reduce the effluent load.

We are continuously working on various other options for our existing products as well as new ones.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Initiatives taken to increase exports, development of new export markets for products & services & export plans

The Exports of the Company has decreased to ₹ 138.64 Crores during the year compare to previous year's export of ₹ 480.17 Crores mainly due to EDQM issue. The export sales constitute 83.95% of the total net sales of the Company during financial year 2020-21. The Company is exporting mainly to USA, UK, Netherland, Japan and Switzerland. Your Company is making aggressive efforts to increase exports and develop new export markets.

Foreign exchange earning and outgo

(₹ in Crores)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Total Foreign exchange expenditures	21.03	14.10
Total Foreign exchange earnings	155.37	505.50

For and on behalf of the board

Date: 11th May, 2021
Place: Ahmedabad

Janmejay R. Vyas
Chairman
DIN – 00004730

ANNEXURE F

CORPORATE SOCIAL RESPONSIBILITIES (CSR) REPORT

1. Brief outline on CSR Policy of the Company

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same has been approved by the Board at the meeting held on 17th March, 2017.

Dishman Carbogen Amcis Limited has always been committed to the cause of social service and have repeatedly channelized a part of its resources and activities, such that it positively affects the society socially, ethically and also environmentally. Over the years, we have been focusing on sustainable business practices encompassing economic, environmental and social imperatives that not only cover business, but also the communities around us. We focus on our social and environmental responsibilities to fulfil the needs and expectations of the communities around us.

As an integral part of our commitment to Good Corporate Citizenship, Dishman believe in actively assisting in improvement of the quality of life of people in communities, giving preference to local areas around our business operations. Towards achieving long-term stakeholder value creation, we shall always continue to respect the interests of and be responsive towards our key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and marginalized; and the society at large.

In order to leverage the demographic dividend of our country, Company's CSR efforts shall focus on Health, Education, Environment and Employability interventions for relevant target groups, ensuring diversity and giving, preference to needy and deserving. CSR at Dishman shall be underpinned by 'More from Less for More People' philosophy which implies striving to achieve greater impacts, outcomes and outputs of our CSR projects and programmes by judicious investment and utilization of financial and human resources, engaging in like-minded stakeholder partnerships for higher outreach benefitting more lives.

While the Company is eligible to undertake any suitable / rightful activity as specified in Schedule VII of the Companies Act, 2013, it proposes to undertake its Projects (Direct / through implementing agency) on priority basis in its Thrust Areas. The Company, in every financial year shall endeavor to spend the feasible amount for its CSR Projects and shall not be restricted by the statutory limit, the minimum spend being 2% of the Company's average Net Profits for three immediately preceding financial years. The Policy provides for identification of the CSR Projects and approval by the CSR Committee, with estimated expenditure and phase wise implementation schedules in the form of CSR Plan.

The total expenditure in the CSR Annual Plan shall be approved by the Board upon recommendation by the CSR Committee. The CSR Projects may be implemented as under:

1. Direct Method whereby the Company may implement the CSR Projects on its own or through its Trust / Society / Section 8 Company or Group Company Trust / Society / Section 8 Company and

2. Indirect Method whereby the Company may implement the CSR Projects through an external Trust / Society / registered NGO/ Section 8 Company fulfilling the criteria under the Act.

The Policy also provides for monitoring of the CSR Projects at regular intervals.

The CSR Policy further lists the duties and responsibilities of the Board, the CSR Committee, details about allocation of funds for CSR activities, and the review periodicity / amendment of the CSR Policy and CSR Plan.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year *	Number of meetings of CSR Committee attended during the year
1.	Mr. Janmejay R. Vyas	Chairman – Non-Executive & Non-Independent Director	03/06/2021 (one meeting)	1
2.	Mr. Arpit J. Vyas	Member - Global Managing Director		1
3.	Mr. Sanjay S. Majmudar	Member - Independent Director		1

* The Committee has also passed circular resolutions on 13th July, 2020 and 20th January, 2021.

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

Composition of the CSR committee shared above and is available on the Company's website on https://imdcal.com/images/files/Investor-Relations/Listing%20Requirements/Composition%20of%20Various%20Committees%20of%20Board.pdf

CSR Policy - https://imdcal.com/images/files/Investor-Relations/Policies%20of%20Dishman%20Carbogen%20Amcis%20Limited/Corporate%20Social%20Responsibility%20Policy..pdf

CSR projects - The spending on CSR activities for FY 2021-22 is not applicable to the company since the average net profit as per Section 135 comes into negative.

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

The Company is not required to undertake impact assessment of its CSR Project through an independent agency since average CSR obligation of the Company is less than ₹10 crores in the three immediately preceding financial years.

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 set-off for the financial year, if any (in ₹)
1			
2	---Not Applicable---		
3			
	Total		

6. Average net profit of the company as per section 135(5) - ₹2889.78 Lacs

7. (a) Two percent of average net profit of the company as per section 135(5) – **₹57.80 Lacs**

(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) - **₹57.80 Lacs**

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

Total Amount Spent for the Financial Year.	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
₹ 59.00 lacs	---Not Applicable---				

(b) Details of CSR amount spent against ongoing projects for the financial year - Not Applicable

(c) Details of CSR amount spent against other than ongoing projects for the financial year - refer Annexure I.

(d) Amount spent in Administrative Overheads - NIL

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - ₹59.00 lacs

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

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	₹ 57.80 Lacs
(ii)	Total amount spent for the Financial Year	₹ 59.00 lacs
(iii)	Excess amount spent for the financial year [(ii) - (i)]	₹ 1.20 Lacs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 1.20 Lacs

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

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): None

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): Not Applicable

Annexure – I

CSR ACTIVITIES AT DISHMAN

(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		Amount spent for the project (₹ in Lacs)	Mode of implementation - Direct (Yes/ No)	Mode of implementation -Through implementing agency	
				State	District			Name	CSR registration number
1.	In current COVID-19 pandemic situation Company has Distributed disinfectants, hand sanitizers and surface cleaner for free to financially weaker sections of the society, policemen who have been instrumental in monitoring the traffic flow for the safety of people and health workers who have been serving the patients relentlessly.	Promotion of health care including preventive health care and sanitation, and disaster management.	Yes	Gujarat	Ahmedabad	19.25	Yes	--	--
2.	For the project of Constructing School, hostel and computer training centre, girls school in Tribal area of district Banaskantha.	Education (Educational awareness to female education)	No	Gujarat	Banaskantha	15.00	No	Shree Rajput Kelavani Sahayak Mandal, Palanpur	--
3.	Contribute for the project of Constructing Primary School.	Education	No	Gujarat	Rajkot	1.50	No	Shri Sagar Education and Charitable Trust	--
4.	For the project which gives medical services to nearly approx. 17000 patients at a concessional rate for the benefit of workers, residents and surrounding villagers.	Healthcare	Yes	Gujarat	Ahmedabad	0.25	No	Naroda Industries Association Hospital Charitable Trust	--

5.	For the project of establishing medical and education institute, which works for Widow SHGs and women empowerment awareness programme, education, health awareness.	Education and Healthcare	No	Gujarat	Dholaka	1.00	No	Karunamati Jivdaya Foundation	--
6.	For the projects of construction and adoption of schools which aims to supplement and enhance the levels of motivation and learning experience of students of the schools adopted under the program, by leveraging and improving the eco system in which the schools operate.	Education	No	Gujarat	Rajkot	11.00	No	Sri Sathya Sai Vidya Mandir	--
7.	For the project which gives medical services relating heart surgery to children free of cost.	Healthcare	Yes	Gujarat	Ahmedabad	11.00	No	Sri Sathya Sai Heart Hospital	--
	Total					**59.00**			

Note: The details of CSR activities/ projects are also described on Page Nos. 46 & 47 of this Annual Report.

For and on behalf of the board

Date: 11th May, 2021

Janmejay R. Vyas
Chairman
DIN – 00004730
Place: Ahmedabad

Arpit J. Vyas
Global Managing Director
DIN- 01540057
Place: Vitznau

ANNEXURE G

Business Responsibility Report ("BRR") for the Financial Year 2020-21

As per Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015, top 1000 companies based on market capitalization (calculated as on March 31 of every financial year) are required to give Business Responsibility Report as part of its Annual Report. Dishman is pleased to present its fifth BRR for 2020-21 based on the suggested framework provided by SEBI.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN)	L74900GJ2007PLC051338
2.	Name of the Company	Dishman Carbogen Amcis Ltd.
3.	Registered Address	Dishman Corporate House, Iscon-Bopal Road, Ambli, Ahmedabad - 380058, Gujarat.
4.	Website	www.imdcal.com
5.	E-mail id	grievance@dishmangroup.com
6.	Financial Year reported	01.04.2020 to 31.03.2021
7.	Sector(s) that the Company is engaged in (industrial activity code wise)	Pharma Sector under Group 210, Class 2100 and sub-Class 21001 as per the National Industrial Classification 2008
8.	List three key product/services that the Company manufactures/ provides (as in balance sheet)	1. (S)-BOC-Methylproline (DPC1763) 2. CHOLESTEROL K1D 3. BENZETHONIUM CHLORIDE USP
9.	Total number of locations where business activity is undertaken by the Company:	
	a) No. of International Locations b) No. of National Locations	The Company's business and operations are spread across different geographies. The Company do its business throughout the globe through its Indian offices/plants and Twenty-Two subsidiaries and details whereof are provided in this Annual Report under head "Company Information" and "Our Global Footprints".
10.	Markets served by the Company (Local/ State/National/International)	As a global CRAMs player, the Company has a significant presence nationally and globally.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up capital (INR)	31.36 Crores
2	Total turnover (INR)	165.15 Crores
3	Total Profit after taxes (INR)	(232.81) Crores
4	Total Spending on CSR as percentage of profit After tax	2.04%
5	List of activities in which expenditure in 4 above has been incurred	The Company has undertaken following CSR Projects/Activities: a) In current Covid-19 situation, Company has Distributed disinfectants, hand sanitizers and surface cleaner for free to financially weaker sections of the society, policemen who have been instrumental in monitoring the traffic flow for the safety of people and health workers who have been serving the patients. b) Constructing School, hostel and computer training Centre, girls school in Tribal area of district Banaskantha. c) Constructing Primary School. d) For the project which gives medical services to nearly approx. 17000 patients at a concessional rate for the benefit of workers, residents and surrounding villagers.

STRATEGIC REVIEW STATUTORY REPORT FINANCIAL STATEMENTS

e) For the project of establishing medical and education institute, which works for Widow SHGs and women empowerment awareness programme, education, health awareness. Construction and adoption of schools which aims to supplement and enhance the levels of motivation and learning experience of students of the schools adopted under the program, by leveraging and improving the eco system in which the schools operate.

f) For the project of establishing medical and education institute, which works for Widow SHGs and women empowerment awareness programme, education, health awareness.

g) For the project which gives medical services relating heart surgery to children free of cost.

For detailed Report on expenditure incurred towards CSR activities during the financial year 2020-21, pl. refer Annexure F of the Board's Report.

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company / Companies?	Yes. The Company has 22 subsidiaries.
2	Do the Subsidiary Company / Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)?	Business Responsibility initiatives of the parent company are applicable to the subsidiary companies to the extent that they are material in relation to the business activities of the subsidiaries.
3	Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30- 60%, More than 60%]	Other entities do not directly participate in the BR Initiatives of the Company. Furthermance to our corporate risk governance process, suppliers and contractors work closely with supply chain on several risk mitigation programs including reducing environmental burden by using recycled solvents and training user teams within Dishman to manage product/material functioning and related hazards (product/material where specific product/material handling and usage procedures set by suppliers are required to be followed).

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:

Directors Identification Number (DIN)	01540057
Name	Mr. Arpit J. Vyas
Designation	Global Managing Director

b) Details of the BR Head:

Sr. No.	Particular	Details
1	DIN (if applicable)	NA
2	Name	Mr. Harshil R. Dalal
3	Designation	Global CFO
4	Telephone Number	02717-420102/124
5	E mail Id	grievance@dishmangroup.com

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

SEBI has mandated to include Business Responsibility Report on the following principles as stated in the National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs:

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	Businesses should promote the wellbeing of all employees
Principle 4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5	Businesses should respect and promote human rights
Principle 6	Business should respect, protect and make efforts to restore the environment
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

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

Sr. No	Questions	Business Ethics P1	Product Responsibility P2	Employee Well-being P3	Stakeholder Engagement & CSR P4	Human Rights P5	Environment P6	Public Policy P7	CSR P8	Value to Customer P9
1	*Do you have a policy / policies for	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	N	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	All the policies are compliant with respective principles of NVG Guidelines.						N	All the policies are compliant with respective principles of NVG Guidelines.	
4	Has the policy been approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	The policies have been either approved by the Board or senior functional head authorised by the Board in this respect.						N	The policies have been either approved by the Board or senior functional head authorised by the Board in this respect.	
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	N	Y	Y

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6	Indicate the link for the policy to be viewed online?	Policies are available on the website of the Company www.imdcal.com and the policies which are internal to the Company are available on the intranet portal of the Company.						N	Policies are available on the website of the Company www.imdcal.com and the policies which are internal to the Company are available on the intranet portal of the Company.	
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, all the policies are communicated to the employees via internal portal, where each employee has an access and the external stakeholders through Company's website.						N	Yes, all the policies are communicated to the employees via internal portal, where each employee has an access and the external stakeholders through Company's website.	
8	Does the Company have in-house structure to implement the policy /policies?	Y	Y	Y	Y	Y	Y	N	Y	Y
9	#Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	N	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes - The Company carries out an independent audit on working of policy on environment. CSR expenditure is monitoring by CSR Committee and also audited by the Company's statutory auditors as well as Secretarial Auditors.								

* The Company has formulated certain internal guidelines which are also aligned to the values underlying the herein stated Principles.

The Company has designated the email Id (grievance@dishmangroup.com) for grievances redressal and registering complaints by any stakeholders.

Y – Yes, N – No

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P7
1	The company has not understood the Principles	Public Policy Advocacy is not yet formulated by the Company. However, the Company plays a strong role in public policy advocacy through regular engagement with specific external stakeholders including industry associates, government bodies and regulatory departments.
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	
3	The company does not have financial or manpower resources available for the task	
4	It is planned to be done within next 6 Months	
5	It is planned to be done within the next 1 year	
6	Any other reason (please specify)	

3. Governance related to BR:

a	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The BR performance of the Company is monitored on yearly basis by the Company and reviewed by the Global Managing Director, BR Head and respective departmental heads depending upon the type of BR activities.
b	Does the Company publish a BR or a Sustainability Report? What is the hyper-link for viewing this report? How frequently it is published?	The Company publishes BR Report as a part of Annual Report. The Company publishes BR report annually. The hyperlink for viewing the report is https://imdcal.com/investor-relations This report comprises the Company's fifth BRR as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVG).

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

The Company firmly believes and adheres to transparent, fair and ethical governance practices.

1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors /NGOs /Others?	The Company firmly believes and adheres to transparent, fair and ethical governance practices to foster professionalism, honesty, integrity and ethical behaviour. The Company has adopted a Code of Conduct for its Directors and Senior Management. Additionally, the Policy on Code of Conduct for Employees applies to all employees of Group companies. The Company has an effective vigil mechanism/whistle blower policy in place to report to the management instances on unethical behaviour and any violation of the Company's code of conduct. In order to protect investors' interest, the Company has adopted a Code of Conduct to regulate and monitor, the trading in the shares of the Company by the Insider. The Company has an Internal Complaints Committee (ICC) to redress complaints received regarding sexual harassment. It extends to Group/Joint Ventures/ Suppliers/ Contractors. These do not extend to other entities.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	Details relating to shareholders' complaints are provided in Corporate Governance Report, which is a part of this Annual Report. There is one complaint received from shareholder relating to unclaimed dividend which was pending as on the end of financial year which is resolved thereafter immediately. However, there was no stakeholder complaint in the reporting period with regard to ethics, bribery and corruption.

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

1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and /or opportunities.	1) High Potent API 2) Antiseptic and Disinfectant Formulations 3) Cholesterol & Vitamin D related Products
2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):	
	a. Reduction during sourcing / production / distribution achieved since the previous year through the value chain:	The company is strengthening sustainable sourcing, production and distribution practices ensuring quality and safety of raw materials, API, intermediates and packaging materials procured from suppliers as well as of products manufactured, stored and distributed throughout the value chain. Our Company prefers to enter into long term commitments with those suppliers who fulfil their responsibility towards society as well as environment. The Company has laid down a robust process for vendor evaluation and selection mechanism. The Company also emphasis on safe transportation, optimization of logistics and reduction of vehicular air emissions.
	b. Reduction during usage by consumers (energy, water) achieved since the previous year?	The company makes every effort to be environment-friendly and takes steps to be in compliance with the best practices. The company is committed to improve the energy and water footprints by reducing the power and fuel consumption and has been able to reduce related costs. On the environment front, Company has adopted principles of natural resource conservation, reuse, reduce, recycle and waste minimization. All our manufacturing facilities are inspected by the leading regulators agencies of US, Swiss, Japan, India, etc. as well as by Customers. The approvals are given after a thorough audit of standard operating procedures and protocols. Hence, utmost care is taken to ensure that products conform to stringent quality standards. However, observations that were pointed out at the conclusion of the audit conducted at Company's Bavla site by the SwissMedic and European Directorate for the Quality of Medicines & HealthCare (EDQM) in February 2020 are being addressed to by the company in the best manner possible in order to ensure that such surprises are avoided in the future. Most of the Company's facilities have received various environment audit certifications/recognitions such as ISO 14001:2015 for EMS, ISO 9001:2015 for QMS and BS OHSAS 45001:2018 for Occupational, Health and Safety Management systems. The company is also certified EN/ ISO 13485:2016 for Medical Device Quality Management System for Disinfectant Products. The Company's efforts are also recognized by State Level, National Level and International Level Awards from time to time. Indian Chemical Council (ICC) has authorized the Company for use of Responsible Care Logo, for three years, with effect from September-2016 to August-2019. The Company is also taking various energy reduction initiatives year on year and achieving the energy reductions through its sustainable initiatives.

3	Does the Company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	Sustainability in the operations is critically important if the Company is to deliver continued innovation. In the best interests of human beings, the Company endeavor to work with responsible suppliers who adhere to the same quality, social and environmental standards. The Company has standard operating procedures for the evaluation and selection of its vendors for sourcing of material. This includes sample approvals, performance trials, plant audit and regulatory clearances. All procurement of materials is from the approved suppliers. The Company has system of identifying or developing alternate vendors where single vendor is considered critical for business continuity. In past few years alternate sourcing for more than 90% of critical materials have been approved and regulatory approval have been received or is in process.
4	Has the Company undertaken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?	The Company consciously endeavours to procures goods and services from the local and small producers for its manufacturing premises and offices. It improves operational efficiency and helps save on transportation costs, inventory management and helps in risk mitigation. The Company provides detailed specifications as well as technical knowhow to improve capacity and capability of local and small vendors. In some cases, the company has provided development support to the smaller companies to be able to develop manufacturing processes and reduce analytical burden. This enables us in achieving multiple benefits like a) Shorter turn-around times for delivery b) Quicker resolution of issues pertaining to material quality c) Contribute to the local economy thereby enhancing sustainability of our operations Further, the Company fulfills its manpower requirement by employing the people from the nearby location where it has its business operation to the possible extent.
5	Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.	The waste generated in the Company's operations is either recycled or disposed of in a responsible way in line with legal requirements. Every manufacturing facility has its own Effluent Treatment Plant, which ensures discharge of waste below the norms prescribed by respective pollution control boards.

Principle 3: Business should promote the wellbeing of all employees

1	Please indicate total number of employees	929
2	Please indicate total number of employees hired on temporary / contractual / casual basis	52 (only Trainees)
3	Please indicate the number of permanent women employees	67
4	Please indicate the number of permanent employees with disabilities	0
5	Do you have an employee association that is recognized by the Management?	The Company does not have an employee association that is recognized by the Management
6	What percentage of permanent employees is members of this recognized employee association?	N.A.
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	The Company does not employ any child labour or forced / involuntary labour. The Company has not received any complaint relating to child labour, forced labour, involuntary labour and sexual harassment in the last financial year.

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8	What percentage of undermentioned employees were given safety and skill up-gradation training in the last year?			safety training	skill up-gradation training
		A.	Permanent employees	86%	44%
		B.	Permanent women employees	93%	47%
		C.	Casual / Temporary / Contractual employee	91%	-
		D.	Employees with disabilities	- There are no permanent employees with disabilities	

Principle 4: Business should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized:

1	Has the company mapped its internal and external stakeholders? Yes/No	Yes, Stakeholders of the company have been mapped through a formal process of consultations at all operations. The Company's key stakeholders include employees, business associates, NGOs and especially local communities around its sites of operations.
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?	Yes, the Company has identified the disadvantaged, vulnerable and the marginalized sections within the local communities around its sites of operations.
3	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.	The Company works actively to enhance the employment opportunities in the nearby locations whereby it operates, leading to income generation and economic empowerment in the marginalized sections of the communities. Various initiatives have been taken by the Company through NGO/ Trust to engage with the disadvantaged, vulnerable and marginalized stakeholders at locations in and around its operations in the areas of Health Care, Sanitation, Education & knowledge enhancement and Social Care and Concern. For details of projects undertaken, please refer the Annexure F on “CSR Activities” of Annual Reports.

Principle 5: Business should respect and promote human rights:

1	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/Others?	It extends to Group/Joint Ventures/ Contractors. Human Rights are fundamental in nature and applicable universally. Dishman respects the Human Rights Principle and has developed its policies which are aligned to such principles in all its day-to-day operations. The Company is committed to promotion of human rights, in spirit and deed. The Company strives to provide a nondiscriminatory and harassment-free work place for all its employees and contractual staff.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No complaints were received during the year in this regard.

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

1	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/ Contractors / NGOs/others.	It extends to Group/Joint Ventures/ Suppliers/ Contractors. The Company has Health, Safety and Environment policy covering all its Indian Operation. The Company has a conviction for safety policy providing for compensation in case of accident suffered by its employee and also other people working in the Company premises for Company’s work. Dishman conducts strategic planning to establish long-term EHS goals, assess resources required to achieve specific goals, and ensure critical business alignment. Dishman considers feedback from internal and external stakeholders in proposing and establishing its long-term goals in manufacturing operations. Dishman continues to pursue world class operational excellence on Process Safety Management (PSM). Dishman has established the capabilities within the Company and developed in-house experts in various facets of PSM. Process Hazard Analysis (PHA) at various plants is being carried out to reduce process safety risks.
2	Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming etc.? Y/N. If yes, please give hyper-link for webpage etc.	The Company is committed towards excellence in Quality, Health, Safety and Environment Management and ensure that Company’s product & process are developed are in accordance with strictly defined local and international rules to ensures safety and health of workers as well as the environment. This is achieved by conducting the Risk Assessment, Qualitative Risk Assessment, Process Hazard Assessment, Identification of significant environmental aspects, Safety Audits, customer audits, HAZOP study and Environment audits. Safety & Environment Management Program are being taken to reduce the Significant Risk & Environment Impacts. We include EHS and climate change-related considerations in our business decisions and strive to minimize any adverse impact on environment by our operational activities. Measuring, Monitoring, Reviewing, analyzing, appraising and reporting on environmental, health and safety performance is an important part of continual improvement in our EHS performance. The Company is continuously improving its environmental performance for its existing products and undertakes thorough innovation for new products and process. The Company has also taken all the necessary measures from the beginning for energy conservation as part of maintaining the operating cost to the minimum. Please refer the Directors’ Report which is available on Company’s website www.imdcal.com
3	Does the Company identify and assess potential environmental risks? Y/N	As a policy, the Company designs its processes in an environment friendly manner by assessing the potential environmental risks and avoid / limit the usage of toxic and hazardous substances.
4	Does the Company have any project related to Clean Development Mechanism (CDM)? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	As on date, the Company does not have any project registered with Clean Development Mechanism (CDM), but the Company has various projects related to clean technology and we strive to identify CDM potential in all of our projects.

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5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	The Company has taken various initiatives through QHSE policy, which is being implemented, among others, through (i) Segregation of waste water in terms of High COD and Low COD and treated separately to achieve zero discharge by utilizing treated water for Utility services, washing activities and flushing activities; (ii) Stripper system, Multiple effect evaporator and ATFD for concentrated effluent stream; (iii) Biological Effluent Treatment System, Tertiary treatment, Two Stage R.O. System and Multiple Effect Evaporator for Dilute Stream Effluent; (iv) Practicing On-site emergency plan by conducting mock-drills; (v) Replacement of hazardous process / chemical to non-hazardous process for converting to low hazards; (vi) Fire detection and protection system available at site; (vii) Conducting intensive QHSE Training programs including contractor employees and monitoring the effectiveness of the same; (viii) Participation of employees in Safety committee meetings at all levels and celebrating the National Safety Day / Week and World Environment Day as well as observing Fire Service Day; (ix) Tree plantation to increase the green cover at site; (x) Independent safety and environment audits at regular intervals by third party and also in-house by cross functional team; (xi) In-house medical and health facility at site for pre- employment & periodical medical check-up of all employees including contract employees; (xii) Additional health checkup for employees based on their occupational needs; (xiii) Rain water Harvesting System to conserve rain water and improve ground water level. Further, the Company has also taken following steps at its Bavla and Naroda sites towards energy efficiency, clean technology and renewable energy: o Installation of energy efficient Centrifugal air compressors. o Installation of LED lighting to replace fluorescent lamps o Power Trading through Indian Energy Exchange o Installation of energy efficient air blower motors. Please refer Directors' Report which is available on Company's website www.imdcal.com.
6	Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?	Yes, the company is committed to achieve all the norms within the limits for emission and discharge of air and water, as may be laid down by the regulators. The Company complies with pollution and environmental laws.
7	Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on the end of Financial Year.	No show cause / legal notices which are pending as on the end of the financial year.

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

1	Is your Company a member of any trade and chambers of association? If yes, name only those major ones that your business deals with.	(a) Gujarat Chamber of Commerce & Industry (GCCI) (b) Confederation of Indian Industry (CII) (c) Pharmaceuticals Export Promotional council of India (Pharmexcil)
2	Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Polices, Energy Security, Water, Food Security, Sustainable Business Principles, Others)	The Company interacts with various government departments/ regulatory authorities on any public policy framework through GCCI, CII and Pharmexcil. The Company puts forth its views on new standards or regulatory developments pertaining to pharmaceutical manufacturing industry.

Principle 8: Business should support inclusive growth and equitable development

1	Does the company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes, the Company believes that its corporate social responsibility lies in creating a comprehensive and integrated ecosystem that can deliver affordable and effective healthcare to the less privileged among India's rural and urban population. We also support education initiatives that can impart better learning to the underprivileged students in rural schools and empower communities by providing proper infrastructure for self - sustained villages with health centers, schools, sanitation, water and source of light. For details of projects undertaken, please refer the Annual Reports on CSR Activities.
2	Are the programmes/projects undertaken through inhouse team/own foundation/external NGO/government structures/any other organization?	The identified programmes/projects are carried out through NGOs/ Trust/ Organization / implementing agencies in the field of Education, Healthcare, Social & Child care, Sanitation etc. to meet priority needs of the underserved communities with the aim to help them to become self-reliant. For details of such programs / projects been implemented either on its own or through an external agency, please refer the Annual Reports on CSR Activities.
3	Have you done any impact assessment of your initiative?	As per Companies (Corporate Social responsibility Policy) Rules, 2014, the Company is not required to undertake impact assessment of its CSR Project through an independent agency since average CSR obligation of the Company is less than ₹ 10 crores in the three immediately preceding financial years. However, the Company undertakes timely impact assessments of CSR projects under implementation for ensuring their desired impact and continued sustenance. The impact assessment is also presented to the CSR committee.
4	What is the Company's direct contribution to community development projects - Amount in INR and details of the projects undertaken?	During the year under review the Company had contributed ₹ 59 Lacs towards identified programmes/ projects as a part of its CSR Initiatives. The details of project undertaken during the year are mentioned in Annexure G on "CSR Activities" of Directors Report of this Annual Report.

		Dishman is responding to COVID 19 outbreak, consist with its belief that the pharmaceutical industry has a humanitarian responsibility to serve the patient who are in need. The Company remain committed to the health & safety of its employees and their families as well as business continuity to safety guard the interests of company's patient, partners, customers and other stockholders. COVID measures includes thermal & SPO2 screening at entrance, ensure social distancing at workplace & during transportation, encourage hand sanitization at strategic locations, periodic sanitization at workplaces & offices, training & counselling to company's employees, procured Oxygen concentrators for employees & their families in need. Company has also initiated vaccinated drive for its employees, their family members and surrounding people. In current COVID-19 situation, Company understand its Corporate Social responsibility and the company has been distributing these products, especially sanitizers, for free to financially weaker sections of the society, policemen who have been instrumental in monitoring the traffic flow for the safety of people and health workers who have been serving the patients relentlessly.
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	The Company undertakes needs assessment surveys in rural areas and community before undertaking CSR initiatives. Community needs are understood and evaluated and their views are taken before project plans are finalized and executed. Community members are continuously consulted with during implementation of initiatives. Further, the Company ensures that community members participate in the initiatives being undertaken / implemented and that they take responsibility for maintenance and sustenance of projects in future.

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

1	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	There are no customer complaints/consumer cases are pending as on the end of financial year.
2	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)	N.A. The company's products are not OTC products. The Company is engaged in Contract Manufacturing and Research and manufacturing of Bulk Drugs and APIs. Hence, only product information that is approved by the regulatory authorities is displayed on the product label.
3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	There are no cases filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year.
4	Did your Company carry out any consumer survey / consumer satisfaction trends?	There is a continuous improvement process through which periodic feedback taken on a regular basis from our customers/stakeholders and an immediate action is taken on any issues that they are facing.

CORPORATE GOVERNANCE REPORT

1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company believes that Corporate Governance is an ethical business process that is committed to value aimed at enhancing an organization's wealth generating capacity. This is ensure by taking ethical business decision and conducting business with firm commitment to values, while meeting stakeholder's expectations. Corporate Governance is globally recognized as a key component for superior long term performance of every corporate entity.

Effective corporate governance practices constitutes the strong foundation on which successful commercial enterprises are built to the last. Our corporate governance is a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. The Company firmly believes that adherence to business ethics and sincere commitment to corporate governance will help the Company to achieve its vision of being the most respected Company.

We are committed for maximizing stakeholder value by improving good governance, quality and commitment with a spirit of integrity.

Our Corporate Governance framework ensures that we make timely disclosure and share accurate information regarding our financial and performance, as well as leadership and governance of the Company.

The Company's philosophy on investor service and protection envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, the government and lenders. The Company is committed to achieve the highest standards of corporate governance. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders' value, over a sustained period of time. The Company continues to take necessary steps towards achieving this goal.

A report on compliance with corporate governance principles as prescribed under Regulation 17 to 27 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations" or "SEBI (LODR) Regulations, 2015"), as applicable, is given below.

2. BOARD OF DIRECTORS

(a) Composition

The Company has a very balanced structure of Board of Directors. As on March 31, 2021, the Company has nine (9) directors with a Non-Executive Non-Independent Chairman on its Board. Out of these, two (2), [22.22%] are Executive Directors; two (2), [22.22%] are Non-Executive Non-Independent Directors and five (5) [55.56%] are Non-Executive & Independent Directors including Woman Director.

The composition of the board is in conformity as stipulated under Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

All Non-Executive & Independent Directors on the Board are highly experienced, competent and renowned persons from their respective field. They actively participate in the Board and Committee Meetings which is a great value addition in the decision making process.

Independent Directors are non-executive directors as defined under Regulation 16 (1) (b) of SEBI (LODR) Regulations, 2015 and Section 149 of the Companies Act, 2013. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria as mentioned Regulation 16 (1) (b) of SEBI (LODR) Regulations, 2015 and Section 149 of the Companies Act, 2013 and are independent of the management.

(b) Information on Board of Directors

None of the directors on the board is a Member of more than ten (10) committees or Chairman of more than five (5) committees across all the companies in which he is a director. None of the Independent Directors serve as an Independent Director in more than seven listed entities provided that any Independent Director who is serving as a whole time director in any listed entity shall serve as an independent director in not more than three listed entities. Necessary disclosures regarding their Directorship/ Membership in other companies have been made by all directors. For the purpose of determination of limit, chairpersonship and membership of the Audit Committee and the Stakeholders' Relationship Committee alone shall be considered.

Names and Categories of the Directors on the Board, Number of other Directorship & Chairmanship/Membership held by them in other companies during the year 2020- 21 is given below:

Name of Director	Category	India Listed Companies*	Total No. of Directorship in all other Companies	No. of Chairmanship/ Membership in other Companies##	
				Chairmanships	Memberships
Mr. Janmejay R. Vyas	Promoter & Non-Executive Director	-	4[@]	-	-
Mrs. Deohooti J. Vyas	Promoter & Executive Director	-	4	-	-
Mr. Arpit J. Vyas	Promoter & Executive Director	-	13[$$]	-	-
Mr. Mark C. Griffiths	Non-Executive & Non-Independent Director	-	6[#]	-	-
Mr. Sanjay S. Majmudar	Non-Executive & Independent Director	4	6[^]	3	7
Mr. Ashok C. Gandhi	Non-Executive & Independent Director	3	3	0	4
Mr. Subir Kumar Das	Non-Executive & Independent Director	2	5	1	3
Mr. Rajendra S. Shah	Non-Executive & Independent Director	2	6	1	3
Ms. Maitri K. Mehta	Non-Executive & Independent Director	2	9[^^]	0	5[$]

* Excluding Directorship in the Company.

@ Including Directorship in 1 overseas subsidiary Company.

$$ Including Directorship in 5 overseas subsidiary Companies and 2 overseas Company.

Including Directorship in 5 overseas subsidiary Companies and 1 overseas Company.

^ Including Directorship in 1 overseas Company.

^^ Including Directorship in 1 overseas subsidiary Company.

$ Including membership held in Audit Committee of two Private Limited Companies which are deemed Public Companies as per the provision of the Companies Act, 2013

As required by Regulation 26 of SEBI (LODR) Regulations, 2015, the disclosure includes chairpersonship and membership of the audit committee and the Stakeholders' Relationship Committee in other Indian public companies (listed and unlisted)

Details of Directorship held in other Listed and Unlisted Indian Companies by the Directors along with Category:

Name of the Director	Name of other Listed Company	Category of Directorship	Name of other Indian Unlisted Company	Category of Directorship
Mr. Janmejay R. Vyas	-	-	• B R Laboratories Limited	Director
			• Dishman Biotech Limited	Director
			• Dishman Infrastructure Limited	Director
Mrs. Deohooti J. Vyas	-	-	• B R Laboratories Limited	Director
			• Dishman Biotech Limited	Director
			• Azafran Innovacion Limited	Director
			• Leon Hospitality Private Limited	Director
Mr. Arpit J. Vyas	-	-	• Dishman Biotech Limited	Director
			• Dishman Engineering Xellence Private Limited	Director
			• Leon Hospitality Private Limited	Director
			• Dishman IT Xellence Private Limited	Director
			• Aham Brahmasmi Entertainment Private Limited	Director
			• Invisible Biotech Limited	Director
Mr. Mark C. Griffiths	-	-	-	-
Mr. Sanjay S. Majmudar	• Aarvee Denims and Exports Ltd.	Independent	• M & B Engineering Limited	Director
	• Ashima Ltd.	Independent		
	• AIA Engineering Ltd.	Independent		
	• Welcast Steels Ltd.	Independent		
Mr. Ashok C. Gandhi	• Aarvee Denims and Exports Ltd.	Independent	-	-
	• Bloom Dekor Ltd.	Independent		
	• Ahmedabad Steel Craft Limited	Independent		
Mr. Subir Kumar Das	• Transformers and Rectifiers (India) Limited	Independent	• Troikaa Pharmaceuticals Limited	Director
	• Gopala Polyplast Ltd	Additional Independent Director	• SME Mavens Foundation	Director
			• IRM Enterprises Private Limited	Additional Director
Mr. Rajendra S. Shah	• AIA Engineering Ltd.	Independent	• Harsha Engineers Limited	Wholetime Director
	• Welcast Steels Ltd.	Independent	• Harsha Abakus Solar Private Limited	Director
			• Harsha Engineers (India) Private Limited	Director
			• Harsha Renewable Energy Private Limited	Director
Ms. Maitri K. Mehta	• Gujarat Ambuja Exports Limited	Independent	• Adani Power (Jharkhand) Limited	Director
			• Raipur Energen Limited	Director
			• Adani Logistics Services Private Limited	Independent Director
			• Adani Wind Energy Kutchh One Limited	Director
	• Aksharchem (India) Limited	Independent	• Mundra Solar Technopark Private Limited	Additional Independent Director
			• Adani Infrastructure Management Services Limited	Additional Director

Chart/Matrix setting out the skills/expertise/ competence of the Board of Directors

The following is the list of core skills/expertise/ competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

i. Knowledge:

Understand the Company's businesses, policies and culture (including the Mission, Vision and Values) major risks/ threats and potential opportunities and knowledge of the industry in which the Company operates.

ii. Behavioral Skills:

Attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.

iii. Experience in managing large corporations:

Experience in leading and managing large corporations and have an understanding of the business environment, complex business processes, strategic planning, risk management, etc. Also, possess experience in driving growth through acquisitions and other integration plans with the ability to evaluate opportunities that are in line with the Company's strategy.

iv. Business Leadership:

Leadership experience including in the areas of Business Strategy, Administration, Decision Making and guiding the Company and its senior management towards its vision and values.

v. Financial Management skills.

Experience in financial management of large corporations with understanding of capital allocation & funding and financial reporting processes.

vi. Global landscape

Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities

vii. Knowledge of Governance and Law

Understanding of the legal ecosystem within which the Company operates and possess knowledge on matters of regulatory compliance, governance, internal controls. Experience in policy advocacy at national and international level.

viii. Knowledge of technology and innovation.

Understanding of emerging trends in technology and innovation that may have an impact on the business and have the ability to guide necessary interventions that can be utilised in making the business more competitive and sustainable.

ix. Sales and Marketing:

Experience in developing strategies to grow sales and market share, build brand awareness and thereby enhance enterprise value.

The mapping of these skills | expertise | competence among the Directors is as given below:

Name of Director	Areas of Skills/ Expertise/ competence								
	Knowledge	Behavioral Skills	Experience in managing large corporations	Business Leadership	Financial Management skills	Global landscape	Knowledge of Governance and Law	Knowledge of technology and innovation	Sales and Marketing
Mr. Janmejay R. Vyas	√	√	√	√	√	√	√	√	√
Mrs. Deohooti J. Vyas	√	√	√	√	√	√	√	√	×
Mr. Arpit J. Vyas	√	√	√	√	√	√	√	√	√
Mr. Mark C. Griffiths	√	√	√	√	√	√	√	√	√
Mr. Sanjay S. Majmudar	√	√	√	√	√	√	√	√	×
Mr. Ashok C. Gandhi	√	√	√	√	√	√	√	√	×
Mr. Subir Kumar Das	√	√	√	√	√	√	√	√	×
Mr. Rajendra S. Shah	√	√	√	√	√	√	√	√	×
Ms. Maitri K. Mehta	√	√	√	√	√	√	√	√	×

(c) Declaration by the Board

In terms of Regulation25(8) of Listing Regulations, each Independent Director has confirmed that he/she meets the criteria of independence in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations and also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence. Based on the declaration received from each Independent Director under Section 149(7) of the Companies Act, 2013 read with Regulation 25(8) of Listing Regulations, Board of Directors has confirmed that the Independent Directors fulfil the conditions specified in these sections and regulations and are independent of the management.

(d) Resignation of Independent Director

During the year under review, there is no instance of resignation of an Independent Director.

(e) Board Membership Criteria

The Nomination and Remuneration Committee works with the entire Board to determine the appropriate characteristic, skills and experience required for the Board as a whole and for individual members. Board Members are expected to possess the expertise, skills, and experience to manage and guide a high growth.

(f) Independent Director databank registration

Pursuant to Section 150 of the Companies Act, 2013 read with Rule 6 of Companies (Appointment and Qualification of Directors) Rules,2014, all Independent Directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from all Independent Directors in this regard.

(g) Number of meetings of the Board of Directors held and dates on which held

Five (5) Board Meetings were held during the year 2020-21. The dates on which the Board meetings were held are: 3rd June, 2020, 13th August, 2020, 8th September, 2020, 12th November, 2020 and 11th February, 2021. The Board of Directors has passed circular resolutions on 23rd March, 2021 pertaining to amend Criteria of making payment to Non-Executive Directors pursuant to amendment made in Section 149 and 197 read with Schedule V of the Companies Act, 2013 by Ministry of Corporate Affairs. Due to the exceptional circumstances caused by COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Board Meetings were held through video conferencing / other audit-visual mode.

Management Committee formed by Board of Directors to oversee day to day operations of the Company, which consist of Two (2) Executive Directors and One (1) Non-Executive Director subject to supervision and control of the Board of Directors. The Management Committee formed by the Board makes decision within the authority delegated. All decisions/ recommendation of the Committees is placed before the Board for information and/or its approval.

As per the requirement of Regulation 17 of SEBI (LODR) Regulations, 2015, the Board meets at least four times in a year. Due to COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, the Company has held Board Meeting on 3rd June, 2020 which was within the extended time-limit of 180 days. Thereafter, all the meetings were held in such a way that the maximum time gap between any two meetings was not more than one hundred and twenty days.

The information as required under Regulation 17 (7) of SEBI (LODR) Regulations, 2015 is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated to the Directors in advance before the meetings. Adequate information is circulated as part of the Board papers and is also made available at the Board Meetings to enable the Board to take informed decisions. Where it is not practicable to attach supporting/relevant document(s) to the Agenda, the same are tabled at the meeting and specific reference to this is made in the Agenda. As required under Regulation 17 (3) of SEBI (LODR) Regulations, 2015, the Board periodically reviews compliances of various laws applicable to the Company.

Names of the Directors on the Board, their Attendance in the Board Meeting, % of attendance and Attendance in last Annual General Meeting during the year 2020- 21 is given below:

Name of Director	No. of Board Meeting held & attended during 2020-21					Total attended	% of attendance	Whether attended Last AGM held on 28th September, 2020
	03.06.2020 (1)	13.08.2020 (2)	08.09.2020 (3)	12.11.2020 (4)	11.02.2021 (5)			
Mr. Janmejay R. Vyas	√	√	√	√	√	5	100	Yes
Mrs. Deohooti J. Vyas	√	√	√	×	√	4	80	No
Mr. Arpit J. Vyas	√	√	√	×	√	4	80	Yes
Mr. Mark C. Griffiths	$\boxed{*}$	√	√	√	√	5	100	Yes
Mr. Sanjay S. Majmudar	√	√	√	√	√	5	100	Yes

Mr. Ashok C. Gandhi	√	√	√	√	√	5	100	Yes
Mr. Subir Kumar Das	√	√	√	√	√	5	100	Yes
Mr. Rajendra S. Shah	√	√	×	√	√	4	80	Yes
Ms. Maitri K. Mehta	√	√	√	√	√	5	100	Yes

√ - Attended in person
× - Leave of Absence
[*] Present with the permission of the Board through tele conferencing (attendance not counted for quorum)

(h) Disclosure of Relationship between Directors inter se

Name of Directors	Relationship with other Directors
Mr. Janmejay R. Vyas	Husband of Mrs. Deohooti J. Vyas, Whole-time Director and Father of Mr. Arpit J. Vyas, Global Managing Director of the Company
Mrs. Deohooti J. Vyas	Wife of Mr. Janmejay R. Vyas, Chairman and Mother of Mr. Arpit J. Vyas, Global Managing Director of the Company
Mr. Arpit J. Vyas	Son of Mr. Janmejay R. Vyas, Chairman and Mrs. Deohooti J. Vyas, Whole-time Director of the Company
Mr. Mark C. Griffiths	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.
Mr. Sanjay S. Majmudar	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.
Mr. Ashok C. Gandhi	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.
Mr. Subir Kumar Das	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.
Mr. Rajendra S. Shah	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.
Ms. Maitri K. Mehta	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.

(i) Shareholding of Non-Executive Directors

Name of Non-Executive Directors	No. of Equity Shares held in	Convertible Securities held
Mr. Janmejay R. Vyas	1000	Nil
Mr. Sanjay S. Majmudar	24700	Nil
Mr. Ashok C. Gandhi	Nil	Nil
Mr. Subir Kumar Das	Nil	Nil
Mr. Rajendra S. Shah	Nil	Nil
Mr. Mark C. Griffiths	Nil	Nil
Ms. Maitri K. Mehta	Nil	Nil

(j) Code of Conduct

The Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company in compliance with Regulation 17(5) of the SEBI (LODR) Regulations, 2015. The said Code of Conduct has been posted on the Company's website www.imdcal.com. A declaration in respect of affirmation on compliance with Code of Conduct, by the Board Members and senior management personnel for the financial year ended on March 31, 2021, duly signed by Global Managing Director of the Company is attached herewith and forms part of Corporate Governance Report. The Board has also adopted separate code of conduct with respect to duties of Independent Directors as per the provisions of the Companies Act, 2013.

(k) Disclosures regarding appointment/re-appointment of Directors

Mr. Arpit J. Vyas, Director is retiring at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. An agenda seeking shareholders' approval for his re-appointment forms part of the Notice of the Annual Report.

The brief resume and other information required to be disclosed under Regulation 36(3) of SEBI (LODR) Regulations, 2015 is provided in the Notice of the Annual General Meeting.

(l) Familiarization Programme for Independent Director

The Company undertook various steps to make the Independent Directors have full understanding about the Company. The details of such familiarisation programmes have been disclosed on the Company's website at https://imdcal.com/images/files/Investor-Relations/Policies%20of%20Dishman%20Carbogen%20Amcis%20Limited/Familiarisation%20Programme.pdf

3. AUDIT COMMITTEE

The Audit Committee serves as the link between the Statutory and internal auditors and the Board of Directors. The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process with the view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

(a) Terms of reference and Powers

Terms of reference of the Audit Committee include approving and implementing the audit procedures, reviewing financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines and also include those specified under the Regulation 18 of SEBI (LODR) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013.

With the introduction of SEBI Notification No. SEBI/LAD-NRO/GN/2021/22 dated 5th May, 2021 amending SEBI (LODR) Regulations, 2015 which will be effective from different dates in phase manner, the role of the Audit Committee has been amended by addition of one new role of Audit Committee i.e. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders. Accordingly, the Company has revised the role of Audit Committee in the meeting of Board of Directors held on 11th May, 2021. Besides, other than role of the Audit Committee, there is no change in other matters including Terms of Reference, the matters which is mandatorily reviewed by the Audit Committee, constitution, etc.

The Committee reviews the information as listed under Regulation 18(3) of SEBI (LODR) Regulations, 2015 read with Schedule II Part C (B) as well as under Section 177 of the Companies Act, 2013 as amended from time to time.

(b) Composition

The Board of Directors of the Company has constituted an Audit Committee on 17th March, 2017. Presently, the Audit Committee comprises qualified and independent members of the Board, who have expertise knowledge and experience in the field of accounting and financial management and have held or hold senior positions in other reputed organizations. The constitution, composition and functioning of the Audit Committee also meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015. The present composition of the Audit committee during the financial year 2020-21 is as follow:

Name	Designation	Category
Mr. Sanjay S. Majmudar	Chairman	Non-Executive and Independent Director
Mr. Ashok C. Gandhi	Member	Non-Executive and Independent Director
Mr. Subir Kumar Das	Member	Non-Executive and Independent Director

(c) Audit Committee Meetings

Four [4] Audit Committee Meetings were held during the year 2020-21. The dates on which the Audit Committee Meetings were held are: 3rd June, 2020, 8th September, 2020, 12th November, 2020 and 11th February, 2021. Due to the exceptional circumstances caused by COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Committee Meetings were held through video conferencing / other audit-visual mode.

Due to COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, the Company has held Committee Meeting on 3rd June, 2020 which was within the extended time-limit of 180 days. Thereafter, all the meetings were held in such a way that the maximum time gap between any two meetings was not more than one hundred and twenty days.

The Statutory Auditors, Internal Auditors of the Company and Finance personnel are invited to attend and participate in the meetings of the Audit Committee. The Committee holds discussions with them on various matters including limited review of results, audit plan for the year, matters relating to compliance with accounting standards, auditors' observations and other related matters.

Company Secretary acts as Secretary to the Committee.

Mr. Sanjay S. Majmudar, Chairman of Audit Committee, attended the last Annual General Meeting held on 28th September, 2020.

Names of the members on the Committee, their Attendance in the Audit Committee Meetings, % of attendance during the year 2020- 21 is given below:

Name of Member	No. of Audit Committee Meeting held & attended during 2020-21				Total attended	% of attendance
	03.06.2020 (1)	08.09.2020 (2)	12.11.2020 (3)	11.02.2021 (4)		
Mr. Sanjay S. Majmudar	√	√	√	√	4	100
Mr. Ashok C. Gandhi	√	√	√	√	4	100
Mr. Subir Kumar Das	√	√	√	√	4	100

√ - Attended in person
× - Leave of Absence

4. NOMINATION AND REMUNERATION COMMITTEE

(a) Composition

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulation, 2015, Nomination and Remuneration Committee has been constituted by the Board of Directors on 17th March, 2017. Presently the "Nomination and Remuneration Committee" comprises following qualified and Independent Directors being a member of the Committee.

Name	Designation	Category
Mr. Sanjay S. Majmudar	Chairman	Non-Executive and Independent Director
Mr. Ashok C. Gandhi	Member	Non-Executive and Independent Director
Mr. Subir Kumar Das	Member	Non-Executive and Independent Director

(b) Nomination and Remuneration Committee Meeting

During the year under review, Nomination and Remuneration Committee ("NRC") Meeting was held through video conferencing / other audit-visual mode on 3rd June, 2020 where all members were present. The Committee has passed circular resolutions on 23rd March, 2021 pertaining to amend Criteria of making payment to Non-Executive Directors pursuant to amendment made in Section 149 and 197 read with Schedule V of the Companies Act, 2013 by Ministry of Corporate Affairs.

The Chairman of the NRC, Mr. Sanjay S. Majmudar was present at the last Annual General Meeting of the Company held on 28th September, 2020.

(c) Terms of reference and Powers of the committee inter alia, includes the following:

Terms of Reference and role of the NRC cover the matters specified in SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013 as amended from time to time, which, inter alia, includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors.
- Devising a policy on diversity of board of directors.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal and carrying out evaluation of performance of every Director.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommending and Determining remuneration of the Executive Directors as per the Policy.
- To recommend to the board, all remuneration, in whatever form, payable to senior management.

(d) Performance evaluation criteria for directors:

Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provide certain parameters like attendance, effective participation, domain knowledge and so on, which are considered by the Committee and/or Board while evaluating the performance of each Director. The performance evaluation of the Independent Directors was carried out by the entire Board as well as Nomination and Remuneration Committee.

(e) Salient features of policy on remuneration of directors, key managerial personnel & senior employees:

The Company has formulated the remuneration policy for its directors, key managerial personnel and Senior Employees keeping in view the following objectives:

» To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

» To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

» To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

(1) Criteria for Selection of Directors:

a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

b. In case of appointment of Independent Directors, the Nomination and Remuneration Committee ("NRC") satisfies itself with regard to the independence nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.

c. NRC ensures that the candidate identified for Appointment / Re- Appointment as an Independent Director is not disqualified for Appointment / Re-Appointment under Section 164 of the Companies Act, 2013.

d. NRC considers the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:

1. Qualification, expertise and experience of the Directors in their respective fields;
2. Personal, Professional or Business standing;
3. Diversity of the Board.

e. Board of Directors take into consideration the performance evaluation of the Directors and their engagement level.

(2) Criteria for Selection of KMP/Senior Management:

a. NRC ensures that the candidate possesses the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.

b. NRC considers the practice and encourage professionalism and transparent working environment.

c. NRC considers to build teams and carry the team members along for achieving the goals/ objectives and corporate mission.

(3) Remuneration:

A. Remuneration to Executive Directors and KMP:

i) The Board, on the recommendation of the NRC, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

ii) The Board, on the recommendation of the NRC, shall also review and approve the remuneration payable to the KMP of the Company.

iii) The remuneration structure to the Executive Directors and KMP shall include the following components:

- Basic Pay
- Perquisites and Allowances
- Stock Options
- Commission (Applicable in case of Executive Directors)
- Retiral benefits

B. Remuneration to Non-Executive Directors:

i) The Board, on the recommendation of the NRC, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

ii) Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non-Executive and Independent Directors shall also be entitled to remuneration by way of commission in addition to the sitting fees.

C. Remuneration to Senior Employees:

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organisation. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

5. REMUNERATION OF DIRECTORS

(a) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity

There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Non-Executive Directors that may have potential conflict with the interests of the Company at large.

(b) Disclosures with respect to remuneration:

All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc.;

Executive & Whole-Time Directors

The Nomination and Remuneration Committee of the Directors is authorized to decide the remuneration of the Whole-time Directors, subject to the approval of Members, if required. The remuneration structure of the Company comprises salary/remuneration, perquisites & Allowances etc. The nature of employment of all executive and whole-time directors is contractual as per the Company's policy.

The Company have two whole-time Directors on its Board, who are eligible to draw remuneration as per the Board and Shareholder's approval. However, both the Managerial Persons viz. Mr. Arpit J. Vyas, Global Managing Director and Mrs. Deohooti J. Vyas, Whole-time Director have decided not to draw any remuneration from the Company and accordingly no remuneration including any allowances and/or performance linked Bonus/Commission was paid to both the Managerial Persons during financial year 2020-2021.

During the year, Mr. Arpit J. Vyas, Global Managing Director of the Company has received remuneration as a Director from one Foreign wholly owned subsidiary companies namely CARBOGEN AMCIS AG., Switzerland for an amount of CHF 50,977 (equivalent to INR 39,53,273/-) per month.

Terms of Appointment of Directors

As required under Regulation 36(3) of SEBI (LODR) Regulations, 2015, particulars of Directors seeking appointment/reappointment are given in Notice of the 14th Annual General Meeting. Terms of Appointment of the Managing and Whole-time Directors as per the resolutions passed by Board and Shareholders are as under:

I. Executive Directors

1. Mrs. Deohooti J. Vyas, Whole -Time Director

Tenure: Five (5) Years w.e.f. 3rd September, 2016. The period of office of Mrs. Deohooti J. Vyas shall be liable to determination by retirement of Director by rotation.

Remuneration: Subject to overall limit on remuneration payable to all Managerial Personnel taken together, as laid down in the Companies Act, 2013, read with Schedule V thereto, Mrs. Deohooti J. Vyas shall be paid ₹ 15.00 lacs (Rupees Fifteen Lacs only) per month and the above remuneration payable to her may comprise salary, allowances and perquisites etc. as may be determined by the Board of Directors from time to time and may be payable monthly or otherwise provided that the perquisites shall be evaluated as per Income Tax Act and Rules wherever applicable. The remuneration for a part of the year shall be computed on pro-rata basis. The Board of Directors of the Company is authorised to increase or revise the remuneration of Mrs. Deohooti J. Vyas subject to maximum remuneration of ₹ 20.00 lacs (Rupees Twenty Lacs only) per month, from time to time during the tenure of said five years.

Sitting Fees: Mrs. Deohooti J. Vyas shall not be entitled to any sitting fees.

Note:

1. Shareholders of the Company has also approved the remuneration of Mrs. Deohooti J. Vyas by way of special resolution as required under Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018 in their Annual General Meeting held on 24th September, 2019.
2. Upon recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company at its meeting held on 3rd June, 2020 has re-appointed Mrs. Deohooti J. Vyas as Whole-time Director of the Company for a further period five years w.e.f. 3rd September, 2021, which was also approved by members at their Annual General Meeting held on 28th September, 2020. Further, as per Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015, the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if it exceed the limits prescribed in the said Regulation 17(6)(e). For this purpose, a Special Resolution is being proposed at item No. 5 in the Notice of this Annual General Meeting for her re-appointed term w.e.f. 3rd September, 2021.

2. Mr. Arpit J. Vyas, Global Managing Director

Tenure: Five (5) Years w.e.f. 1st June, 2019. The period of office of Mr. Arpit J. Vyas shall be liable to determination by retirement of Director by rotation.

Remuneration : Subject to overall limit on remuneration payable to all Managerial Personnel taken together, as laid down in the Companies Act, 2013, read with Schedule V thereto, Mr. Arpit J. Vyas shall be paid ₹ 15.00 lacs (Rupees Fifteen Lacs only) per month and the above remuneration payable to him may comprise salary, allowances and perquisites, etc. as may be determined by the Board of Directors from time to time and may be payable monthly or otherwise provided that the perquisites shall be evaluated as per Income Tax Act and Rules wherever applicable. The remuneration for a part of the year shall be computed on pro-rata basis. The Board of Directors of the Company is authorised to increase or revise the remuneration of Mr. Arpit J. Vyas subject to maximum remuneration of ₹ 20.00 lacs (Rupees Twenty Lacs only) per month, from time to time during the tenure of said five years.

Sitting Fees: Mr. Arpit J. Vyas shall not be entitled to any sitting fees.

Note: Shareholders of the Company has also approved the remuneration of Mr. Arpit Vyas by way of special resolution as required under Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018 in their Annual General Meeting held on 24th September, 2019.

II. Non-Executive & Independent Directors

On 20th September, 2018 by passing a special resolution as such, Members of the Company given their consent and authorized Board of Directors for payment of commission to Non-Executive Director(s) as may be determined by the Board of Directors for each such Non-Executive Director for each financial year starting from FY ending on 31st March, 2019 upto and including financial year ending on 31st March, 2023 to be calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 and distributed between such Non-Executive Director(s) and in such a manner as the Board of Directors may from time to time determine

within the maximum limit of 1% of net profits of the Company, which shall be in addition to the sitting fees being paid by the Company to all the Non-Executive Directors for attending the Board/ Committee meetings of the Company.

MCA vide its circulars notifies amendment in Section 149(9) and Section 197 including Schedule V of the Companies Act, 2013 which allow the Independent Director to take remuneration in case of no profit or inadequate profit as per Schedule V with effect from 18th March, 2021. As per the said changes, in accordance with Schedule V of the Companies Act, 2013 the Company can pay remuneration to Non-Executive Directors including an independent director, if a company fails to make profits or makes inadequate profits in a financial year on the basis of effective capital as on the end of financial year.

Accordingly, the Company has paid remuneration to Independent Directors as per Special Resolution passed on 20th September, 2018 and amended Remuneration Policy.

Commission & Sitting fees to Non-executive Directors

The details of payment of commission and sitting fees paid to Non-Executive & Independent Directors for the FY 2020-21 are as under:

(₹ In lacs)

Sr. No.	Name of Director	Commission	Sitting Fees
1.	Mr. Sanjay S. Majmudar	15.00	3.20
2.	Mr. Ashok C. Gandhi	11.00	3.00
3.	Mr. Subir Kumar Das	11.00	2.20
4.	Mr. Rajendra S. Shah	8.00	1.00
5.	Ms. Maitri K. Mehta	7.00	1.20

The Company also reimburses out of pocket expenses incurred by the Directors, if any, for attending Board & Committee meetings.

The Company has proposed Special Resolution at Item No. 6 in the Notice of this AGM to enable the Company to make payment of remuneration by way of commission to Non-Executive Directors even in absence or inadequacy of profit for the remaining tenure for each of the financial years ended on 31st March, 2021 upto and inclusive of financial year ending on 31st March, 2023.

III. Non-Executive & Non-Independent Director

Mr. Janmejay R. Vyas, Chairman

Terms of remuneration of Mr. Janmejay R. Vyas as approved by the Shareholders are as under:

Remuneration: In the 12th Annual General Meeting held on 24th September, 2019, the members of the Company had granted their approval for payment of remuneration to Mr. Janmejay R. Vyas, Director of the Company, for the professional services availed/ to be availed by the Company w.e.f. 1st April, 2019, in such manner and on such other terms, as the Board of Directors (with liberty to the Board of Directors to delegate this power) may, from time to time determine in consultation with Mr. J. R. Vyas, subject to maximum of ₹ 2.00 crores (Rupees Two Crores only) per annum (excluding any tax incidence applicable upon the Company under the applicable tax laws and the payment of sitting fees, if any). The said approval has been given by the members is ongoing basis i.e. without any reference to specific duration subject to limit of remuneration of ₹ 2.00 corers per annum and subject to regulation 17(6)(ca) of Listing Regulations.

Sitting Fees: Mr. J. R. Vyas shall be entitled to sitting fees.

Remuneration paid to Mr. J. R. Vyas during the year 2020-21: NIL

Note: As per Regulation 17(6)(ca) of the SEBI (LODR) Regulations, 2015, the approval of the members of the Company by way of special resolution, giving details of remuneration, is required every year for payment of annual remuneration to single non-executive Director exceeding 50% (fifty percent) of the total annual remuneration payable to all non-executive Directors of the Company. For this purpose, a Special Resolution is being proposed at Item No. 4 in the Notice of this Annual General Meeting.

(C) Stock Option

The Company has not granted any stock options to its Directors.

The Criteria of making payment to Non-Executive Directors is placed on the website of the Company at www.imdcal.com.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

(a) Composition

The Company has constituted Stakeholders Relationship Committee on 17th March, 2017. The constitution, composition and functioning of the Stakeholders Relationship Committee also meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015. The Committee specifically looks into issues relating to various aspects of shareholders, *inter alia,* share related matters and redressal of grievances of Security holders. The Committee comprises three [3] directors and committee functions under the Chairmanship of an Independent Director. The present composition of the Stakeholders Relationship Committee during the financial year 2020-21 is as follow:

Name	Designation	Category
Mr. Sanjay S. Majmudar	Chairman	Non-Executive and Independent Director
Mr. Ashok C. Gandhi	Member	Non-Executive and Independent Director
Mr. Janmejay R. Vyas	Member	Non-Executive Director and Non Independent Director

(b) Stakeholders' Relationship Committee Meetings:

Four [4] meetings were held during the year 2020-21. The dates on which the Stakeholders' Relationship Committee Meetings were held are: 3rd June, 2020, 8th September, 2020, 12th November, 2020 and 11th February, 2021. Due to the exceptional circumstances caused by COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Committee Meetings were held through video conferencing / other audit-visual mode.

Names of the members on the Committee, their Attendance in the Stakeholders' Relationship Committee Meetings, % of attendance during the year 2020-21 is given below:

Name of Member	No. of Stakeholders Relationship Committee Meeting held & attended during 2020-21				Total attended	% of attendance
	03.06.2020 (1)	08.09.2020 (2)	12.11.2020 (3)	11.02.2021 (4)		
Mr. Sanjay S. Majmudar	√	√	√	√	4	100
Mr. Ashok C. Gandhi	√	√	√	√	4	100
Mr. Janmejay R. Vyas	√	√	√	√	4	100

√ - Attended in person

Mr. Sanjay S. Majmudar, Chairman of Stakeholders' Relationship Committee of the Company, attended the last Annual General Meeting held on 28th September, 2020.

(c) Terms of reference, Role and Powers

The Company has adopted terms of reference and role of Stakeholders Relationship Committee as per Section 178 the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015.

Role of Stakeholders Relationship Committee:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

2. Review of measures taken for effective exercise of voting rights by 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 the 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.

(d) Other Information

- To expedite the process of share transfer, transmission, split, consolidation, rematerialization and dematerialization etc. of securities of the Company, the Board of Directors has delegated the powers of approving the same to the Company's RTA namely Link Intime India Pvt. Ltd., Mumbai under the supervision and control of the Company Secretary/ Compliance Officer of the Company, who is placing a summary statement of transfer/transmission, etc. of securities of the Company at the meetings of the said Committee.

- **Name, Designation and address of the Compliance Officer**

  Ms. Shrima Dave,
  Company Secretary
  Dishman Carbogen Amcis Ltd.
  Dishman Corporate House,
  Iscon – Bopal Road, Ambli,
  Ahmedabad – 380 058
  Tel. No.: 02717-420102/124
  Email: grievance@dishmangroup.com

The Company has designated the email id (grievance@dishmangroup.com) for grievances redressal and registering complaints by investor.

- **Quarter-wise Summary of Investors Complaints received and resolved during the Financial Year 2020-21.**

Quarter-wise Summary of Investors' Complaints received and resolved					
Quarter Period		Opening	Received	Resolved	Pending
From	To				
01/04/2020	30/06/2020	NIL	1	NIL	1
01/07/2020	30/09/2020	1	1	2	NIL
01/10/2020	31/12/2020	NIL	1	1	NIL
01/01/2021	31/03/2021	NIL	1	NIL	1

(e) Non-receipt/Unclaimed dividends

In case of non-receipt of dividend or request for unclaimed dividend including interim dividend for the FY 2013-14 till FY 2018-19, shareholders are requested to write an application on plain paper to the Company at following address or send request letter at the e-mail id mentioned below.

Company Secretary/Compliance Officer,
Dishman Carbogen Amcis Ltd.
Dishman Corporate House,
Iscon – Bopal Road, Ambli,
Ahmedabad – 380 058
Contact No.: 02717-420102/124
Email: grievance@dishmangroup.com

The details of unclaimed dividend amounts to sub section (2) of Section 125 read with Rule 8 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 of the Companies Act, 2013, is available on the Company's website: www.imdcal.com.

(f) Amount Transferred to IEPF Account

As per the provision of Section 124(5) and Section 125 of the Companies Act, 2013, the Company is required to transfer the unclaimed Dividends, remaining unclaimed and unpaid for a period of seven years from the due date to the Investor Education and Protection Fund (IEPF) set up by the Central Government. As the dividend declared in year 2012-13, the seven years completed on 29th August, 2020, the Company has transferred the unpaid or unclaimed dividend amount for the financial year 2012-13, to the IEPF on 9th September, 2020.

As a part of good Corporate Governance, the Company has sent reminder letters to the shareholders whose dividend has not been claimed/encashed for seven years to claim their unclaimed amount before due date through Inland Letters whose e-mail ids are not registered with the Depository/RTA and through e-mails whose e-mail ids are registered with the Depository/RTA.

(g) Due Date for transfer of Unclaimed and Unpaid Dividend and shares in respect of which dividend is unpaid or has not been claimed by the shareholders for seven consecutive years or more to the IEPF in respect of dividend declared by erstwhile Dishman Pharmaceuticals and Chemicals Ltd. ("DPCL") and the Company

Dividend for the Financial Year	Dividend Declaration Date	Proposed due date for transfer of Unclaimed and Unpaid Dividend amount and shares to the IEPF	Year wise amount of unpaid/ unclaimed dividend lying in the unpaid account as on 31/03/2021
2013-14	4th September, 2014	3rd October, 2021	1,75,152.00
2014-15	29th September, 2015	28th October, 2022	1,75,458.00
2015-16 (Interim Dividend)	10th March, 2016	9th April, 2023	2,21,006.00
2016-17 (Interim Dividend)	13th February, 2017	12th March, 2024	3,08,389.20
2018-19	24th September, 2019	23rd October, 2026	42,601.80

Note: No claims will lie against the Company or the IEPF in respect of the said unclaimed amounts and shares when transferred to the IEPF, therefore, shareholders are requested to claim before the aforesaid due dates.

(h) Details of Unclaimed Shares

As per Regulation 39(4) read with Schedule VI of SEBI (LODR) Regulations, 2015, erstwhile DPCL has one case consists of 500 unclaimed shares which were transferred to the Investor Education and Protection Fund (IEPF) of the Central Government as per Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 by the Company on 27th December, 2017.

Further, as the members are aware that as per the Scheme of Merger, erstwhile DPCL, has been merged into Dishman Carbogen Amcis Ltd. (DCAL/ the Company), vide order of Hon'ble High Court, Gujarat dated 16th December, 2016. Pursuant to the Scheme of arrangement and amalgamation, on 6th June, 2017, the Company has issued and allotted 16,13,94,272 equity shares of ₹ 2/- each, as fully paid-up equity shares to the shareholders of erstwhile DPCL in the ratio of 1 (one) share of the Company for every 1 (one) share held in erstwhile DPCL to those shareholders whose names appear in the Register of Members / List of Beneficial owners as on the Record Date.

Pursuant to the said Scheme, when the Company has sent physical shares certificate to the shareholders who holds shares in physical mode, some of them were returned undelivered by the Postal Authorities. Also, when the Corporate Action for the allotment of shares was carried out through National Security Depository Limited and Central Depository Services Limited for crediting the equity shares allotted pursuant to the Scheme, various technical errors such as Incorrect Demat Account Number, Incorrect order of the names etc. were found. Thereafter, the Company has allotted and issued physical shares certificate against their old shares and the Company has dispatched the new shares certificate for their equity shares at their registered address. However, some of the share certificate(s) of the Company sent to them at their registered address has been returned undelivered by the Postal Authorities. Hence, there were 5 (five) shares certificates comprising of 183 equity shares of ₹ 2/- each allotted to 5 (five) shareholders were returned undelivered to the RTA i.e. Link Intime India Private Limited, due to incorrect address or for some other reason.

As per Regulation 39(4) read with Schedule VI of SEBI (LODR) Regulations, 2015, the Company had sent four reminders on 8th December, 2020, 24th December, 2020, 10th January, 2021 and 16th February, 2021 to the unclaimed shareholders to claim their shares certificate. Also, the Company has published Newspaper Advertisement as a part of good corporate governance on 18th March, 2021 regarding the same. As a result, 143 equity shares were remained unclaimed of 4 (four) shareholders.

Thus, the status of unclaimed physical shares as of date is as under :

Particulars	At the beginning of the year	Approached for unclaimed shares during the year	Credit effected during the year	Number of shares transferred to IEPF of the Central Government during the year	At the end of the year
No. of outstanding Shareholders	5	1	1	NIL	4
No. of outstanding unclaimed shares	183	40	40	NIL	143

The Company is in the process of transfer of above-mentioned unclaimed shares into the Unclaimed Shares Suspense Account and after transferring the outstanding 143 unclaimed shares to the said account, the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Shares transferred to IEPF during the year

Pursuant to the said IEPF Rules, the Equity shares in respect of which dividend has not been claimed/ encashed for seven or more consecutive years is require to transfer to the Investor Education and Protection Fund (IEPF) of the Central Government. In this regard, during the Financial Year 2020-21, after completing necessary procedure prescribed in the said IEPF Rules, the Company had transferred 1900 equity shares to the IEPF pursuant to Section 124 (6) of the Companies Act, 2013 read with Rule 6 of the IEPF Rules. The details of such Shareholders are available at the website of the Company at www.imdcal.com. The voting rights on the shares transferred to IEPF shall remain frozen till the rightful owner claims the shares. Please note that once such shares are transferred to the IEPF, the same can be claimed from the IEPF Authority as per the procedure prescribed under the Rules.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

(a) Constitution & Composition of CSR Committee

The Company has constituted CSR Committee on 17th March, 2017 as required under Section 135 of the Companies Act, 2013 and rules framed there under.

The composition of the CSR Committee is given below:

Name	Designation	Category
Mr. Janmejay R. Vyas	Chairman	Non-Executive and Non-Independent Director
Mr. Arpit J. Vyas	Member	Non-Independent Director
Mr. Sanjay S. Majmudar	Member	Independent Director

The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013, as amended from time to time.

(b) Corporate Social Responsibility (CSR) Committee Meetings:

During the year under review, CSR Committee Meeting was held through video conferencing / other audit-visual mode on 3rd June, 2020 where all members were present. The Committee has also passed circular resolutions on 13th July, 2020 and 20th January, 2021.

(c) Terms of reference of the Committee, *inter alia*, includes the following:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under.
2. To recommend the amount of expenditure to be incurred on the CSR activities.
3. To monitor the implementation of framework of CSR Policy.
4. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

(d) CSR Policy

Your Company has formulated a CSR Policy and made amendment in it as per the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified by the Ministry of Corporate Affairs on January 22, 2021, which is uploaded on the Company's website www.imdcal.com.

8. RISK MANAGEMENT COMMITTEE

(a) Composition

The Company has constituted Risk Management Committee on 23rd January, 2019 pursuant to the SEBI Notification No. SEBI/LAD-NRO/GN/2018/10 dated 9th may, 2018 read with Regulation 21 of SEBI (LODR) Regulations, 2015. The constitution, composition and functioning of the Risk Management Committee also meets the requirements of Regulation 21 of SEBI (LODR) Regulations, 2015.

The composition of the Risk Management Committee during the financial year 2020-21 is as follow:

Name	Designation	Category
Mr. Janmejay R. Vyas	Chairman	Non-Executive and Non-independent Director
Mr. Arpit J. Vyas	Member	Executive Director
Mr. Harshil R. Dalal	Member	Global CFO

Further, with the introduction of SEBI Notification No. SEBI/LAD-NRO/GN/2021/22 dated 5th May, 2021, amendment made in Regulation 21 of SEBI (LODR) Regulations, 2015. Pursuant to the said amendment, there is need to make changes in composition of Risk Management Committee. Accordingly, the Company has revised the composition of the Committee.

The present composition of the Risk Management Committee is as follow:

Name	Designation	Category
Mr. Janmejay R. Vyas	Chairman	Non-Executive and Non-independent Director
Mr. Arpit J. Vyas	Member	Executive Director
Mr. Harshil R. Dalal	Member	Global CFO
Mr. Sanjay S. Majmudar	Member	Non-Executive and Independent Director

(b) Terms of Reference

Terms of reference of the Risk Management Committee include oversight of risk management performed by the executive management; Reviewing the Corporate Risk Management Policy and framework within the local legal requirements; Reviewing risks and evaluate treatment including initiating mitigation actions and ownerships as per a predefined cycle; defining framework for identification, assessment, monitoring, mitigation and reporting of risks; to monitor and review the risk management plan including Cyber security and also include those specified under the Regulation 21 of SEBI (LODR) Regulations, 2015.

With the introduction of SEBI Notification No. SEBI/LAD-NRO/GN/2021/22 dated 5th May, 2021 amending SEBI (LODR) Regulations, 2015 which will be effective from different dates in phase manner, role of the risk management committee has been set out in Paragraph C of Part D of Schedule II of SEBI (LODR) Regulations, 2015 and delegated a power to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary. Accordingly, the Company has revised the role and power of Risk Management Committee in the meeting of Board of Directors held on 11th May, 2021.

The Committee reviews the information as listed under Regulation 21 of SEBI (LODR) Regulations, 2015 read with Schedule II Part D (C) as amended from time to time.

(c) Meetings and attendance

During the year under review, Risk Management Committee Meeting was held through video conferencing / other audit-visual mode on 11th February, 2021 where all members were present.

The Audit Committee and Board shall also periodically oversee and review the Risk Management System and compliance thereto.

9. INFORMATION ABOUT GENERAL BODY MEETINGS:

(a) Annual General Meeting

Details of Venue, Date and Time of the Last Three Annual General Meetings are as follows:

Year	Venue	Date	Time
2017-2018	H. T. Parekh Hall, 1st Floor, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015	20/09/2018	10:00 a.m.
2018-2019	H. T. Parekh Hall, 1st Floor, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015	24/09/2019	11:00 a.m.
2019-2020	Meeting conducted through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) as per MCA and SEBI Circulars	28/09/2020	01:00 p.m.

(b) Special Resolution (without postal ballot) passed at the Last Three AGM

Year	Date of AGM	No. of Resolutions Passed	Particulars
2017-18	20/09/2018	3	• Re-appointment of Mr. Ashok C. Gandhi (DIN – 00022507), as an Independent Director for a second term of consecutive five (5) years effective from 1st April, 2019 up to 31st March, 2024 • To Re-appointment of Mr. Sanjay S. Majmudar (DIN – 00091305), as an Independent Director for a second term of consecutive five (5) years effective from 1st April, 2019 up to 31st March, 2024. • To approve the payment of Remuneration by way of commission to Non-Executive Directors pursuant to provisions of Section 197 of the Companies Act, 2013
2018-19	24/09/2019	4	• Re-appointment of Mr. Subir Kumar Das (DIN – 02237356), as an Independent Director for a second term of consecutive five (5) years effective from 15th December, 2019 up to 14th December, 2024. • Re-appointment of Mr. Rajendra Shah (DIN – 00061922), as an Independent Director for a second term of five (5) consecutive years effective from 2nd April, 2020 up to 1st April, 2025. • Payment of remuneration to Mr. Janmejay R. Vyas (DIN – 00004730), Chairman of the Company for rendering professional service to the Company. • To approve continuation of payment of remuneration to Executive Directors viz. Mr. Arpit J. Vyas (DIN – 01540057) and Mrs. Deohooti J. Vyas (DIN – 00004876), who are Promoters in excess of threshold limits as prescribed under Regulation 17(6) (e) of SEBI (LODR) (Amendment) Regulations, 2018.
2019-20	28/09/2020	2	• Re-appointment of Mrs. Deohooti J. Vyas (DIN 00004876) as a Whole-time Director for a term of five (5) consecutive years effective from 3rd September, 2021 up to 2nd September, 2026. • Payment of remuneration to Mr. Janmejay R. Vyas (DIN – 00004730), Director of the Company for rendering professional service to the Company.

(c) Postal Ballot Resolutions

The Company did not pass any special resolution through Postal Ballot during the last year.

(d) Whether any resolution is proposed to be conducted through postal ballot

No Special resolution is proposed to be conducted through postal ballot.

10. MEANS OF COMMUNICATION

(a) Financial Results

The Company regularly intimates quarterly unaudited as well as yearly audited financial results to the stock exchanges, immediately after the same are taken on record by the Board.

(b) Newspapers wherein results normally published

Results are normally published in Indian Express (English edition) and in Financial Express (Gujarati edition). These are not sent individually to the shareholders.

(c) Website, News Releases, Presentation etc.

The Company's results, annual reports and official news releases are displayed on the Company's web-site www.imdcal.com. The said Company's website also containing basic information about the Company includes information about the Company's business, financial information, shareholding pattern, compliance with corporate governance, Company's director, registrar & transfer agent, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances etc.

The Company had meetings with and made presentations to the institutional investors and analysts during the year and the presentation made to analysts and investors are uploaded on the website of the Company.

NSE Electronic Application Processing System (NEAPS)

The NEAPS is a web based application designed by National Stock Exchange of India Ltd. (NSE) for corporates. The Shareholding Pattern, Financial Result, Corporate Governance Report and all the intimation/ disclosures of the Company are also filed electronically on NEAPS.

BSE Listing Center

BSE Limited has also launched a web based system for corporates to make their periodic submission of compliances online. Your company is also filing the Shareholding Pattern, Financial Result, Corporate Governance Report and all the intimation/ disclosures through the BSE Listing Center.

Processing of investor complaints in SEBI Complaints Redress System (SCORES)

SEBI has commenced processing of investor complaints in a centralized web based complaints redress system "SCORES". By this facility investors can file their complaints on line and also view online movement of their complaints. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.

Price Sensitive Information

All price sensitive information and announcements are communicated immediately after the Board decisions to the Stock Exchanges, where the Company's shares are listed, for dissemination to the Shareholders. The said information are also uploaded on the Company's website.

11. OTHER DISCLOSURES:

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large

There were no materially significant related party transactions that may have potential conflict with the interests of the Company.

(b) Details of non-compliance by the Company, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

Your Company has complied with all the requirements of regulatory authorities. No penalty/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market.

(c) Vigil Mechanism/ Whistleblower Policy

The Company has adopted the Whistleblower Policy and has established the necessary vigil mechanism for stakeholders, including individual employees and their representative bodies and directors to report concerns about illegal or unethical practices, unethical behavior, actual or suspect fraud or violation of Code of Conduct. It also provides adequate safeguard against the victimization of employees who avail of the mechanism and allows direct access to the Chairman of the Audit Committee. No person has been denied access to the Chairman of Audit Committee. The said policy is uploaded on the Company's website www.imdcal.com.

(d) Material Subsidiary

Company has Seven Material Subsidiary Companies i.e. (i) CARBOGEN AMCIS AG.; (ii) Dishman CARBOGEN AMCIS (Europe) Ltd.; (iii) CARBOGEN AMCIS Holding AG; (iv) CARBOGEN AMCIS B.V.; (v) Dishman Carbogen Amcis (Singapore) Pte. Ltd.; (vi) CARBOGEN AMCIS Specialities AG and (vii) CARBOGEN AMCIS Innovations AG whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year. The Company has complied with all compliances related to its Material Subsidiary.

The Company does not have any Unlisted Material Indian Subsidiary.

The Company has policy for determining "Material Subsidiary" which is uploaded on the website of the Company on https://imdcal.com/images/files/Investor-Relations/Policies%20of%20Dishman%20Carbogen%20Amcis%20Limited/Policy%20for%20Determining%20Material%20Subsidiary.pdf

(e) Basis of Related Party Transaction

There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of company at large in the financial year 2020-21. Related party transaction during the year have been disclosed vide note no. 31 of notes on financial statement as per requirement of Ind AS 24 on related party disclosure issued by ICAI.

These transactions are not likely to conflict with the interest of the Company at large. All significant transaction with related parties is placed before audit committee periodically.

Also, transactions of the Company with entity belonging to the promoter group which hold(s) 10% or more shareholding in the listed entity i.e. Adimans Technologies LLP, during the year under review has been disclosed in note no. 31 of notes on financial statement.

The Board has approved a policy of materiality of related party transactions which is uploaded on the website of the Company https://imdcal.com/images/files/Investor-Relations/Policies%20of%20Dishman%20Carbogen%20Amcis%20Limited/Policy%20on%20materiality%20of%20Related%20Party%20Transactions%20and%20on%20dealing%20with%20Related%20Party%20Transactions.pdf

The Company's major related party transactions are generally with its wholly owned subsidiaries. The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates. All related party transactions are negotiated on arms length basis and are intended to further the interests of the Company.

(f) Details of compliance with the mandatory requirements and extent of compliance with non-mandatory requirements

- **Compliance with the Corporate Governance Code**

The Company has complied with all the mandatory Corporate Governance requirements as well as specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) Regulations, 2015.

- The Company has complied with the requirement of corporate governance report mentioned under sub-para (2) to (10) of Part C of Schedule V of SEBI (LODR) Regulations, 2015.

- **Extent of compliance with the non-mandatory requirements and Discretionary Requirements specified in Part E of Schedule II**

o **Shareholder's Rights:** Quarterly, Half yearly and yearly financial results including summary of significant events are presently not being sent to the shareholders of the Company. However, quarterly financial results are published in the leading new papers and are also available on the website of the Company.

o **Modified Opinion(s) in Audit Report:** there is no qualification on Auditor's report on standalone and consolidated financial statement to the shareholder of the Company.

o **Reporting of Internal Auditor:** The Board has appointed Internal Auditor of the Company. The Internal Auditor of the Company is regularly invited to the Audit Committee meeting and regularly attends the meeting. The Internal Auditors give quarterly presentation on their audit observation to the Audit Committee.

The Company has obtained a Certificate from CS Ashok P. Pathak of M/s. Ashok P. Pathak & Co., Company Secretaries, Ahmedabad on compliance of conditions of Corporate Governance requirement as required under Schedule V (E) read with Regulation 34 (3) of SEBI (LODR) Regulations, 2015 and has attached the said certificate with the Boards' Report.

(g) Disclosure of accounting treatment in preparation of Financial Statements

Your Company has followed all relevant Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) while preparing financial statement.

(h) MDA

Management Discussion and Analysis Report is set out in a separate section included in this Annual Report and forms part of this Report.

(i) CEO/CFO Certificate

In compliance of the Regulation 17(8) of SEBI (LODR) Regulations, 2015, the Global Managing Director and Global Chief Financial Officer of the Company give annual Certification on financial reporting and internal Control to the Board. As per the requirement of Regulation 33(2)(a) of SEBI (LODR) Regulations, 2015 the Managing Director and Chief Financial Officer also gives quarterly Certification on financial results while placing the financial results before the Board.

(j) Risk Management Policy

The Company has framed formal Risk Management framework for risk assessment and risk minimization for Indian operation which is periodically reviewed by the Board of Directors to ensure smooth operations and effective management control. The Audit Committee also reviews the adequacy of the risk management frame work of the Company, the key risks associated with the business and measures and steps in place to minimize the same.

(k) Dividend Distribution Policy

As per amendment made in Regulation 43A of SEBI (LODR) Regulations, 2015 vide SEBI Notification No. SEBI/LAD-NRO/GN/2021/22 dated 5th May, 2021, top 1000 companies based on market capitalization (calculated as on March 31 of every financial year) are required to formulate Dividend Distribution Policy. The Board has approved the Dividend Distribution Policy in line with said Regulation which is uploaded on the website of the Company https://imdcal.com/images/files/Investor-Relations/Policies%20of%20Dishman%20Carbogen%20Amcis%20Limited/Dividend%20Distribution%20Policy.pdf.

(l) Other Policies

The Company has also formulated Business Responsibility Policy; policy for preservation & Archival of documents and a policy for determining materiality of event and information for disclosures as per Listing Regulation, 2015.

Policy on Criteria of making payment to Non-Executive Directors.

The Board approved policy on Criteria of making payment to Non-Executive Directors as per Companies Act, 2013 and made amended from time to time.

Further, MCA vide its circulars dated 18th March, 2021 notifies amendment in Section 149(9) and Section 197 including Schedule V of the Companies Act, 2013 which allow the Independent Director to take remuneration in case of Company has no profit or inadequate profit subject to the provisions of Schedule V. Hence, the Company has revised Criteria of making payment to Non-Executive Directors to that extent.

The said policies are available on the website of the Company.

(m) Conflict of Interest

The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

(n) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

No funds were raised through preferential allotment or Qualified Institutional Placement as per the Regulation 32(7A) of Listing Regulations.

(o) Confirmation and Certification

On an annual basis, the Company obtains from each Director, details of the Board and Board Committee positions he/she occupies in other Companies, and changes if any regarding their Directorships. The Company has obtained a certificate from CS Ashok P. Pathak of M/s. Ashok P. Pathak & Co., Company Secretaries, Ahmedabad, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this report.

(p) Payment to Statutory Auditors

During 2020-21, total fees for all services paid by the Company and the subsidiaries, on a consolidated basis, to the Joint Statutory Auditors i.e. M/s. Haribhakti & Co. LLP and M/s. V. D. Shukla & Co., and all the entities in the network firm/network entity of which Joint Statutory Auditors is a part are as under:

- M/s. Haribhakti & Co. – ₹ 41.50 lacs
- M/s. V. D. Shukla & Co. – ₹ 20.50 lacs

(q) Sexual Harassment of Women at Workplace

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("Sexual Harassment Act"). Internal Complaints Committee (ICC) has been constituted for the Company's various sites and workplace in compliance with the provisions of Sexual Harassment Act to redress complaints received regarding sexual harassment. There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment Act.

(r) SEBI (Prohibition of Insider Trading) Regulations, 2015

The Company has approved/adopted Code of Conduct for Insider Trading, as per SEBI (Prohibition of Insider Trading) Regulations, 2015 ["SEBI (PIT) Regulations"] on 17th March, 2017 and amended from time to time. The Company is availing "*Trackin Software*" facility of RTA i.e. Link Intime India Pvt. Ltd. to track Insider Trading transactions which help to monitor, report and maintain digital data base with adequate & effective internal control and checks on insider trading as required under SEBI (PIT) Regulations.

This software helps to maintain following to comply with the requirement of SEBI (PIT) Regulations:

i) structured digital database with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database; and

ii) adequate and effective system of internal controls to ensure compliance with the requirements given in SEBI (PIT) Regulations to prevent insider trading; and

iii) to monitor and reporting of trading by the designated persons.

Various Report generate from the said *Trackin Software* which helps the Company to comply SEBI (PIT) Regulations and to monitor transaction done by Designated Person in effective way. The necessary changes also made from time to time in this software according to the amendments made in SEBI (PIT) Regulations.

(s) Availed services of CDSL and NSDL to update e-mail ids of shareholders to send notice of 13th Annual General Meeting in compliance with the concern circulars issued by MCA and SEBI

In view of the unprecedented outbreak of COVID-19 pandemic, MCA and SEBI vide their Circulars allowed Companies to hold Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of members at a common venue. Further, the said circulars have also permit to send Annual Report to

Shareholders through email only and dispensed with the printing and dispatch of physical copy of annual reports to shareholders.

Accordingly, Notice of AGM along with the Annual Report for FY 2019-20 was being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. In this regard, as a part of Good Corporate Governance, the Company had availed services of both Depositories viz. Central Depository Services (India) Limited ("CDSL") and National Securities Depository Limited ("NSDL") to update the e-mail IDs of the shareholders to send Notice of AGM along with the Annual Report for FY 2019-20. By the said services, shareholders can update their email ID directly without approaching their DP, where they maintain their demat account. CDSL and NSDL had sent total three reminders requesting the shareholders to update their e-mail ID.

(t) During the year, the Board has accepted all the recommendations made by various committees including Audit Committee. There have been no instances during the year where recommendations of the any Committee were not accepted by the Board.

12. GENERAL SHAREHOLDER INFORMATION

(a) Company Registration Details

The Company is registered under the Companies Act, 1956 with the Office of Registrar of Companies, Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is: L74900GJ2007PLC051338.

(b) 14th Annual General Meeting

Date & Time	Venue
19th day of July, 2021 at 03:00 p.m. (IST)	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circulars and SEBI Circular and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

(c) Financial Year

Financial Year is commencing from 1st April to 31st March and financial results will be declared as per the following schedule.

Financial Results ended	Timeline
30th June, 2021	- 45 days from end of Quarter 30th June, 2021
30th September, 2021	- 45 days from end of Quarter 30th September, 2021
31st December, 2021	- 45 days from end of Quarter 31st December, 2021
Audited Results for the year ended on 31st March, 2022	- 60 days from end of Financial Year (i.e. on or before 30th May, 2022)

Note: Due to COVID-19 pandemic, SEBI vide circular dated 19th March, 2020 extended the time limit for submitting financial results under Regulation 33 of SEBI (LODR) Regulations, 2015 till 30th June, 2020 for the quarter and year ended 31st March, 2020. Accordingly, the Company has submitted the said financial results within the extended time limit.

(d) Date of Book Closure

Not Applicable.

(e) Dividend Payment Date

Not Applicable. The Board of Directors of the Company does not recommend any dividend for the financial year ended 31st March, 2021.

(f) Listing on Stock Exchanges

A. Equity Shares

The equity shares of the Company are listed on following two Stock Exchanges having nationwide trading terminals.

Name of Stock Exchanges	Address
BSE Ltd.	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.
National Stock Exchange of India Ltd. (NSE)	"Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051

- Annual listing fees for the FY 2021-22, as applicable, have been paid before due date to the concerned Stock Exchanges.
- The Company has also paid Annual custodial fees for the year 2021-22 as applicable, to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
- As on 31st March, 2021, there were 60,164 shareholders of the Company.

B. Debt Security

Not Applicable. Presently, there is no debt security is outstanding or listed on any stock exchanges.

(g) Stock Code of Equity Shares of the Company

BSE Ltd.	540701
National Stock Exchange of India Ltd.	'DCAL, 'EQ'
Group / Index	A/ S&P BSE 500
ISIN Number in NSDL & CDSL for Equity Shares	INE385W01011

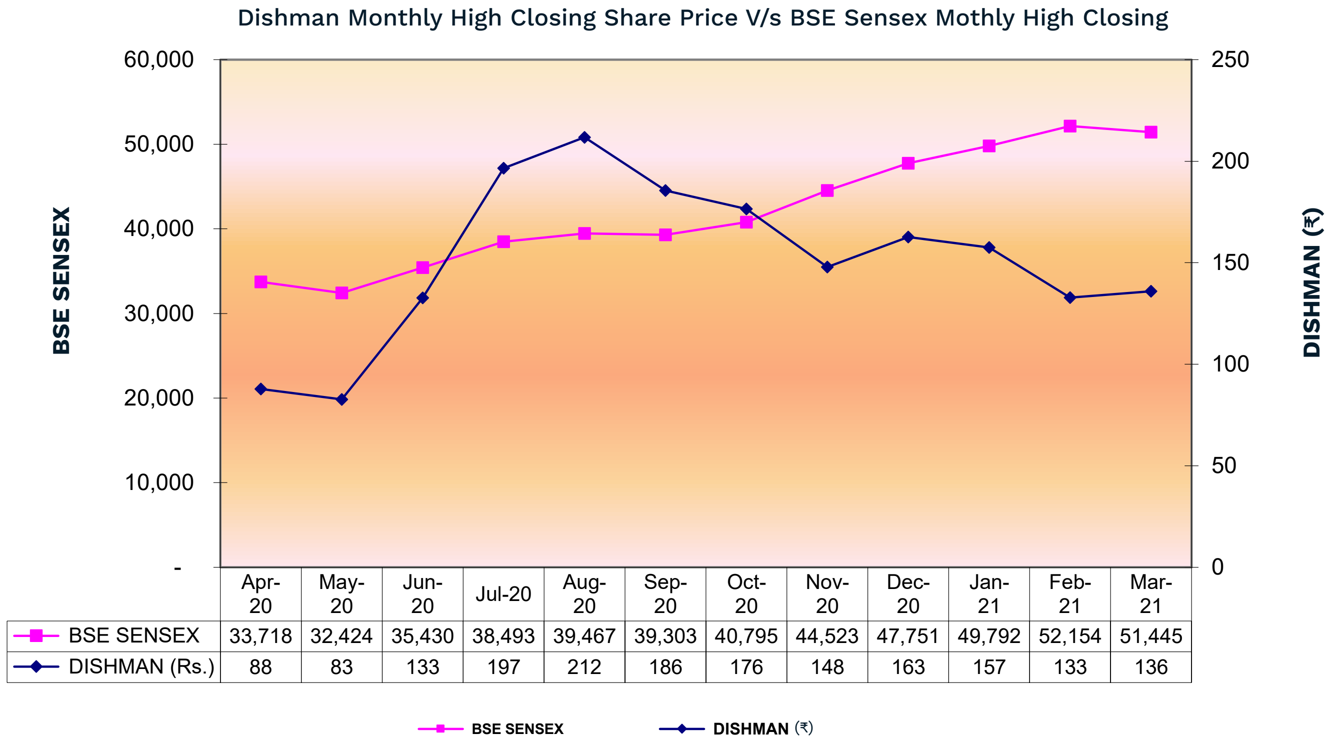
(h) Market Price Data

The table below sets forth, for the periods indicated, the Closing high and low, volume and total volume of trading activity on the BSE and NSE for the equity shares of the Company.

(Price in ₹ Per share)

Month Volume	NSE			BSE			Total
	High	Low	Volume	High	Low	Volume	(NSE & BSE)
Apr-20	88.01	56.00	9,91,059	87.80	56.25	1,48,389	11,39,448
May-20	83.30	64.55	4,30,386	82.70	64.50	1,34,399	5,64,785
Jun-20	132.95	66.95	53,35,028	132.70	66.90	3,63,833	56,98,861
Jul-20	196.45	126.00	17,58,518	196.55	125.85	2,51,103	20,09,621
Aug-20	212.60	176.20	18,13,999	211.80	176.15	2,99,461	21,13,460
Sep-20	185.40	145.30	8,82,823	185.60	145.45	1,49,016	10,31,839
Oct-20	176.50	151.70	11,66,094	176.45	151.65	1,20,745	12,86,839
Nov-20	148.00	132.20	9,98,150	147.85	132.10	1,05,933	11,04,083
Dec-20	162.90	137.00	18,55,597	162.70	137.00	2,37,513	20,93,110
Jan-21	157.60	122.55	43,58,299	157.45	122.65	5,28,785	48,87,084
Feb-21	132.85	117.75	10,41,260	132.80	117.90	1,41,122	11,82,382
Mar-21	136.00	103.50	53,56,935	135.95	103.40	5,55,294	59,12,229

(i) Price Movement Chart of DISHMAN V/s. BSE Sensex



(j) Distribution of Shareholding Pattern as on 31st March, 2021

No. of Equity Shares Held			No. of Share Holders	% of Share Holders	No. of Equity Shares Held	% of total Holding
1	-	500	51751	86.02	66,22,251	4.22
501	-	1,000	4230	7.03	33,81,598	2.16
1,001	-	2,000	2090	3.47	32,41,310	2.07
2,001	-	3,000	738	1.23	18,93,334	1.21

3,001	-	4,000	304	0.51	10,96,289	0.70
4,001	-	5,000	258	0.43	12,32,814	0.79
5,001	-	10,000	422	0.70	31,18,885	1.99
10,001	and	Above	371	0.62	13,61,96,614	86.87
Total			**60,164**	**100.00**	**15,67,83,095**	**100.00**

(k) Shareholding pattern as on March 31, 2021

Sr. No.	Category	No. of Shares Held	% of Holding
1	Promoters	9,30,07,442	59.32
2	Mutual Fund & UTI	1,38,18,093	8.81
3	Alternate Investment Fund	1,50,000	0.10
4	Bank, Financial Institutions (FI's), Insurance Companies	50,100	0.03
5	Foreign Portfolio Investors (FPIs)	99,99,909	6.38
6	Private Bodies Corporate	28,54,228	1.82
7	Indian Public	3,38,59,399	21.60
8	Any Other		
	(i) Non Resident Indian	9,70,528	0.62
	(ii) HUF	12,61,208	0.80
	(iii) Clearing Members	7,28,251	0.47
	(iv) Independent Directors & Relatives and their holding	67,300	0.04
	(v) IEPF	6,537	0.00
	(vi) Trust	10,100	0.01
	Total	**15,67,83,095***	**100.00**

*The Company has decided to Buy-Back of shares in its Board Meeting held on 16th January, 2020 and pursuant to the Public Announcement ('PA') published on January 20, 2020, the Company commenced the Buy-back of equity shares of face value of ₹ 2/- each fully paid up, from open market through Stock Exchanges from January 27, 2020.

Pursuant to the said buy-back, during the year the Company's share capital has been reduced by 80,000 equity shares (aggregating to 0.05%) of ₹ 2/- each, after extinguishment of said shares purchased up to the month of March 2021. Hence, as on 31st March, 2021 the paid-up share capital of the Company stand at ₹ 31,35,66,190/- divided into 15,67,83,095 equity shares of ₹ 2/- each.

(l) Dematerialization of Shares & Liquidity

The Company's shares are in compulsory demat segment and as on 31st March, 2021, 15,67,82,237 equity shares of the Company, forming 99.99% of the Company's paid-up equity share capital, is in dematerialized form. Company's shares are easily traded on both the stock exchanges i.e. BSE and NSE.

(m) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on equity

The Company has no outstanding GDRs/ADRs/ Warrants/Options or any convertible Instruments as on 31st March, 2021.

(n) Commodity Price Risk / Foreign Exchange Risk and Hedging Activities

Company sources its raw material requirement from domestic and international markets. The import bills are paid out of disbursements of foreign currency packing credit loans and the currency risk is avoided to the extent. The Company is major exporter and the Export sales constitute more than 90% of the total sales of the Company. Export proceeds are used to liquidate PCFC loans, leaving surplus in EEFC account for utilization to meet other remittances. Because of natural hedging through substantial export receivables the fluctuations may get offset. However, in view of availability of forex being net earner, repayment obligations are met out of natural hedge.

The Company has also Risk Management framework to pro-actively mitigate the impact through measures like cost-based price increases, cost reduction measures, portfolio rationalization, re-negotiating procurement contracts etc. The Company also develops on an ongoing basis alternate supply sources for key products subject to economic justification.

The Company has significant revenues emanating from overseas countries, which are subject to currency risk, in addition to financing activities. Exchange rate fluctuations could significantly impact earnings and net equity because of invoicing in foreign currencies, expenditures in foreign currencies, foreign currency borrowings and translation of financial statement of overseas subsidiaries into Indian Rupees.

Your Company has managed the foreign exchange risk with appropriate hedging activities in accordance with policies of the Company. The Company uses forward exchange contracts to hedge against its foreign currency exposures relating to firm commitment. Foreign exchange transactions are fully covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time. There are no materially uncovered exchange rate risks in the context of the Company's imports and exports.

Company does not have any exposure to commodity and any exposure hedge through commodity during the financial year 2020-21.

(o) Share Transfer System

All the shares related work is being undertaken by our RTA, Link Intime India Pvt. Ltd., Mumbai. To expedite the process of share transfer, transmission, split, consolidation, rematerialistion and dematerialisation etc. of securities of the Company, the Board of Directors has delegated the power of approving the same to the Company's RTA under the supervision and control of the Company Secretary, who is placing a summary statement of transfer/transmission, etc. of securities of the Company at the meetings of the Stakeholders Relationship Committee.

In terms of Regulation 40 of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI has fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Shares lodged for transfer at the RTA address in physical form are normally processed and approved within 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Normally, all the requests for dematerialization of shares are processed and the confirmation is given to the Depository within 15 days. The investors/ shareholders grievances are also taken-up by our RTA.

The Company has obtained and filed with the Stock Exchange(s), the half yearly certificates from a Company Secretary in practice for due compliance with the share transfer formalities as required under Clause 40(9) of SEBI (LODR) Regulations, 2015 read with SEBI Circular no. SEBI/ HO/MIRSD/RTAMB/CIR/P/2020/59, dated April 13, 2020.

(p) Reconciliation of Share Capital Audit Report

The Reconciliation of Share Capital Audit Report of the Company prepared in terms of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, reconciling the total shares held in both the depositories, viz. NSDL and CDSL and in physical form with the total issued/ paid-up capital of the Company were placed before the Stakeholders Relationship Committee every quarter and also submitted to the Stock Exchange(s) every quarter.

(q) Registrar and Share Transfer Agent (RTA)

Link Intime India Pvt. Ltd.
C-101, 247 Park, L.B.S Marg,
Vikhroli West, Mumbai–400083
Tel. No. 91-22-49186000,
Fax No.: 91-22-49186060
E mail: mumbai@linkintime.co.in

Branch Offices: Ahmedabad

506-508, Amarnath Business Centre-1, (ABC-1), Besides Gala Business Centre, Near St. Xavier's College Corner, Off C G Road , Ellisebridge, Ahmedabad - 380 006
Tel No: 079-26465179;
Fax No: 079-26465179;
Email: ahmedabad@linkintime.co.in

Coimbatore

Surya 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore–641028,
Tel:0422-2314792,
Email: coimbatore@linkintime.co.in

Kolkata

59 C Chowringhee Road, 3rd Floor, Kolkata - 700 020.
Tel : 033 22890540,
Telefax : 033 – 22890539;
Email : kolkata@linkintime.co.in

New Delhi

Noble Heights, 1st floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi – 110058
Tel : 011 - 4141 0592/93/94
Telefax : 011 - 4141 0591
Email : delhi@linkintime.co.in

Pune

Block No. 202, 2nd Floor, Akshay Complex, Near Ganesh Temple, Off. Dhole Patil Road, Pune - 411 001
Tel : 020-26161629/26160084,
Fax: 020-26163503
Email pune@linkintime.co.in

Vadodara

Shangrila Complex, 1st Floor, Opp. HDFC Bank, B Tower, 102 B and 103, Nr. Radhekrishna Char Rasta, Akota, Vadodara 390020
Tel: 0265-2356573/2356794
Fax: 0265-2356791
Email: vadodara@linkintime.co.in

(r) Credit Rating:

Earlier, India Ratings & Research Pvt. Ltd. ("Ind-Ra") had affirmed/assigned rating of the Company for Long Term Facilities as "IND A+"(RWE) and Short Term Facilities as "IND A1+" (RWE). Thereafter, the "Rating Watch Evolving" ("RWE") outlook was resolved and the Credit Rating Outlook changed by Ind-Ra from "Rating Watch Evolving" ("RWE") to "Positive". The current credit rating of the company for Long Term Facilities as "IND A+ with a Positive Outlook" and Short-Term Facilities as "IND A1+".

(s) Plant Location (Indian Operation)

- **Naroda Plant :**
  Phase - IV, 1216/20, G.I.D.C. Estate, Naroda, Ahmedabad – 382 330. (Also other Plots in Phase-I and IV).
- **Bavla Plant :**
  Survey No. 47, Paiki Sub Plot No. 1, Village - Lodariyal, Taluka- Sanand, District - Ahmedabad. (Also various other Adjacent Plots).

(t) Address of the Correspondence

For Share Transfers / Dematerialization or other queries relating to shares of the Company (RTA)	For Dividend and other queries relating to shares: Company Address (Secretarial Department)
Link Intime India Pvt Ltd C-101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai–400083 Tel. No. 91-22-4918 6000, Fax No.: 91-22-4918 6060 E mail: mumbai@linkintime.co.in	**Dishman Carbogen Amcis Limited** Dishman Corporate House, Iscon – Bopal Road, Ambli, Ahmedabad – 380 058 Tel. No.: 02717-420102/124 Email: grievance@dishmangroup.com

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

Schedule V (D) of Regulation 34(3) of SEBI (LODR) Regulations, 2015

This is to certify that the Company has laid down the rules for Code of Conduct for the members of the Board and senior management, as per the Regulation 17 of SEBI (LODR) Regulations, 2015.

I hereby further certify that the Company has received affirmation on compliance with rules of Code of Conduct, from the Board Members and senior management personnel for the financial year ended on March 31, 2021, as per the requirement of Regulation 26(3) of SEBI (LODR) Regulations, 2015.

Date: 11th May, 2021
Place: Vitznau

Arpit J. Vyas
Global Managing Director
DIN – 01540057

CERTIFICATE BY COMPANY SECRETARY IN PRACTICE

[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
Dishman Carbogen Amcis Limited

Dishman Carbogen Amcis Ltd (CIN- L74900GJ2007PLC051338) is having it registered office at Dishman Corporate House, Iscon-Bopal Road, Ambli, Ahmedabad GJ 380058 (hereinafter referred to as 'the Company'). The equity shares of the Company are listed on BSE Limited (Script Code 540701) and National Stock Exchange of India Limited (Symbol : DCAL Series : EQ).

1. We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the company, produced before us by the Company for the purpose of issuing this Certificate in accordance with sub-regulation (3) of Regulation 34 read with Schedule V Para C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. As on 31st March, 2021 the Board of Directors of the Company comprised of:

Sr. No.	Name of Director	DIN	DIN Status	Date of Appointment
1.	Janmejay Rajnikant Vyas	00004730	Approved	17/07/2007
2.	Deohooti Janmejay Vyas	00004876	Approved	17/03/2017
3.	Ashok Chandrakant Gandhi	00022507	Approved	17/03/2017
4.	Rajendra Shantilal Shah	00061922	Approved	17/03/2017
5.	Sanjay Shaileshbhai Majmudar	00091305	Approved	17/07/2007
6.	Arpit Janmejay Vyas	01540057	Approved	07/04/2012
7.	Subir Kumar Das	02237356	Approved	17/03/2017
8.	Mark Christopher Griffiths	06981744	Approved	17/03/2017
9.	Maitri Kirankumar Mehta	07549243	Approved	01/04/2019

3. In our opinion and to the best of our information and according to the verifications (including DIN based search on MCA Portal www.mca.gov.in) and examinations of the disclosures / registers under Section 184, 189, 170, 164, 149 of the Companies Act, 2013 ('the Act'), and information and explanations furnished to us by the company and its officers, we hereby certify as under :

   - None of the above named directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs – MCA or any such statutory authority for the Financial Year ending 31st March, 2021.

4. It is the responsibility of the Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

5. Ensuring the eligibility of 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.

6. This certificate is neither an assurance as the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

7. This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

For, Ashok P. Pathak & Co.,
Company Secretaries,
ICSI Unique Code : S1997GJ020700

CS Ashok P. Pathak*
Proprietor
ACS No : 9939 | COP No : 2662
Peer Review Certificate No. : 492/2016
ICSI UDIN : A009939C000272432

Date: 11th May, 2021
Place: Ahmedabad

* Insolvency Professional (IP) registered with the Institute of Insolvency and Bankruptcy Board of India. (IBBI) IBBI/IPA-002/IP N00329/2017-18/10934

CERTIFICATE ON CORPORATE GOVERNANCE

[Pursuant to Schedule V of SEBI (LODR) Regulations, 2015]

To,
The Members,
Dishman Carbogen Amcis Limited

We have examined the compliance of condition of corporate governance by Dishman Carbogen Amcis Limited for the year ended 31st March, 2021 as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

Managements’ Responsibility

The compliance of condition of corporate governance is the responsibility of the management of the company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditors Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of the corporate governance as stipulated in the Regulation 34 read with Schedule V of Listing Regulations. It is neither an audit nor an expression of opinion of the financial statements of the Company.

We have examined the relevant records and documents maintained by the company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the company.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that Company has complied with the conditions of corporate governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations during the year ended on March 31, 2021.

We 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, Ashok P. Pathak & Co.,
Company Secretaries,
ICSI Unique Code : S1997GJ020700

CS Ashok P. Pathak*
Proprietor
ACS No : 9939 | COP No : 2662
Peer Review Certificate No. : 492/2016
ICSI UDIN : A009939C000272443

Date: 11th May, 2021
Place: Ahmedabad

* Insolvency Professional (IP) registered with the Institute of Insolvency and Bankruptcy Board of India. (IBBI) IBBI/IPA-002/IP N00329/2017-18/10934

INDEPENDENT AUDITOR'S REPORT

To the Members of Dishman Carbogen Amcis Limited

Report on the Audit of the Standalone Ind AS Financial Statements

OPINION

We have audited the accompanying standalone Ind AS financial statements of Dishman Carbogen Amcis Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2021, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 Ind AS financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone Ind AS financial statements.

EMPHASIS OF MATTER

We draw attention to the following matters in the notes to the standalone Ind AS financial statements:

(a) Note 28 of the standalone Ind AS financial statements describing the accounting treatment relating to the Scheme involving merger of Dishman Pharmaceuticals and Chemicals Limited and Dishman Care Limited with Dishman Carbogen Amcis Limited, which has been accounted in the year 2016-17 under the "Purchase Method" as per the then prevailing Accounting Standard 14 – Accounting for Amalgamation in compliance with the Scheme of Amalgamation pursuant to Sections 391 to 394 of Companies Act, 1956 approved by the Hon'ble High Court of Gujarat. In accordance with the Scheme, the Company had recognized Goodwill on Amalgamation amounting to ₹ 1326.86 crores which is amortised over its useful life. This accounting treatment is different from that prescribed under Indian Accounting Standard 103 - Business Combination (Ind AS 103). Had the goodwill not been amortised as required under Ind AS 103, the Depreciation and Amortisation expense as well as Loss before tax for the year ended March 31, 2021 would have been lower by ₹ 88.45 crores.

(b) Notes 39 of the standalone Ind AS financial statements explaining the impact of COVID–19, nationwide lockdown and Note 40 in relation to certain audit observations issued by Swissmedic and European Directorate for the Quality of Medicines & Healthcare (EDQM) on account of joint inspection carried out by them for the Company's manufacturing plant at Bavla and certain Certificate of Suitability (CEPs) were also suspended. As a result, Company's operations, production, revenue and profitability were adversely impacted during the year ended March 31, 2021. The Company continues to monitor the impact of COVID-19 on recoverability of receivables / advances, assessment of impairment of goodwill and intangibles, investments and inventory.

(c) Note 41 of the standalone Ind AS financial statements, which states that due to change brought in by Finance Act, 2021, the depreciation on goodwill will not be available to the Company from Assessment Year 2021-2022 onwards. Due to this, the balance of goodwill amounting to ₹ 275.51 crores as per tax books is treated as a non-deductible temporary difference. As a result of that, the deferred tax liability on the same amounting to ₹ 96.28 crores has been recognized during the year ended March 31, 2021.

Our opinion is not modified in respect of these matters.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How was the matter addressed in our audit
Impairment assessment of the carrying value of Goodwill (Refer Note 3 to the standalone Ind AS financial statements) The Company carries goodwill amounting to ₹ 774.03 crores in its standalone Ind AS financial statements as at March 31, 2021 which was recorded due to the merger of Dishman Pharmaceuticals and Chemical Limited and Dishman Care Limited into Dishman Carbogen Amcis Limited. In terms with Ind AS 36, goodwill is tested for impairment annually at the CGU level whereby the carrying amount of the CGU (including goodwill) is compared with the recoverable amount of the CGU. However the goodwill generated on the merger is amortised over 15 years. The recoverable amount is determined on the basis of the value in use which is the present value of future cash flows of the CGU using discounted cash flow model ('Model'), which involves estimates pertaining to expected business and earnings forecasts and key assumptions including those related to discount and long-term growth rates. These estimates require high degree of management judgment resulting in inherent subjectivity. We considered this as a key audit matter due to significant judgment and assumption involved in estimating future cash flows using the Model.	Our audit procedures on testing for goodwill impairment includes the following: • Obtained an understanding from the management with respect to process and controls followed by the Company to perform annual impairment test related to goodwill and performed necessary audit procedures to test the operating effectiveness of the relevant internal controls during the year ended and as of March 31, 2021; • Evaluated management's identification of CGU's, the carrying value of each CGU and the methodology followed by management for the impairment assessment in compliance with the prevailing accounting standards; • Evaluated appropriateness of key assumptions included in the cash flow forecasts used in computing recoverable amount of each CGU, such as growth rates, profitability, discount rates, etc., with reference to our understanding of their business and historical trends; and comparing past projections with actual results, including discussions with management relating to these projections; • Considered the impairment testing valuation report for goodwill outstanding in standalone books carried on by independent valuer; • Considered the fair value of Investment in subsidiaries based on the valuation certified by the subsidiary auditors; • Performed sensitivity analysis on these key assumptions to assess potential impact of downside in the underlying cash flow forecasts and assessed the possible mitigating actions identified by management; and • Evaluated the appropriateness of the disclosure in the standalone Ind AS financial statements and assessed the completeness and mathematical accuracy.
Impairment assessment of carrying value of investments in subsidiaries (Refer Note 4(a) to the standalone Ind AS financial statements) The Company has equity investments in its unlisted wholly owned subsidiaries amounting to ₹ 2,759.09 crores as at March 31, 2021 ("Investments") which are carried at cost (net of provision) as per Ind AS 27 on 'Separate Financial Statements'. We considered the valuation of such Investments to be significant to the audit, because of the materiality of the Investments to the standalone Ind AS financial statements of the Company. The management assesses at least annually the existence of impairment indicators of each Investments. The Management has assessed the impairment of its Investments by reviewing the business forecasts of subsidiaries, using discounted cash flow valuation model (the "Model"). The recoverable amounts of the Investments is determined based on the management's estimates of future cash flows and their judgment with respect to the investees' performance including key assumptions related to discount and long-term growth rates.	Our audit procedures on impairment assessment of Investments include the following : • Obtained understanding of design and implementation of relevant internal controls with respect to Investments including its impairment assessment; • Performed necessary audit procedures to test the operating effectiveness of the relevant internal controls with respect to valuation of Investments including impairment assessment thereof during the year ended as of March 31, 2021; • Performed the following substantive procedures: » Obtained management's evaluation of impairment analysis including future cash flows used by the management in the model to compute the recoverable value/ value in use. » Obtained the valuation report on Impairment testing of goodwill for consolidation covering the investments in standalone books. » Obtained the subsidiary auditors Impairment testing working file certifying the fair value of Investment at various subsidiaries.

Accordingly, the impairment assessment of Investments was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.	» Compared the impairment working certified by the independent valuer with the carrying value of Investments in standalone books of accounts to check whether any impairment is necessary. » Evaluated the appropriateness of the disclosure in the standalone Ind AS financial statements and assessed the completeness and mathematical accuracy.
Evaluation of uncertain tax positions (Refer Note 2.16 and Note 29 to the standalone Ind AS financial statements) The Company operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including transfer pricing and indirect tax matters. This involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the standalone financial statements. Hence, this has been considered as a key audit matter.	Our audit procedures include the following substantive procedures: • Obtained detailed list of matters under dispute and other uncertain tax positions as at March 31, 2021; • Read and evaluated select key correspondences, external legal opinions / consultations by the management; • Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and • Assessed the management's estimate of the possible outcome of the disputed cases.
Accounting and valuation of Hedging Instrument (Refer Note 25(D) to the standalone Ind AS financial statements) The Company hedges its foreign currency risk and interest rate risk through derivative instruments and applies hedge accounting principles for derivative instruments as prescribed by Ind AS 109. Asset pertaining to derivative instruments as at March 31, 2021 is amounting to ₹ 53.21 crores and credit balance of Cash Flow Hedge Reserve of ₹ 27.12 crores as on that date. These contracts are recorded at fair value and cash flow hedge accounting is applied, such that gains and losses arising from fair value changes are deferred in equity and recognized in the standalone statement of profit and loss when hedges mature and / or when the hedge item occurs. The valuation of hedging instruments and consideration of hedge effectiveness has been identified as a key audit matter as it involves a significant degree of complexity and management judgment and are subject to an inherent risk of error.	Our audit procedures included but not limited to: • Obtained understanding and evaluated the design and implementation of the processes and internal controls relating to accounting and valuation of hedge instruments; • Tested the Company's key internal financial controls for derivative financial instruments and hedge accounting; • Verified, on a sample basis, hedge documentation and contracts; • Re-performed, on a sample basis, the year-end valuations of derivative financial instruments and calculations of hedge effectiveness; and • Obtained confirmation of year-end derivative financial instruments from counterparties, on a sample basis.

OTHER INFORMATION

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report and its Annexures and Management Discussion and Analysis but does not include the standalone Ind AS financial statements, consolidated Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS 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 accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

(1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of

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the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of the written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";

g. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 29 on Contingent Liabilities to the standalone Ind AS financial statements;

(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Notes 12 and 25 to the standalone Ind AS financial statements;

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Haribhakti & Co. LLP**
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834
UDIN: 21036834AAAAAS6048

Place: Ahmedabad
Date: 11th May, 2021

For **V.D.Shukla & Co.**
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416
UDIN: 21036416AAAAFI3426

Place: Ahmedabad
Date: 11th May, 2021

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ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Dishman Carbogen Amcis Limited on the standalone Ind AS financial statements for the year ended March 31, 2021]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i)

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of the fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties other than self-constructed properties recorded as Property, Plant and Equipment in the books of account of the Company as on March 31, 2021 are held in the name of the erstwhile Dishman Pharmaceuticals and Chemicals Limited. Subsequent to merger, the transfer of immovable properties from Dishman Pharmaceuticals and Chemicals Limited into the name of the Company is under process. However in respect of one lease hold land with gross block of ₹ 104.70 Crores and net block of ₹ 97.83 Crores, the lease deed has been executed but not registered with the relevant authorities.

(ii) The inventory, except goods-in-transit and stocks lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. For stocks lying with third parties at the year end, these have substantially been confirmed by them. No material discrepancies were noticed on physical verification carried out during the year.

(iii) The erstwhile Dishman Pharmaceuticals and Chemicals Limited, has granted unsecured loan in earlier years to one company covered in the register maintained under section 189 of the act whose outstanding balance as on March 31, 2021 is ₹ 38.72 crores. Further, the company has not granted during the year any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.

(a) The terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.

(b) The schedule of repayment of principal and payment of interest in respect of such loans has been stipulated. As per the terms of agreement, no repayment of principal or interest was due during the year.

(c) In respect of the aforesaid loans, there is no overdue amount as at year end.

(iv) The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) In our opinion, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act and rules thereunder. We have broadly reviewed such records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii)

(a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax (GST), customs duty, cess and any other material statutory dues applicable to it. During the year 2017-18, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly reported under GST.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

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(b) There are no dues with respect to income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty which have not been deposited on account of any dispute, except as follows:

Nature of statue	Nature of Dues	Amount (in Crores)	Period which the Amount Relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty and Service Tax	1.50	2006-07 2009-10 2013-14 2017-18	Central Excise and Service Tax Appellate Tribunal
		4.95	2006-07 To 2016-17	Commissioner of Central Excise (Appeals)
Central Sales Tax Act, 1956	Sales tax	0.24	2001-02	Joint Commissioner, Commercial Tax
		1.18	2006-07	Commercial Tax Gujarat VAT Tribunal
Gujarat Sales Tax, Act	Sales tax	0.07	2001-02	Joint Commissioner, Commercial Tax
		2.84	2006-07	Commercial Tax Gujarat VAT Tribunal
Income Tax Act, 1961	Demand U/S - 143(3)	1.84	FY 2001-02	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 143(3)	4.41	FY 2002-03	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 143(3)	1.51	FY 2003-04	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 143(3)	7.22	FY 2004-05	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.144	14.32	FY 2005-06	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 271(1) (C)	3.04	FY 2005-06	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.144	14.28	FY 2006-07	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 271(1) (C)	4.73	FY 2006-07	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.144	8.41	FY 2007-08	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.144	0.24	FY 2008-09	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 271(1) (C)	0.47	FY 2008-09	Income Tax Appellate Tribunal
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.147	1.52	FY 2009-10	Income Tax Appellate Tribunal and Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.147	27.07	FY 2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.147	41.86	FY 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.144	26.68	FY 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.144	13.89	FY 2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand U/S – 143(3) r.w.s 144C	0.005	FY 2014-15	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand U/S – 143(3) r.w.s. 144C	20.71	FY 214-15	Commissioner of Income Tax (Appeals)

Out of above, amount paid under protest by the Company for income tax is ₹ 56.01 Crores.

(viii) During the year, the Company has not defaulted in repayment of loans or borrowings to financial institutions. The Company has not borrowed any money from government nor has it issued any debentures.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) Managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.

(xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause 3(xiv) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Haribhakti & Co. LLP**
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834
UDIN: 21036834AAAAAS6048

Place: Ahmedabad
Date: 11th May, 2021

For **V.D.Shukla & Co.**
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416
UDIN: 21036416AAAAFI3426

Place: Ahmedabad
Date: 11th May, 2021

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ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Dishman Carbogen Amcis Limited on the standalone Ind AS financial statements for the year ended March 31, 2021]

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")

We have audited the internal financial controls with reference to financial statements of Dishman Carbogen Amcis Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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 its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

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OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **Haribhakti & Co. LLP**
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834
UDIN: 21036834AAAAAS6048

Place: Ahmedabad
Date: 11th May, 2021

For **V.D.Shukla & Co.**
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416
UDIN: 21036416AAAAFI3426

Place: Ahmedabad
Date: 11th May, 2021

STANDALONE BALANCE SHEET

As at 31st March, 2021

(₹ in crores)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	715.26	754.88
(b) Right of use assets	2	15.44	14.31
(c) Capital work-in-progress	2	79.36	57.14
(d) Goodwill	3	774.03	862.48
(e) Other intangible assets	3	4.92	0.86
(f) Intangible assets under development		41.84	31.71
(g) Financial assets			
i. Investments	4(a)(i)	2,814.87	2,843.10
ii. Loans	4(c)	85.75	81.81
iii. Others	4(e)	1.76	6.07
(h) Non-current tax assets (Net)	7	91.85	102.63
(i) Other non-current assets	5	203.61	214.99
Total non-current assets		**4,828.69**	**4,969.99**
Current assets			
(a) Inventories	6	184.40	213.64
(b) Financial assets			
i. Investments	4(a)(ii)	96.84	57.01
ii. Trade receivables	4(b)	77.40	144.90
iii.Cash and cash equivalents	4(d)(i)	16.36	26.33
iv.Bank balances other than (iii) above	4(d)(ii)	33.96	38.80
v. Loans	4(c)	50.39	94.61
vi. Others	4(e)	87.63	50.56
(c) Other current assets	8	134.60	138.84
Total current assets		**681.58**	**764.69**
Total assets		**5,510.27**	**5,734.68**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	9	31.36	31.38
(b) Other equity	10	4,643.26	4,764.47
Total equity		**4,674.62**	**4,795.85**
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
i. Borrowings	11(a)	144.41	137.90
ii. Lease liabilities		7.87	11.74
(b) Provisions	12	7.26	8.78
(c) Deferred tax liabilities (Net)	13	186.71	140.82
(d) Other non-current liabilities	14	-	19.14
Total non-current liabilities		**346.25**	**318.38**
Current liabilities			
(a) Financial liabilities			
i. Borrowings	11(b)	288.24	340.98
ii. Lease liabilities		3.87	3.48
iii. Trade payables	11(c)		
a. Total Outstanding dues of Micro Enterprises and Small Enterprises		0.44	1.31
b. Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		50.76	84.61
iv. Other financial liabilities	11(d)	117.24	144.70
(b) Other current liabilities	15	26.81	43.34
(c) Provisions	12	2.04	2.03
Total current liabilities		**489.40**	**620.45**
Total liabilities		**835.65**	**938.83**
Total equity and liabilities		**5,510.27**	**5,734.68**
Significant accounting policies	1		
The accompanying notes form an integral part of these Financial Statements.			

As per our attached report of even date

For **Haribhakti & Co. LLP**
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834

For **V.D.Shukla & Co.**
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416

Place: Ahmedabad
Date: 11th May, 2021

For and on behalf of the Board of Directors

Arpit J. Vyas
Global Managing Director
DIN: 01540057
Place: Vitznau

Deohooti J. Vyas
WholeTime Director
DIN: 00004876

Harshil R. Dalal
Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date: 11th May, 2021

STANDALONE STATEMENT OF PROFIT AND LOSS

For the year ended 31st March, 2021

(₹ in crores)

Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Income			
(a) Revenue from operations	16	208.01	580.74
(b) Other income	17	66.15	69.55
Total income		**274.16**	**650.29**
Expenses			
(a) Cost of materials consumed	18(a)	86.54	180.15
(b) Changes in inventories of finished goods and work-in-progress	18(b)	21.90	19.96
(c) Employee benefit expense	19	59.40	88.87
(d) Finance costs	20	34.17	47.02
(e) Depreciation and amortisation expense	21	143.21	140.65
(f) Other expenses	22	97.63	118.18
Total expenses		**442.85**	**594.83**
(Loss) / Profit before tax		**(168.69)**	**55.46**
Tax expense	23		
(a) Current tax		-	9.30
(b) Deferred tax		46.15	7.64
(c) Short provision of Income Tax of earlier years		17.97	-
(Loss) / Profit for the year		**(232.81)**	**38.52**
Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		(0.78)	(0.07)
(b) Income Tax impact on above		0.27	0.02
(c) Equity Instruments designated through other comprehensive income		0.04	1.69
(d) Income Tax impact on above		(0.01)	(0.59)
(B) Items that will be reclassified to profit or loss-			
(a) foreign exchange fluctuation in respect of cash flow hedge		114.38	(96.00)
Other Comprehensive Income for the year		**113.89**	**(94.94)**
Total Comprehensive Income for the year		**(118.91)**	**(56.42)**
Earnings per equity share of face value of ₹ 2/- each:			
(a) Basic earnings per share (in ₹)	33	(14.85)	2.46
(b) Diluted earnings per share (in ₹)	33	(14.85)	2.46
Significant accounting policies	1		
The accompanying notes form an integral part of these Financial Statements			

As per our attached report of even date

For **Haribhakti & Co. LLP**
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834

For **V.D.Shukla & Co.**
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416

Place: Ahmedabad
Date: 11th May, 2021

For and on behalf of the Board of Directors

Arpit J. Vyas
Global Managing Director
DIN: 01540057
Place: Vitznau

Deohooti J. Vyas
WholeTime Director
DIN: 00004876

Harshil R. Dalal
Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date: 11th May, 2021

STANDALONE CASH FLOW STATEMENT

For the year ended 31st March, 2021

(₹ in crores)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Cash Flows from Operating Activity		
(Loss)/ Profit before income tax	**(168.69)**	**55.46**
Adjustments for		
Depreciation and amortisation expense	143.21	140.65
Loss /(Gain) on Sale of Investments	(2.34)	5.86
Gain on disposal of property, plant and equipment	(0.18)	(0.02)
Unrealised foreign exchange loss	0.34	4.45
Interest Income	(25.70)	(29.32)
Dividend Income	(26.44)	(31.48)
Interest Expenses	34.17	47.02
Provision for doubtful debts and advances	5.05	(1.84)
Operating (Loss)/ profit before working capital changes	**(40.58)**	**190.78**
(Increase)/Decrease in trade receivables	67.07	(5.62)
(Increase)/Decrease in loans and advances	9.47	56.99
(Increase)/Decrease in inventories	29.23	8.97
Increase / (Decrease) in trade payables and provisions	(59.52)	(36.20)
Cash generated from operations	**5.67**	**214.94**
Income taxes paid	(7.18)	(18.24)
Net cash flows (used in) / generated from operating activities	**(1.51)**	**196.70**
Cash flows from investing activities		
Purchase of property, plant and equipment including Capital work in progress and Capital advance	(47.57)	(70.51)
Net Proceeds from sale of property, plant and equipment	0.77	0.16
Net proceeds from marketable instruments	(9.20)	21.92
Investment in subsidiary	-	(19.52)
Loans and Advances received / (Given) to related parties(Net)	40.29	(39.42)
(Increase)/Decrease in balance held as Margin Money	8.99	(24.09)
Dividends received	24.74	31.48
Interest received	44.05	25.68
Net cash flows generated from/ (used in) investing activities	**62.07**	**(74.30)**
Cash flows from financing activities		
Buy back of equity share capital	(2.31)	(36.65)
Proceeds from borrowings	97.11	-
Repayment of borrowings	(68.84)	(79.00)
Proceeds / (Repayment) from short term borrowings (net)	(52.74)	46.35
Interest paid	(38.75)	(46.54)
Lease liabilities	(5.00)	(5.00)
Dividends paid to company's shareholders	-	(3.23)
Net cash flows used in financing activities	**(70.53)**	**(124.07)**
Net increase / (decrease) in cash and cash equivalents	**(9.97)**	**(1.67)**
Cash and cash equivalents at the beginning of the financial year	26.33	28.00
Cash and cash equivalents at end of the year	**16.36**	**26.33**

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Balance with banks		
- in current account	16.35	25.52
Cash on hand	0.01	0.81
Balances as per statement of cash flows	**16.36**	**26.33**

Note:

1. The Statement of Standalone Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 "Statement of Cash Flows"
2. All figures in bracket are outflow.
3. Income taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
4. The amendments to Ind AS 7 Statement of Cash Flow requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flows and noncash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The amendment has become effective from April 1, 2017 and the required disclosure is made below:

	As at 31st March, 2020	Cash Flows	Non-cash changes		As at 31st March, 2021
		Net Proceeds / (Repayment)	Fair value changes	Current / Non-current Classification	
Long-Term Borrowings (Current and non current)	216.49	28.27	(6.73)	-	238.03
Short-Term Borrowings	340.98	(52.74)	-	-	288.24

Significant accounting policies (Note No. 1)
The accompanying notes form an integral part of these Financial Statements.

As per our attached report of even date

For **Haribhakti & Co. LLP**
Chartered Accountants.
ICAI Firm Registration No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834

For **V.D.Shukla & Co.**
Chartered Accountants
ICAI Firm Registration No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416

Place: Ahmedabad
Date: 11th May, 2021

For and on behalf of the Board of Directors

Arpit J. Vyas
Global Managing Director
DIN: 01540057
Place: Vitznau

Deohooti J. Vyas
WholeTime Director
DIN: 00004876

Harshil R. Dalal
Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date: 11th May, 2021

STANDALONE STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2021

A. Equity share capital

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	(₹ in crores)	No. of Shares	(₹ in crores)
Balance at the beginning of the year	15,68,63,095	31.38	16,13,94,272	32.28
Add: Issued during the year	-	-	-	-
Add : Buy back during the year	(80,000)	(0.02)	(45,31,177)	(0.90)
Balance at the end of the year	15,67,83,095	31.36	15,68,63,095	31.38

B. Other Equity

(₹ in crores)

Particulars	Reserves & Surplus			Other Comprehensive Income		Total
	Securities Premium Reserve	Capital Redemption Reserve	Retained Earnings	Equity instruments through OCI	Cash flow hedge reserves	
Balance as on 1st April, 2019	**4,777.72**	**-**	**53.83**	**19.81**	**8.74**	**4,860.09**
Profit for the year	-	-	38.52	-	-	38.52
Other comprehensive income for the year	-	-	(0.05)	1.10	(96.00)	(94.95)
Total Comprehensive Income for the year	**-**	**-**	**38.47**	**1.10**	**(96.00)**	**(56.43)**
Dividend paid	-	-	(3.23)	-	-	(3.23)
Transition impact of Ind AS 116 'Leases', net of tax (Refer note No. 2)	-	-	(0.22)	-	-	(0.22)
Transfer from Capital redemption reserve to Securities Premium on account of Buyback of shares	(0.90)	0.90	-	-	-	-
Buy back of shares	(35.75)	-	-	-	-	(35.75)
Balance as on 31st March, 2020	**4,741.07**	**0.90**	**88.84**	**20.91**	**(87.26)**	**4,764.47**
Profit for the year	-	-	(232.81)	-	-	(232.81)
Other comprehensive income for the year	-	-	(0.51)	0.03	114.38	113.90
Total Comprehensive Income for the year	**-**	**-**	**(233.32)**	**0.03**	**114.38**	**(118.91)**
Transfer from Capital redemption reserve to Securities Premium on account of Buyback of shares	(0.02)	0.02	-	-	-	-
Buy back of shares	(2.30)	-	-	-	-	(2.30)
Balance as on 31st March, 2021	**4,738.75**	**0.92**	**(144.47)**	**20.94**	**27.12**	**4,643.26**

Significant accounting policies (Note No. 1)
The accompanying notes form an integral part of these Financial Statements.

As per our attached report of even date

For **Haribhakti & Co. LLP**
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834

Place: Ahmedabad
Date: 11th May, 2021

For **V.D.Shukla & Co.**
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
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For and on behalf of the Board of Directors

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WholeTime Director
DIN: 00004876

Harshil R. Dalal
Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date: 11th May, 2021

NOTES TO STANDALONE FINANCIAL STATEMENTS

1.0 BACKGROUND OF THE COMPANY

Dishman Carbogen Amcis Limited (CIN: U74900GJ2007PLC051338) is a public company limited by shares incorporated on 17th July, 2007 under the provisions of the Companies Act, 1956, having its registered office at Dishman Corporate House, Iscon-Bopal Road, Ambli, Ahmedabad - 380058, Gujarat and is engaged in Contract Research and Manufacturing Services (CRAMS) and manufacture and supply of marketable molecules such as specialty chemicals, vitamins& chemicals and disinfectants. The equity shares of Dishman Carbogen Amcis Limited are listed on National Stock Exchange of India Ltd. ("NSE") and BSE Ltd. ("BSE") (collectively, the "Stock Exchanges").

2.0 SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements except as mentioned below in 2.2.

2.2 STATEMENT OF COMPLIANCE

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) and other relevant provisions of the Act.

2.3 INVENTORIES

Inventories are valued at cost as per moving weighted average price or net realisable value, whichever is lower after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Inventories of stores and spare parts are valued at cost.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

2.4 PROPERTY, PLANT AND EQUIPMENT

Freehold land is carried at historical cost and not depreciated. All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non cenvatable taxes and duties, directly attributable costs of bringing the asset to its present location and condition and initial estimate of costs of dismantling and removing the item and restoring the site on which it is located. Properties in the course of construction are carried at cost, less any recognised impairment loss. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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 statement of profit or loss during the reporting period in which they are incurred.

Machinery spares, stand-by equipment and servicing equipment are recognised as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

Depreciation

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. Depreciation on the subsequent cost capitalisation are depreciated over the remaining useful life of the assets.

Depreciation has been provided on straight line method and in the manner specified in Schedule II of the Companies Act, 2013 based on the useful life specified in Schedule II except where management estimate of useful life is different.

The useful lives have been determined based on technical evaluation done by the management's expert taking into account the nature of the asset, past history of replacement, anticipated technology changes etc, which are different than those specified by Schedule II to the Companies Act; 2013 are given below:-

Assets	Estimated useful life
Plant and Machinery	20/ 13/ 10 years
Electrical Installation	15 years
Laboratory Equipment	20/ 13/ 10 years

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

2.5 GOODWILL AND INTANGIBLE ASSETS

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the intangible asset.

In respect of business combination that occurred prior to transition date, goodwill is included on the basis of its deemed cost, which represents the amount recorded under previous GAAP.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increase the future economic benefits embodied in the specific assets to which it relates. All other expenditure are recognised in profit or loss as incurred.

Amortisation

Amortisation is recognised in profit or loss on a straight line basis over the estimated useful lives of the intangible assets from the date that they are available for use. The estimated useful lives are as follows:

Assets	Estimated useful life
Copyrights, patents and intellectual property rights	5 years
Computer Software	5 years

Goodwill arising on merger of Dishman Pharmaceuticals and Chemicals Ltd (DPCL) with the Company has been recognised as per the Court scheme. Said Goodwill has been amortised in accordance with the Court scheme for which the Company has estimated useful life of 15 years.

Internally generated intangible asset: Research and Development

Expenditure on research activity is recognised as expense in the period in which it is incurred. An internally generated intangible asset arising from development is recognised, if any only if, all of the following conditions have been fulfilled:

- 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 or sell the asset.

2.6 BORROWING COST

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. Other borrowing costs are expensed in the period in which they are incurred.

2.7 IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's each class of the property, plant and equipment or intangible assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

2.8 IMPAIRMENT OF NON-FINANCIAL ASSETS

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGU's) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill are not reversed in future periods.

2.9 FOREIGN CURRENCY TRANSLATION

Functional and Presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Transaction and balances

Transactions in foreign currencies are initially recognised in the financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates prevailing at the reporting date and foreign exchange gain or loss are recognised in profit or 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 non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income. Non-monetary items denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign exchange differences regarded as an adjustment to the borrowing cost are presented in the Statement of profit or loss with in finance cost. All other foreign currency differences arising on translation are recognised in statement of profit and loss on net basis with in other gain/ (losses).

2.10 REVENUE RECOGNITION

Ind AS 115 states "An entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (ie an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset."

Sale of goods

Revenue from sale of goods is recognised when the control of the goods have been transferred to the buyer, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. The performance obligation in the case of sale of goods is satisfied at a point in time i.e. when the material shift to the customer or on delivery to the customer as may be specified in the contract.

Sales of services

Revenue from services rendered is generally recognized in proportion to the stage of completion of the transaction at the reporting date. The stage of completion of the contract is determined based on actual service provided as a proportion of the total service to be provided. Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Dividend and interest income

Dividend is recognised as income when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Export Incentives

Duty drawback,, MEIS and SEIS benefits are recognized at the time of exports and the benefits in respect of licenses received by the Company against export made by it are recognized as and when goods are imported against them.

2.11 EMPLOYEE BENEFITS

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

Defined contribution plans

The Company's contribution to provident fund, employee state insurance scheme and superannuation fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet and will not be reclassified to profit or loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

(a) In case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) In case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

2.12 TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the company has a legally enforceable right for such setoff.

MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.13 LEASES

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

2.14 FINANCIAL INSTRUMENTS

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

A. Financial assets

(i) Classification, recognition and measurement:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

The company classifies its financial assets in the following measurement categories:

a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

b) those to be measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and whether the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Type of instruments	Classification	Rationale for classification	Initial measurement	Subsequent measurement
Debt instruments	Amortized cost	Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest on principal amount outstanding are measured at amortised cost.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Amortized cost is calculated using Effective Interest Rate (EIR) method, taking into account interest income, transaction cost and discount or premium on acquisition. EIR amortization is included in finance Income. Any gain and loss on derecognition of the financial instrument measured at amortised cost recognised in profit and loss account.
	Fair value through other comprehensive income (FVOCI)	Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest on principal amount outstanding, are measured at FVOCI.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Changes in carrying value of such instruments are recorded in OCI except for impairment losses, interest income (including transaction cost and discounts or premium on amortization) and foreign exchange gain/loss which is recognized in income statement. Interest income, transaction cost and discount or premium on acquisition are recognized in to income statement (finance income) using effective interest rate method. On derecognition of the financial assets measured at FVOCI, the cumulative gain or loss previously recognized in OCI is classified from Equity to Profit and Loss account in other gain and loss head.

	Fair value through profit or loss (FVTPL)	Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain and loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which arise.	At fair value. Transaction costs of financial assets expensed to income statement	Change in fair value of such assets are recorded in income statement as other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in the finance income.
Equity instruments	FVOCI	The Company's management has made an irrevocable election at the time of initial recognition to account for the equity investment (On an instrument by instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading. The classification is made on initial recognition and is irrevocable.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Change in fair value of such instrument are recorded in OCI. On disposal of such instruments, no amount is reclassified to income statement. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividend income from such instruments are however recorded in income statement.
	FVTPL	When no such election is made, the equity instruments are measured at FVTPL	At fair value. Transaction costs of financial assets expensed to income statement	Change in fair value of such assets are recorded in income statement.

All financial assets are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, plus/minus transaction costs that are attributable to the acquisition of the financial assets.

Trade receivables are carried at original invoice price as the sales arrangements do not contain any significant financing component. 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.

(ii) Impairment:

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, historical observed default rates are updated and changes in the forward- looking estimates are analysed.

(iii) Derecognition of financial assets:

A financial asset is derecognised only when

(a) The company has transferred the rights to receive cash flows from the financial asset or

(b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(iv) Foreign exchange gain or losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange difference are recognised in profit or loss except for those which are designated and outstanding as hedging instruments in the hedging relationship.

Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

For the purpose of recognising foreign exchange gain and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

(v) Investments in Subsidiaries:

The Company has availed an option stated under Ind AS 101 and measured investments in equity instruments of subsidiaries at Cost as per Ind AS 27. The Carrying amount is reduced to recognise impairment, if any, in value of investments.

B. Financial liabilities and equity instruments :

Debt and equity instruments issued by a entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Classification, recognition and measurement:

(a) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

(b) Financial liabilities:

Initial recognition and measurement:

Financial liabilities are initially recognised at fair value plus any transaction costs that are attributable to the acquisition of the financial liabilities except financial liabilities at FVTPL which are initially measured at fair value.

Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories :

- at amortised cost
- at fair value through profit or loss (FVTPL)

(i) Financial liabilities at amortised cost:

The company is classifying the following under amortised cost;

- Borrowings from banks
- Borrowings from others
- Finance lease liabilities
- Trade payables

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

(ii) Financial liabilities at fair value through profit or loss:

Financial liabilities held for trading are measured at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on remeasurement, recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item.

Derecognition:

A financial liability is removed from the balance sheet when the obligation is discharged, or is 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 Statement of Profit and Loss.

(c) Financial guarantees contracts :

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

C. Derivative financial instruments :

Foreign exchange forward contracts are entered into by the Company to mitigate the risk of changes in foreign exchange rates associated with certain payables, receivables and forecasted transactions denominated in certain foreign currencies. Derivative contracts which do not qualify for hedge accounting under Ind AS109, are initially recognized at fair value on the date the contract is entered into and subsequently measured at fair value through profit or loss. Gain or loss arising from changes in the fair value of the derivative contracts are recognised in other comprehensive income. Realized gain or loss arising on forward contract / hedging instrument relating to forecast sales are included under Other Operating Income in the Statement of Profit and Loss. Derivatives contracts which are qualified for hedge accounting under Ind AS 109, are initially recognized at fair value on the date the contract is entered into and subsequently measured at fair value through other comprehensive income.

D. Offsetting financial instruments :

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.15 FAIR VALUE MEASUREMENT:

The Company measures financial instruments, such as, certain investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.16 PROVISIONS AND CONTINGENCIES

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

Contingent liabilities are recognised at their fair value only, if they were assumed as part of a business combination. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset. Information on

contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote. The same applies to contingent assets where an inflow of economic benefits is probable.

2.17 SEGMENT REPORTING:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operational decision maker monitors the operating results of its business Segments separately for the purpose of making decision about the resources allocation and performance assessment. Segment performance is evaluated based on the profit or loss and is measured consistently with profit or loss in the financial statements. The operating segments have been identified on the basis of the nature of products/ services.

2.18 CASH AND CASH EQUIVALENT:

Cash and cash equivalent in the balance sheet comprises cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.19 DIVIDEND DISTRIBUTION TO EQUITY SHAREHOLDERS:

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid.

2.20 EARNINGS PER SHARE:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.21 CURRENT/ NON-CURRENT CLASSIFICATION:

An assets is classified as current if:

(a) it is expected to be realised or sold or consumed in the Company's normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be realised within twelvemonths after the reporting period; or

(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

(a) it is expected to be settled in normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be settled within twelvemonths after the reporting period;

(d) it has no unconditional right to defer the settlement of the liability for at lease twelvemonths after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Company's normal operating cycle is twelve months.

2.22 SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS:

The preparation of the Company's financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the Company's accounting policies, management has made the following judgements which have significant effect on the amounts recognised in the financial statements:

a. **Useful lives of property, plant and equipment and Goodwill:** Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalised. Useful life of tangible assets is based on the life specified in Schedule II of the Companies Act, 2013 and also as per management estimate for certain category of assets. Assumption also need to be made, when company assesses, whether as asset may be capitalised and which components of the cost of the assets may be capitalised. The goodwill recorded on merger has been amortised based on its estimated benefit / estimated useful life of 15 years.

b. **Arrangement containing lease:** At the inception of an arrangement whether the arrangement is or contain lease. At the inception or reassessment of an arrangement that contains a lease, Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, that such contracts are not in the nature of leases.

c. **Service Income:** The Company uses the percentage of completion method in accounting for its fixed price contract. Use of percentage of completion requires the Company to estimate the service performed to date as a proportion of the total service to be performed. Determination of the stage of completion is technical matter and determined by the management experts.

d. **Fair value measurement of financial instruments:** When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/ judgements about these factors could affect the reported fair value of financial instruments.

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

f. **Allowances for uncollected accounts receivable and advances:** Trade receivables do not carry interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectable. Impairment is made on the expected credit loss model, which are the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumption and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

g. **Allowances for inventories:** Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

h. **Impairment of non-financial assets:** The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

i. **Taxation:** Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

j. **Contingencies:** Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against company as it is not possible to predict the outcome of pending matters with accuracy.

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

(₹ in crores)

Particulars	Freehold land	Leasehold land	Buildings	Plant and Equipment	Furniture & Fixtures	Vehicles	Office equipment & Computer & Printers	Electrical Installations	Laboratory Equipments	Total	Right of use of assets	Capital work-in-progress
Year ended 31st March, 2020												
Gross carrying amount												
Opening balance	137.23	149.33	123.57	425.33	10.14	14.22	18.59	55.46	23.33	957.19	-	37.86
Additions	-	-	10.18	18.36	1.13	1.34	4.31	1.89	2.29	39.50	18.12	29.05
Disposals	-	-	-	-	(0.00)	(0.44)	(0.00)	-	-	(0.45)	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	(9.77)
Closing balance	**137.23**	**149.33**	**133.75**	**443.68**	**11.27**	**15.12**	**22.89**	**57.36**	**25.62**	**996.24**	**18.12**	**57.14**
Accumulated depreciation												
Opening balance	-	7.40	17.15	127.10	4.14	6.39	3.31	20.21	8.07	193.77	-	-
Charge for the year	-	2.08	4.36	29.73	0.77	1.59	2.78	4.93	1.72	47.97	3.82	-
Disposals	-	-	-	-	(0.00)	(0.37)	(0.00)	-	-	(0.38)	-	-
Closing balance	**-**	**9.48**	**21.51**	**156.83**	**4.91**	**7.61**	**6.09**	**25.14**	**9.80**	**241.36**	**3.82**	**-**
Net carrying amount	**137.23**	**139.85**	**112.24**	**286.85**	**6.36**	**7.51**	**16.80**	**32.22**	**15.82**	**754.88**	**14.31**	**57.14**
Year ended 31st March, 2021												
Gross carrying amount												
Opening balance	137.23	149.33	133.75	443.68	11.27	15.12	22.89	57.36	25.62	996.24	18.12	57.14
Additions	-	0.01	0.08	6.87	0.02	1.04	2.03	-	0.28	10.31	5.00	22.48
Disposals	-	-	-	-	-	(0.41)	(0.07)	-	(0.12)	(0.60)	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	(0.26)
Closing balance	**137.23**	**149.34**	**133.83**	**450.55**	**11.29**	**15.75**	**24.85**	**57.36**	**25.78**	**1,005.95**	**23.12**	**79.36**
Accumulated depreciation												
Opening balance	-	9.48	21.51	156.83	4.91	7.61	6.09	25.14	9.80	241.36	3.82	-
Charge for the year	-	2.08	4.73	30.28	0.84	1.67	3.78	4.79	1.69	49.86	3.86	-
Disposals	-	-	-	-	-	(0.39)	(0.06)	-	(0.08)	(0.53)	-	-
Closing balance	**-**	**11.56**	**26.24**	**187.11**	**5.75**	**8.89**	**9.81**	**29.93**	**11.41**	**290.69**	**7.68**	**-**
Net carrying amount	**137.23**	**137.78**	**107.59**	**263.44**	**5.54**	**6.86**	**15.04**	**27.43**	**14.37**	**715.26**	**15.44**	**79.36**

Note:

(i) Property, plant & Equipment pledged as a security:
Refer Note 11(a) for information on Property, plant & Equipment pledged as a security by the Company

(ii) Contractual Obligation
Refer Note 30 for disclosure of Contractual Obligation for the acquisition of Property, plant & Equipment.

(iii) Amount of interest capitalised during the year ₹ 1.27 crores (Previous year ₹ 1.21 crores).

(iv) Right of use assets are rights for lease of factory building and other assets

NOTE 3: INTANGIBLE ASSETS

(₹ in crores)

Particulars	Computer software	Copyrights, patents & other Intellectual property rights, services and operating rights	Total	Goodwill
Year ended 31st March, 2020				
Gross carrying amount				
Opening balance	2.12	0.78	2.90	1,326.86
Additions	0.31	-	0.31	-
Closing balance	**2.43**	**0.78**	**3.21**	**1,326.86**
Accumulated amortisation			**-**	
Opening balance	1.33	0.61	1.94	375.93
Charge for the year	0.39	0.02	0.41	88.45
Closing balance	**1.72**	**0.63**	**2.35**	**464.38**
Closing net carrying amount	**0.71**	**0.15**	**0.86**	**862.48**
Year ended 31st March, 2021				
Gross carrying amount				
Opening balance	2.43	0.78	3.21	1,326.86
Additions	5.10	-	5.10	-
Closing balance	**7.53**	**0.78**	**8.31**	**1,326.86**
Accumulated amortisation				
Opening balance	1.72	0.63	2.35	464.38
Charge for the year	1.02	0.02	1.04	88.45
Closing balance	**2.74**	**0.65**	**3.39**	**552.83**
Net carrying amount	**4.79**	**0.13**	**4.92**	**774.03**

Goodwill

The goodwill at each CGU level (acquisition on account of merger of erstwhile DPCL) is tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount is less than its carrying value. The recoverable amount is based on a value-in-use calculation using the discounted cash flow method. The value-in-use calculation is made using the net present value of the projected post-tax cashflows for next 5 years and the Terminal Value at the end of the 5 years (after considering the relevant long-term growth rate).

Key assumptions used in the value in use calculations

The Cash flow projections includes specific estimates for 5 years developed using expected margins, internal forecast and a terminal growth rate thereafter of 3.50%. The value assigned to the assumption reflects past experience and are consistent with the management's plan for focusing operation in these locations. The management believe that the planned market share growth per year for next 5 years is reasonably achievable.

Discount rate reflects the current market assessment of the risks specific to a CGU. The discount rate is estimated based on the weighted average cost of capital for respective CGU. Post-tax discount rate used was 12.32% for the year ended 31st March, 2021.

The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

Based on the above assumptions and analysis, no impairment was identified for any of the CGU as at 31st March, 2021.

NOTE 4: FINANCIAL ASSETS

4 (a) (i) Non-current investments

(₹ in crores)

Particulars	% of holding	As at 31st March, 2021	As at 31st March, 2020
Investment in equity instruments (fully paid-up)			
A) Quoted			
(i) Investment in Quoted Equity shares carried at Fair value through Other Comprehensive Income			
(a) Bank of India		0.01	0.01
(March 31, 2021 : 2,100 (Previous Year: 2,100) equity shares of Face value of ₹ 10/- each fully paid up)			
(ii) Other investment which are carried at Fair value through statement of profit and loss			
(a) HDFC Housing Opportunities Fund		-	3.16
(March 31, 2021 : Nil (Previous Year: 50,00,000) units of Face value of ₹ 10/- each)			
(iii) Other investment carried at cost			
(a) IRB INVIT FUND		4.51	4.62
(March 31, 2021 : 5,80,000 (Previous Year : 5,80,000) bonds of Face value of ₹ 100/- each)			
(b) J M Financials Credit Solutions Ltd.		-	25.00
(March 31, 2021 : Nil (Previous Year : 2,50,000) NCDs of Face value of ₹ 1,000/- each)			
B) Unquoted			
(i) Investment in subsidiaries carried at cost			
(a) Dishman Carbogen Amcis (Europe) Ltd. (formerly known as Dishman Europe Limited)	100%	364.00	364.00
(March 31, 2021 : 1,59,000 (Previous Year: 1,59,000) equity shares of Face value of GBP 1/- each fully paid up)			
(b) Dishman Australasia Pty Ltd.	100%	0.38	0.38
(March 31, 2021 : 1,00,000 (Previous Year: 1,00,000) equity shares of Face value of AUD 1/- each fully paid up)			
(c) Dishman International Trade (Shanghai) Co. Ltd.	100%	7.00	7.00
(No. of Shares not specified)			
(d) Dishman USA Inc.	100%	16.00	16.00
(March 31, 2021 : 3,00,000 (Previous Year: 3,00,000) equity shares of Face value of USD 1/- each fully paid up)			
(e) CARBOGEN AMCIS Holding AG (formerly known as Dishman Pharma Solutions AG)	76.92%	2,155.00	2,155.00
(March 31, 2021 : 2,80,00,000 (Previous Year: 2,80,00,000) equity shares of Face value of CHF 1/- each fully paid up)			
(f) Dishman Cabogen Amcis (Singapore) Pte Ltd.	31.04%	188.91	188.91
(March 31, 2021 : 3,90,77,125 (Previous Year: 3,90,77,125) equity shares of Face value of SGD 1/- each fully paid up)			
(g) Dishman Middle East FZE	100%	2.00	2.00
(March 31, 2021 : 6 (Previous Year: 6) equity shares of Face value of AED 1,50,000/- each fully paid up)			
(h) Dishman Carbogen Amcis (Japan) Ltd. (formerly known as Dishman Japan Ltd.)	49%	6.27	6.27
(March 31, 2021 : 3,000 (Previous Year : 3,000) equity shares of Face value of JPY 50,000/- each fully paid up)			
(i) Dishman Biotech Ltd.	100%	19.50	19.50
(March 31, 2021 : 65,00,000 (Previous Year: 65,00,000) equity shares of Face value of ₹ 10/- each fully paid up)			

(j) Dishman IT Xellence Pvt. Ltd.	100%	0.01	0.01
(March 31, 2021 : 10,000 (Previous Year: 10,000) equity shares of Face value of ₹ 10/- each fully paid up)			
(k) Dishman Engineering Xellence Pvt. Ltd.	100%	0.01	0.01
(March 31, 2021 : 10,000 (Previous Year: 10,000) equity shares of Face value of ₹ 10/- each fully paid up)			
(l) Invisible Biotech Limited	100%	0.01	-
(March 31, 2021 : 10,000 (Previous Year: Nil) equity shares of Face value of ₹ 10/- each fully paid up)			
(ii) Investment in other entities which are carried at Fair value through Other Comprehensive Income			
(a) CAD Middle East Pharmaceuticals Ind LLC	10.95%	51.23	51.21
(March 31, 2021 : 21,900 (Previous Year: 21,900) equity shares of Face value of SAR 1,000/- each fully paid up)			
(b) Nami Trading Co-FZE LLC	-	0.03	0.02
(March 31, 2021 : 15 (Previous Year: 15) equity shares of Face value of AED 1,000/- each fully paid up)			
(c) Stuti(Ambawadi) Owners' Association	-	0.00	0.00
(March 31, 2021 : 30 (Previous Year : 30) equity shares of Face value of ₹ 100/- each fully paid up)			
(d) Sangeeta Plaza iflex Office Premises Co-op Society Ltd.	-	0.00	0.00
(March 31, 2021 : 50 (Previous Year : 50) equity shares of Face value of ₹ 50/- each fully paid up)			
Total (equity instruments)		**2,814.87**	**2,843.10**
Total non-current investments		**2,814.87**	**2,843.10**
Aggregate amount of quoted investments and market value thereof		0.01	3.17
Aggregate amount of quoted investments and carried at cost thereof		4.51	29.62
Aggregate amount of unquoted investments- book value/ market value		2,810.35	2,810.31

1. Equity Shares designated as at Fair value through Other Comprehensive Income:

At 1st April, 2016 the company designated the investments shown below as equity shares at Fair value through other comprehensive income because these equity shares represent investments that the company intends to hold for long term strategic purpose.

(₹ in crores)

Particulars	Fair value as at 31st March, 2021	Fair value as at 31st March, 2020
1. CAD Middle East Pharmaceuticals Ind LLC	51.23	51.21
2. Nami Trading Co-FZE LLC	0.03	0.02
3. Bank of India	0.01	0.01

Investments: The investment at each CGU level is tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount is less than its carrying value. The recoverable amount is based on a value-in-use calculation using the discounted cash flow method. The value-in-use calculation is made using the net present value of the projected post-tax cash flows for next 5 years and the Terminal Value at the end of the 5 years (after considering the relevant long-term growth rate).

Key assumptions used in the value in use calculations: The Cash flow projections includes specific estimates for 5 years developed using expected margins, internal forecast and a terminal growth rate thereafter of 2.50%. The value assigned to the assumption reflects past experience and are consistent with the management's plan for focusing operation in these locations. The management believe that the planned market share growth per year for next 5 years is reasonably achievable. Discount rate reflects the current market assessment of the risks specific to a CGU.

The discount rate is estimated based on the weighted average cost of capital for respective CGU. Post-tax discount rate used was 7.35% for the year ended 31st March, 2021.

The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

Based on the above assumptions and analysis, no impairment was identified for any of the CGU as at 31st March, 2021.

Reclassification: During Previous Year, The Company has reclassified certain investment from fair value through profit and loss (FVTPL) to investment which is carried at cost on account of its business model change.

Change in fair value loss of ₹ 5.87 crores that would have been recognised in profit and loss duirng the reporting period if the financial assets has not been reclassified.

4 (a) (ii) Current investments

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investment in equity instruments (fully paid-up)		
A. Quoted		
(i) Other investment which are carried at Fair value through statement of profit and loss		
Baroda Dynemic Equity Fund	-	0.98
(March 31, 2021 : Nil (Previous Year : 10,00,000) units of mutual fund of Face value of ₹ 10/- each)		
Baroda Banking And Financial Services Fund	-	0.37
(March 31, 2021: Nil (Previous Year : 2,25,729) units of mutual fund of Face value of ₹ 22.15/- each)		
Baroda Equity Savings Fund	-	0.25
(March 31, 2021- NIL (Previous Year - 2,49,990) units of mutal fund of face alue of ₹ 10 each)		
Baroda Large and Mid Cap Fund	3.84	-
March 31, 2021 : 29,99,840.007 (previous Year NIL) Units of Mutual Fund		
Punjab National Bank Perpetual	8.63	-
March 31, 2021 : 90 (previous Year NIL) bonds of face value ₹ 10,00,000		
Union Bank Perpetual Bond	14.69	-
March 31, 2021 : 150 (previous Year NIL) bonds of face value ₹ 10,00,000		
Canara Bank Perpetual Bond	24.33	-
March 31, 2021 : 250 (previous Year NIL) bonds of face value ₹ 10,00,000		
Bank Of India Perpetual Bond	9.90	-
March 31, 2021 : 100 (previous Year NIL) bonds of face value ₹ 10,00,000		
Union Over Night Fund	0.10	-
March 31, 2021 : 926.66 (previous Year NIL) Units of Mutual Fund		
Union Liquid Fund	0.10	-
March 31, 2021 : 509.90 (previous Year NIL) Units of Mutual Fund		
Aditya Birla Sun Life Money Manager Fund	1.00	-
March 31, 2021 : 35,096.950 (previous Year NIL) Units of Mutual Fund		
Axis Liquid Fund-Growth	3.02	-
March 31, 2021 : 13209.522 (previous Year NIL) Units of Mutual Fund		
SBI MLDF R-Growth Plan	0.61	-
March, 31 2021:- 2,2230.481 (Previous Year Nil) Units of Mutual fund		
HDFC LDF R-Growth Plan	0.62	-
March 31, 2021:- 137,467.757 (Previous Year Nil) Units of Mutual fund		

B. Unuoted		
(i) Other investment which are carried at amortised cost		
(a) Home Credit India Finance Pvt. Ltd.	-	25.41
(March 31, 2021 : Nil (Previous Year : 250) NCD of Face value of ₹ 10,00,000/- each)		
C. Others		
(a) Fixed deposit with Bajaj Finance Ltd.	30.00	30.00
(under lien)		
Total current investments	**96.84**	**57.01**
Aggregate amount of quoted investments and market value thereof	66.84	1.59
Aggregate amount of unquoted investments	30.00	55.42

4 (b) Trade receivables

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade receivable considered good, Unsecured	**83.77**	**151.66**
Less: Impairment loss allowance	(6.37)	(6.76)
	77.40	**144.90**
Receivables which have significant increase in Credit Risk	0.46	0.46
Less: Impairment loss allowance	(0.46)	(0.46)
	-	**-**
Total receivables	**77.40**	**144.90**

1. Of the above, trade receivables from related parties are as below:

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Receivables (Refer Note No. 31)	40.67	76.07
Less: Impairment loss allowance	-	-
	40.67	**76.07**

2. No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person
3. Trade receivable due from private companies in which any director is a partner, director or a member is ₹ 1.49 crores (Previous Year : ₹ 0.22 crores)
4. Trade receivable are non- interest bearing and are generally on credit terms in the rage of 30 to 120 days.
5. The company's exposure to credit and currency risk and loss allowances related to trade receivables are disclosed in Note 25.
6. For receivables secured against borrowings see Note 11 (a)

4 (c) Loans

(₹ in crores)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non- current	Current	Non- current
Loans considered good - Unsecured				
Loan to related parties (refer Note 31)	50.36	83.55	92.21	81.81
Loan to employees	0.03	-	0.05	-
Other Loans	-	2.20	2.35	-
Total loans	**50.39**	**85.75**	**94.61**	**81.81**

Note: Of the above, loan amounting to ₹ 38.00 Crores (Previous Year ₹ 38.06 Crores) is given to the Companies in which Company's Director is also a director and ₹ 95.91 crores (Previous Year ₹ 135.96 crores) is given to subsidiaries.

4 (d) (i) Cash and cash equivalents

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with banks		
- in current accounts*	16.35	25.52
Cash on hand	0.01	0.81
Total cash and cash equivalents	**16.36**	**26.33**

*(Includes Cash in transit of ₹ 14.18 Crs. in C.Y.)

4 (d) (ii) Bank Balances Other than Cash and cash equivalents

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a)Earmarked balances with banks for:		
(i) Unpaid Dividend	0.09	0.12
(ii) Balances held as margin money or security against borrowings, guarantees and other commitments	13.64	9.95
(b) In other deposit account *	20.23	28.73
	33.96	**38.80**

* Out of the above deposits, ₹ 20.23 crores (P.Y. ₹ 19.73 crores) in under lien.

4 (e) Other financial assets

(₹ in crores)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non- current	Current	Non- current
Unsecured, considered good unless otherwise stated				
(a) Fixed deposits given as margin money having maturity of more than one year	-	0.68	-	4.85
(b) Insurance claims	19.12	-	19.13	-
(c) Interest Receivable *	12.87	-	31.21	-
(d) Security Deposits	0.73	1.08	0.22	1.22
(e) Receivable towards hedge instruments	53.21	-	-	-
(f) Dividend Receivable (Refer Note 31)	1.70	-	-	-
Total other financial assets	**87.63**	**1.76**	**50.56**	**6.07**

(* Out of the ₹ 12.87 cr., interest receivable from related party ₹ 11.14 cr.)

NOTE 5: OTHER NON-CURRENT ASSETS

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured considered good, unless otherwise stated		
(a) Capital advances		
Considered Good	175.88	176.66
Considered Doubtful	-	3.10
	175.88	**179.76**
Less: Provision for doubtful advances	-	3.10
	175.88	**176.66**
(b) Prepaid Expenses	0.35	0.60

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(c) Balances with government authorities	32.81	37.73
Less: Provision for doubtful receivable	5.43	-
	27.38	**37.73**
Total other non-current assets	**203.61**	**214.99**

NOTE 6: INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Raw materials	73.49	80.30
(b) Work-in-progress	72.54	77.86
(c) Finished goods	33.69	50.27
(d) Stores and spares	4.68	5.21
Total inventories	**184.40**	**213.64**

Note:

1. For Inventories pledged as securities against borrowings, see Note 11 (a)

NOTE 7: NON-CURRENT TAX ASSETS (NET)

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance Payment of Income tax (Net of Provision of ₹ 147.12 crores) (P.Y. ₹ 176.22 crores)	91.85	102.63
Total Current tax assets (Net)	**91.85**	**102.63**

NOTE 8: OTHER CURRENT ASSETS

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured considered good, unless otherwise stated		
(a) Advances other than Capital advances		
(i) Prepaid Expenses	4.82	3.43
(ii) Advances & recoverables		
Considered Good	112.46	116.88
Considered Doubtful	-	0.15
	112.46	**117.03**
Less: Provision for other doubtful advances	-	(0.15)
	112.46	**116.88**
(b) Balances with government authorities	17.32	18.53
Total other current assets	**134.60**	**138.84**

NOTE 9: EQUITY SHARE CAPITAL

Authorised equity share capital

Particulars	Number of shares	(₹) in crores
As at 31st March, 2019	**17,02,50,000**	**34.05**
Addition during the year	-	-
As at 31st March 2020	**17,02,50,000**	**34.05**
Addition during the year	-	-
As at 31st March 2021	**17,02,50,000**	**34.05**

(i) Issued and subscribed & paid up capital

Particulars	Number of shares	Face Value	Equity share capital(par value) (₹) in crores
As at 31st March, 2019	**16,13,94,272**	**2.00**	**32.28**
Issued during the year	-	-	-
Buy back during the year	(45,31,177)	2.00	(0.90)
As at 31st March, 2020	**15,68,63,095**	**2.00**	**31.38**
Issued during the year	-	-	-
Buy back during the year	(80,000)	2.00	(0.02)
As at 31st March, 2021	**15,67,83,095**	**2.00**	**31.36**

(ii) Shares of the company held by holding/ultimate holding company

Particulars	As at 31st March, 2021	As at 31st March, 2020
Adimans Technologies LLP	9,30,02,442	9,90,91,898

(iii) Details of shareholders holding more than 5% shares in the company

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares	% holding	Number of shares	% holding
Adimans Technologies LLP	9,30,02,442	59.32%	9,90,91,898	63.17%

(iv) The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/- per share. Each holders of equity shares carry one vote per share without restrictions and are entitled to dividend, as and when declared. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. All shares rank equally with regard to the Company's residual assets.

(v) The Company has not declared any dividend during the year.

NOTE 10: OTHER EQUITY

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Securities Premium Reserve	4,738.77	4,741.07
(b) Capital Redemption Reserve	0.92	0.90
(c) Surplus in Statement of Profit and Loss	(144.47)	88.85
(d) Other Comprehensive Income		
- Equity instruments through OCI	20.93	20.91
- Cash flow hedge reserves	27.12	(87.26)
Total reserves and surplus	**4,643.27**	**4,764.47**

Movement in Reserves

(i) Retained earnings

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Surplus/(Deficit) in Statement of Profit and Loss		
Opening Balance	88.85	53.83
Add: Net profit for the year	(232.81)	38.52
Add (Less): Remeasurements of the defined benefit plans	(0.51)	(0.05)
Add (Less): Dividend payment	-	(3.23)
Add (Less): Lease assets impact (Refer Note 2)	-	(0.22)
Closing balance	**(144.47)**	**88.85**

Retained earnings represents surplus/ accumulated earnings of the Corporation and are available for distribution to shareholders.

(ii) Equity instruments through Other Comprehensive Income

This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income, under and irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

(iii) Cash flow hedge reserve

The Company has designated its hedging instruments as cash flow hedges and any gain / loss on cash flow hedge is maintained in the said reserve. At the time of settlement of instrument, the gain / loss is recognised in the Statement of Profit and Loss.

(iv) Securities Premium movement

The Company has transferred amount from Security Premium Reserves to Capital Redemption Reserve on account of buy back of shares during the year.

(v) Capital Redemption Reserve

The Company has created Capital Redemption Reserve because of buy back of shares during the year.

NOTE 11: FINANCIAL LIABILITIES

11 (a) Borrowings

(₹ in crores)

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
Secured			
Term loans			
From banks			
Rupee Currency Loan	(a) (i)	45.63	17.35
Foreign currency loan	(a) (ii)	98.38	120.55
Long-term maturities of Hire purchase obligations	(b)	0.40	-
Total borrowings		**144.41**	**137.90**

Note:

(a) (i) Term loans from Bank in Rupee currency

(₹ in crores)

Name of the bank	Terms of repayment and security	As at 31st March, 2021	As at 31st March, 2020
State bank of India	The Term Loan is secured by extension of charge on consortium Bank's existing Charge . Which is Hypothecation of Inventories, collateral security of book debts, first charge on the Company's fixed asset at Naroda DTA plant located at Plot No. 1216/12, 1216/20 to 23, Phase IV, and Plot No. 67, Phase I, GIDC Estate, Naroda , Ahmedabad unit and second pari pasu charge on fixed asset at Bavla Plant. Repayable in 18 Monthly instalments starting from Nov 2020 ending on April 2022.	0.42	-
HDFC Bank Ltd.*#	The Term Loan is secured by Charge on Dishman Corporate House property, Ambli Road, Opp. Annapurna Farm House, Satelite Area, Ahmedabad. Repayable in 17 equal quarterly instalments starting from March 2018 ending on March 2022.	10.41	17.35
Bank of Baroda#	The Term Loan is secured by First paripasu Charge on Company's immovable and movable fixed assets along with other term lenders at Bavla unit and second charge on entire current assets of the company present and future. Repayable in 20 equal quarterly instalments starting from March 2021 ending on December 2025.	25.24	-
Bank of Baroda	The Term Loan is secured by extension of charge on consortium Bank's existing Charge .Which is Hypothecation of Inventories, collateral security of book debts, first charge on the Company's fixed asset at Naroda DTA plant located at Plot No. 1216/12, 1216/20 to 23, Phase IV, and Plot No. 67, Phase I, GIDC Estate, Naroda , Ahmedabad unit and second pari pasu charge on fixed asset at Bavla Plant. Repayable in 18 Monthly instalments starting from January 2021 ending on June 2022.	1.73	-
Axis Bank	The Term Loan is secured by 100% Credit Guarantee by NCGTC and second parripasu charge on existing securities. Repayable in 48 monthly instalments starting from March 2022 ending on Feb 2026. Security in respect of said loan is yet to be created.	7.83	-
Bank of Baroda	The Corporate Loan is secured Loan which is secured by first Pari-Passu charge on the Company's immovable and movable fixed assets at Bavla unit and second charge on SEZ Land of M/s Dishman Infrastructure Ltd and Corporate Guarantee of M/s Dishman Infrastructure Ltd., repayable in 24 quarterly instalment starting from June 2015 in ballooning fashion and ending on 31 March 2021	-	-
Total Term loans from Bank in Rupee currency		**45.63**	**17.35**

(a) (ii) Term loans from Bank in foreign currency

(₹ in crores)

Name of the bank	Terms of repayment and security	As at 31st March, 2021	As at 31st March, 2020
Bank of Baroda*	The Corporate Loan is secured by first Pari-passu charge on company's fixed assets at Bavla unit along with existing term lenders and second paripasu charge on Current Assets of the company with existing lenders, repayable in 20 quarterly instalment starting from May 2019 and ending on Feb 2024.	14.85	19.37
Bank of Baroda	The Term Loan is secured by First paripasu Charge on Company's immovable and movable fixed assets along with other term lenders at Bavla unit and second charge on entire current assets of the company present and future. Repayable in 20 equal quarterly instalment starting from March 2021 ending on December 2025.	14.06	-
Qatar National Bank	The term loan is secured by first pari-passu charge on the Company's fixed assets at Bavla unit alongwith existing term lenders and second pari-passu charge on current assets of the Company with existing lenders, repayable in 20 quarterly instalment starting from October, 2017 and ending July, 2022.	69.47	101.18
Total borrowings		**98.38**	**120.55**

(b) Long-term maturities of Hire purchase obligations

(₹ in crores)

Name of the bank	Terms of repayment and security	As at 31st March, 2021	As at 31st March, 2020
HDFC Bank Limited	Hire Purchase Finances are secured by hypothecation of respective assets	0.40	-
Total of Long-term maturities of Hire purchase obligations		**0.40**	**-**

(c) Long Term Loan facility from banks caring interest-rate ranging from L+1.50% to MCLR+3.75% p.a. for different facilities .These facilities were repayable as per the repayment schedule.

(d) For current maturities of long term borrowings, refer Note -11 (d)

*(e) The Company has availed benefit of moratorium on term loans under COVID-19 announcements by RBI for the period of six months . Accordingly period of repayment will change as per moratorium period.

#(f) Swap contract has been entered in to for this loan.

11 (b) Current borrowings

(₹ in crores)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
Secured			
Loans repayable on demand			
From banks	(a)	279.24	246.38
From others		9.00	7.00
Unsecured			
Loan from banks- Foreign Currency		-	87.60
Total Current borrowings		**288.24**	**340.98**

Note:

(a) Details of current borrowings

(₹ in crores)

Name of the bank	Security	As at 31st March, 2021	As at 31st March, 2020
Union Bank of India	Hypothecation of Inventories, collateral security of book debts, first charge on the Company's fixed asset at Naroda DTA plant located at Plot No. 1216/12, 1216/20 to 23, Phase IV, and Plot No. 67, Phase I, GIDC Estate, Naroda , Ahmedabad unit and second pari pasu charge on fixed asset at Bavla Plant.	7.40	32.81
Bank Of Baroda		99.33	98.63
State Bank Of India		65.42	69.49
Doha Bank		-	45.44
Indian Bank		20.49	-
IDFC Bank		14.93	-
HDFC Bank Ltd.	Unsecured	-	20.81
Axis Bank	Short term loan is secured by Charge on land, Building, Plant and Machinery at plot No 1216/11, 1216/24 to 27 , Phase IV, GIDC Estate Naroda on Paripassu basis with DCB Bank. Charge created in Sept'20.	38.35	39.85
DCB Bank	Short term loan is secured by Charge on land, Building, Plant and Machinery at plot No 1216/11, 1216/24 to 27 , Phase IV, GIDC Estate Naroda on Paripassu basis with Axis Bank. Charge created in Sept'20.	33.32	26.93
Bajaj Finance Ltd.	Secured against fixed deposit with Bajaj Fianance Ltd	9.00	7.00
Total Current borrowings		**288.24**	**340.98**

Short Term Loan facility (Secured and Unsecured) from banks caring interest-rate ranging from L+1.25% to MCLR + 1.25% p.a. for different facilities these facilities were repayable on demand.

11 (c) Trade payables

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a. Total Outstanding dues of Micro Enterprises and Small Enterprises and	0.44	1.31
b. Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	50.76	84.61
Total trade payables	**51.20**	**85.92**

Note:

1. All trade payables are current
2. The company's exposure to currency and liquidity risks related to trade payable is disclosed in Note 25.
3. Out of the above trade payable, payable to related party is ₹ 12.35 crores (Previous Year : ₹ 28.83 crores)

11 (d) Other financial liabilities

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current		
(a) Current maturities of long-term debt	93.62	78.59
(b) Interest accrued but not due on borrowings	1.86	1.16
(c) Unpaid dividends	0.09	0.12
(d) Employee realted provisions	7.33	9.57
(e) Payable towards hedge instruments	-	39.46
(f) Others	14.34	15.80
Total other current financial liabilities	**117.24**	**144.70**

NOTE 12: PROVISIONS

(₹ in crores)

Particulars	As at 31st March, 2021			As at 31st March, 2020		
	Current	Non- current	Total	Current	Non- current	Total
(a) Provision for compensated absences (Refer note No. 27)	1.06	0.67	1.73	0.86	0.57	1.43
(b) Provision for gratuity (net) (Refer note No. 27)	0.98	6.59	7.57	1.17	8.21	9.38
Total Provisions	**2.04**	**7.26**	**9.30**	**2.03**	**8.78**	**10.81**

NOTE 13: DEFERRED TAX LIABILITIES

(a) Movements in deferred tax liabilities

(₹ in crores)

Particulars				As at 31st March, 2021		
	Net balance as at April 1, 2020	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)						
Property, plant and equipment & Intangible assets & Goodwill	(307.44)	(65.44)	-	(372.88)	-	(372.88)
Investments	(1.62)	(0.60)	(0.01)	(2.23)	-	(2.23)
Trade receivables	0.16	(0.14)	-	0.02	0.02	-
Loans and advances	3.32	0.74	-	4.06	4.06	-
Provisions	4.17	(0.91)	0.27	3.53	3.53	-
Unabsorbed losses	139.29	(2.10)	-	137.19	137.19	-
DTA on MTM	(22.30)	22.30	-	0.00	-	0.00
Deferred tax on profit on sale of investment	(6.90)	-	-	(6.90)	-	(6.90)
Deferred tax assets (Liabilities)	**(191.31)**	**(46.15)**	**0.26**	**(237.20)**	**144.80**	**(382.01)**
Minimum Alternate Tax (MAT) credit entitlement	50.49	-	-	50.49	50.49	-
Net Deferred tax assets/ (Liabilities)	**(140.82)**	**(46.15)**	**0.26**	**(186.71)**	**195.29**	**(382.01)**

(b) Movements in deferred tax liabilities

(₹ in crores)

Particulars				As at 31st March, 2020		
	Net balance as at April 1, 2019	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)						
Property, plant and equipment & Intangible assets & Goodwill	(308.77)	1.34	-	(307.44)	-	(307.44)
Investments	(0.33)	(0.69)	(0.59)	(1.62)	-	(1.62)
Trade receivables	0.16	-	-	0.16	0.16	-
Loans and advances	4.41	(1.09)	-	3.32	3.32	-
Provisions	3.86	0.29	0.02	4.17	4.17	-
Unabsorbed losses	134.97	4.32	-	139.29	139.29	-
DTA on MTM	(6.69)	(15.61)	-	(22.30)	-	(22.30)
Deferred tax on profit on sale of investment	(6.90)	-	-	(6.90)	-	(6.90)
Deferred tax assets (Liabilities)	**(179.29)**	**(11.45)**	**(0.57)**	**(191.31)**	**146.94**	**(338.25)**
Minimum Alternate Tax (MAT) credit entitlement	46.69	3.80	-	50.49	50.49	-
Net Deferred tax assets/(Liabilities)	**(132.61)**	**(7.64)**	**(0.57)**	**(140.82)**	**197.43**	**(338.25)**

(c) The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. The Company has cumulative tax losses of ₹ 392.58 crores as on 31st March, 2021. The tax losses of ₹ 392.58 crores pertains to unabsorbed depreciation, that are available for set off against future taxable profits, without any limitation of the number of years for set off.

Minimum Alternative Tax (MAT credit) balance as on 31st March, 2021 amounts to ₹ 50.49 crores (31st March, 2020 : ₹ 50.49 crores). The Company is reasonably certain of availing the said MAT credit in future years against the normal tax expected to be paid in those years.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

NOTE 14 : OTHER NON-CURRENT LIABILITIES

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advances from customers - Related party (Refer note No. 31)	-	19.14
Total other liabilities	**-**	**19.14**

NOTE 15: OTHER CURRENT LIABILITIES

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Statutory tax payables	1.01	1.82
(b) Advances from customers Include amount received from related party of ₹ 20.26 crores (P.Y. ₹ 29.66 crores) (Refer Note No. 31)	25.80	41.52
Total other current liabilities	**26.81**	**43.34**

NOTE 16: REVENUE FROM OPERATIONS

The entity derives the following types of revenue:

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Sale of products (Refer Note (i))	162.77	509.20
(b) Sale of services (Refer Note (ii))	2.38	3.37
(c) Other operating revenue (Refer Note (iii))	42.86	68.17
Total revenue from continuing operations	**208.01**	**580.74**

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Note:		
(i) Sale of products comprises :		
Sale of manufactured goods	162.77	509.20
Total - Sale of products	**162.77**	**509.20**
(ii) Sale of services comprises :		
Product Development Services	2.38	3.37
Total - Sale of services	**2.38**	**3.37**
(iii) Other operating revenues comprise:		
Sale of scrap	1.38	0.76
Duty Drawback income	1.74	11.43
Forex (Loss) / Gain on forward contracts against sales	(11.87)	43.07

Sales of Raw Material	51.60	12.75
Others	0.01	0.16
Total - Other operating revenues	**42.86**	**68.17**

NOTE 17: OTHER INCOME

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest income (Refer Note (i))	25.70	29.32
(b) Dividend income from Long term Investments (Refer Note 31)	26.44	31.48
(c) Net gain on Long Term Investments	2.34	-
(d) Income from Travel Business	(0.14)	0.56
(e) Gain on PPE sold / scrapped / written off	0.18	-
(f) Provision for doubtful trade and other receivables, loans and advances (net)	-	1.84
(g) Management fees income (Refer Note No. 31)	7.28	6.08
(h) Other income*	4.23	0.27
(i) Lease Rent Income from Related party	0.03	-
(j) Rent Income	0.09	-
Total other income	**66.15**	**69.55**

* Other Income includes 3.12 Crores from related party

Note (i) : Interest income comprises:

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest from deposits / investment :		
Banks	3.21	12.35
Others	10.61	5.18
Interest on loans and advances:		
Subsidiaries	11.87	7.22
Others	0.01	4.57
Total - Interest income	**25.70**	**29.32**

NOTE 18
(a): Cost of materials Consumed

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Raw materials at the beginning of the year	80.30	69.55
Add: Purchases	79.73	190.90
	160.03	**260.45**
Less: Raw material at the end of the year	(73.49)	(80.30)
Total cost of materials consumed	**86.54**	**180.15**

Note 18 (b): Changes in inventories of finished goods and work-in-progress

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Inventories at the begining of the year		
Work-in progress	77.86	104.43
Finished goods	50.27	43.66
Total opening balance	**128.13**	**148.09**
Inventories at the end of the year		
Work-in progress	72.54	77.86
Finished goods	33.69	50.27
Total closing balance	**106.23**	**128.13**
Total changes in inventories of finished goods and work-in-progress	**(21.90)**	**(19.96)**

NOTE 19: EMPLOYEE BENEFIT EXPENSE

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Salaries and wages (for gratuity and leave encashment: Refer Note 27)	56.09	82.83
(b) Contributions to provident and other funds (Refer Note 27)	1.68	2.53
(c) Staff welfare expenses	1.63	3.51
Total employee benefit expense	**59.40**	**88.87**

NOTE 20: FINANCE COSTS

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest on debts and borrowings	26.45	32.93
(b) Interest on lease liability	1.52	1.88
(c) Other Borrowing Cost	2.10	3.04
(d) Forex loss considered as finance cost	4.10	9.17
Total Finance costs	**34.17**	**47.02**

NOTE 21: DEPRECIATION AND AMORTISATION EXPENSE

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Depreciation of property, plant and equipment	49.86	47.97
(b) Depreciation of Right of Use asset	3.86	3.82
(c) Amortisation of intangible assets and Goodwill	89.49	88.86
Total depreciation and amortisation expense	**143.21**	**140.65**

NOTE 22: OTHER EXPENSES

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Consumption of stores and spare parts	0.88	0.99
Other Manufacturing Expenses	11.57	12.29
Power and fuel	12.21	34.75
Laboratory Expenses	1.64	3.25

ETP Expenses	2.25	5.16
Rent including lease rentals	2.26	1.58
Repairs and maintenance - Buildings	1.17	1.63
Repairs and maintenance - Machinery	4.59	9.50
Repairs and maintenance - Others	1.06	2.15
Insurance	3.78	5.28
Communication	0.47	0.72
Travelling and conveyance	3.78	4.78
Printing and stationery	0.37	0.60
Freight and forwarding	3.88	6.42
Sales commission	0.18	0.49
Business promotion	0.04	0.27
Donations and contributions	0.71	1.17
Legal and professional	8.63	9.55
Payments to auditors (Refer note 22 (a))	0.99	0.63
Membership & Subscription	0.13	1.56
Office Electricity	0.57	0.52
Recruitment Expenses	0.14	0.22
Loss on Property, Plant and Equipment sold / scrapped / written off	-	(0.02)
Provision for doubtful trade and other receivables, loans and advances (net)	5.05	-
Net loss on foreign currency transactions and translation	28.03	2.37
Royalty expenses	0.14	2.34
Net loss on sale of investments	-	5.86
Miscellaneous expenses	3.11	4.10
Total other expenses	**97.63**	**118.18**

Note 22 (a): Details of payments to auditors

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Payment to auditors (excluding Goods & Service Tax)		
As auditor:		
Audit fee	0.62	0.46
In other capacities		
Certification fees & Consultancy fees	0.37	0.16
Total payments to auditors	**0.99**	**0.62**

Note 22 (b): Corporate social responsibility expenditure

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Amount required to be spent as per Section 135 of the Act	0.58	0.51
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	0.59	0.51
	0.59	**0.51**

Note: Related party transactions in relation to Corporate Social Responsibility : Nil

NOTE 23: INCOME TAX EXPENSE

(a) Income tax expense

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Current tax		
Current tax on profits for the year	-	9.30
Total current tax expense	**-**	**9.30**
Deferred tax		
Increase in deferred tax liabilities	46.15	11.44
Excess / (Short) provisions of earlier years	17.97	-
MAT Credit	0.00	(3.80)
Total deferred tax expense/(benefit)	**64.12**	**7.64**
Income tax expense	**64.12**	**16.94**

(b) Reconciliation of effective tax rate:

(₹ in crores)

Particulars	2020-21	2019-20
(Loss) /Profit before income tax expense	(168.69)	55.46
Enacted income tax rate in India applicable to the Company 34.944% (PY 34.944%)	**(58.95)**	**19.38**
Tax effect of:		
Permanent allowance (net)	0.03	0.11
Others	6.14	2.38
Tax impact due to foreign dividend income	-	(5.50)
Tax impact due to foreign dividend income	-	0.57
Excess / (short) provisions of earlier years	17.97	-
Deferrex tax on account of Goodwill	92.28	
Tax impact on Mark to Market	2.65	-
Income tax expense	**64.12**	**16.94**
Weighted average tax rate for the year	**(38.00%)**	**30.55%**

(c) Amounts recognised in Other Comprehensive Income

(₹ in crores)

Particulars	2020-21			2019-20		
	Before tax	Tax exp. (benefit)	Net of tax	Before tax	Tax exp. (benefit)	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurement of the defined benefit plans	(0.78)	0.27	(0.51)	(0.07)	0.02	(0.04)
Equity instruments through Other Comprehensive Income- net change in fair value	0.04	(0.01)	0.03	1.69	(0.59)	1.10
Items that will be reclassified to profit or loss						
Foreign exchange fluctuation in respect of cash flow hedge	114.38	-	114.38	(96.00)	-	(96.00)

(d) Amounts recognised directly in equity

No aggregate amounts of current and deferred tax have arisen in the reporting period which have been recognised in equity and not in Statement of Profit or Loss or Other Comprehensive Income.

NOTE 24: FAIR VALUE MEASUREMENTS

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crores)

Financial Assets and Liabilities as at 31st March, 2021	Carrying value			Routed through Profit and Loss				Routed through OCI				Carried at amortised cost				Total Amount	Total Fair Value
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets																	
Investments																	
- Equity instruments	2,810.36	66.84	2,877.20	66.84	-	-	66.84	0.01	-	51.26	51.27	-	-	2,759.09	2,759.09	2,877.20	2,877.20
- Fixed deposit	-	30.00	30.00	-	-	-	-	-	-	-	-	-	-	30.00	30.00	30.00	30.00
- Carried at cost	4.51	-	4.51	-	-	-	-	-	-	-	-	-	-	4.51	4.51	4.51	3.10
Loans	85.75	50.39	136.14	-	-	-	-	-	-	-	-	-	-	136.14	136.14	136.14	136.14
Trade receivable	-	77.40	77.40	-	-	-	-	-	-	-	-	-	-	77.40	77.40	77.40	77.40
Cash and Cash equivalents	-	16.36	16.36	-	-	-	-	-	-	-	-	-	-	16.36	16.36	16.36	16.36
Other Bank Balance	-	33.96	33.96	-	-	-	-	-	-	-	-	-	-	33.96	33.96	33.96	33.96
Other Financial Assets	1.76	87.63	89.39	-	-	-	-	-	53.21	-	53.21	-	-	36.18	36.18	89.39	89.39
Total	**2,902.38**	**362.57**	**3,264.96**	**66.84**	**-**	**-**	**66.84**	**0.01**	**53.21**	**51.26**	**104.49**	**–**	**–**	**3,093.64**	**3,093.64**	**3,264.95**	**3263.54**
Financial Liabilities																	
Borrowings	144.41	288.24	432.65	-	-	-	-	-	-	-	-	-	-	432.65	432.65	432.65	432.65
Trade Payables	-	51.20	51.20	-	-	-	-	-	-	-	-	-	-	51.20	51.20	51.20	51.20
Lease liability	7.87	3.87	11.74	-	-	-	-	-	-	-	-	-	-	11.74	11.74	11.74	11.74
Other Financial Liabilities	-	117.24	117.24	-	-	-	-	-	-	-	-	-	-	117.24	117.24	117.24	117.24
Total	**152.28**	**460.55**	**612.83**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**–**	**–**	**612.83**	**612.83**	**612.83**	**612.83**

(₹ in crores)

Financial Assets and Liabilities as at 31st March, 2020	Carrying value			Routed through Profit and Loss				Routed through OCI				Carried at amortised cost				Total Amount	Total Fair Value
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets																	
Investments																	
- Equity instruments	2,813.47	1.60	2,815.07	4.76	-	-	4.76	0.01	-	51.23	51.24	-	-	2,759.08	2,759.08	2,815.08	2,815.08
- Debt instruments	-	25.41	25.41	-	-	-	-	-	-	-	-	-	-	25.41	25.41	25.41	25.41
- Fixed deposits	-	30.00	30.00	-	-	-	-	-	-	-	-	-	-	30.00	30.00	30.00	30.00
- Carried at cost	29.62	-	29.62	-	-	-	-	-	-	-	-	-	-	29.62	29.62	29.62	23.75
Loans	81.81	94.61	176.42	-	-	-	-	-	-	-	-	-	-	176.42	176.42	176.42	176.42
Trade receivable	-	144.90	144.90	-	-	-	-	-	-	-	-	-	-	144.90	144.90	144.90	144.90
Cash and Cash equivalents	-	26.33	26.33	-	-	-	-	-	-	-	-	-	-	26.33	26.33	26.33	26.33
Other Bank Balance	-	38.80	38.80	-	-	-	-	-	-	-	-	-	-	38.80	38.80	38.80	38.80
Other Financial Assets	6.07	50.56	56.62	-	-	-	-	-	-	-	-	-	-	56.62	56.62	56.62	56.62
Total	**2,930.97**	**412.22**	**3,343.18**	**4.76**	**-**	**-**	**4.76**	**0.01**	**-**	**51.23**	**51.24**	**–**	**–**	**3,287.18**	**3,287.18**	**3,343.18**	**3,337.30**
Financial Liabilities																	
Borrowings	137.90	340.98	478.88	-	-	-	-	-	-	-	-	-	-	478.88	478.88	478.88	478.88
Trade Payables	-	85.92	85.92	-	-	-	-	-	-	-	-	-	-	85.92	85.92	85.92	85.92
Lease liability	11.74	3.48	15.22	-	-	-	-	-	-	-	-	-	-	15.22	15.22	15.22	15.22
Derivative liabilities	-	39.46	39.46	-	-	-	-	-	39.46	-	39.46	-	-	-	-	39.46	39.46
Other Financial Liabilities	-	105.24	105.24	-	-	-	-	-	-	-	-	-	-	105.24	105.24	105.24	105.24
Total	**149.64**	**575.07**	**724.71**	**-**	**-**	**-**	**-**	**-**	**39.46**	**-**	**39.46**	**–**	**–**	**685.26**	**685.26**	**724.71**	**724.71**

B. Measurement of fair value

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables.
3. The fair values for investment in equity shares other than subsidiaries, joint venture and associate were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

C. Fair Value Hierarchy

The fair value of financial instruments as referred above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

D. The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

E. Valuation technique used to determine fair value

The following is the valuation technique used in measuring Level 2 and Level 3 fair values, for the financial instruments measured at fair value in the statement of financial position, as well as significant unobservable inputs used.

Financial Instruments measured at fair value

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable input and fair valuation
Investments in unquoted instruments accounted for as Fair value through Other Comprehensive Income - Level 3	DCF method	(i) Discounting rate: March 2021: 8.25 % (Previous Year: 8.25 %) (ii) Growth rate: March 2021: 9% (Previous Year: 9%)	Increase/ (Decrease) in significant unobservable input will Increase/ (Decrease) fair value of the instrument
Derivative instruments-forward exchange contracts - Level 2	Forward pricing: The fair value is determined using quoted forward exchange rate at the reporting date.	Not applicable	Not applicable

F. For the fair value of unquoted equity shares, reasonable possible change at the reporting date to one of the significant observable inputs, holding other inputs constant, would have the following effect

(₹ in crores)

Significant unobservable inputs		Profit or Loss	
		As at 31st March, 2021	As at 31st March, 2020
+/- 0.5% Discount rate and Growth rate	Increase	0.90	1.88
	Decrease	0.90	1.85

G. Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended 31 March 2021 and 31 March 2020:

	Unlisted equity securities CAD Middle East Pharmaceuticals Ind LLC	Unlisted equity securities Nami Trading Co-FZE LLC
As at 1st April, 2019	**49.52**	**0.02**
Gains/ (losses) recognised in Other Comprehensive Income	1.69	0.00
As at 31st March, 2020	**51.21**	**0.02**
Gains/(losses) recognised in Other Comprehensive Income	0.02	0.01
As at 31st March, 2021	**51.23**	**0.03**

NOTE 25: FINANCIAL RISK MANAGEMENT

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's activities expose it to a variety of its financial risk including

- Credit risk
- Liquidity risk
- Market risk

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's activities expose it to market risk, liquidity risk and credit risk. The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of directors, which provides principles on foreign exchange risk, interest rate risk, credit risk, use of financial derivatives etc. Compliance with policies and exposure limits is reviewed by risk management committee and internal auditors. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purpose.

The Company's audit committee also oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(A) 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 trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

1 Trade and Other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the 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 in some cases bank references. Sale limits are established for each customer and reviewed periodically.

As at 31st March 2021, the carrying amount of the Company's largest customer which is its subsidiary (excluding advances) was ₹ 26.20 crores (Previous Year - ₹63.23 crores).As at 31st March 2021 and 31st March 2020, the Company did not have any significant concentration of credit risk with any external customers.

(i) Expected credit loss assessment for Trade and Other receivables as at 31st March, 2020 and 31st March, 2021:

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix. The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages till full provision for the trade receivable is made.

The following table provides information about the exposure to credit risk and expected credit loss for trade and other receivables.

(₹ in crores)

	Gross Carrying amount	Loss allowances	Net Carrying amount
As at 31st March, 2021	84.23	6.83	77.40
As at 31st March, 2020	152.12	7.22	144.90

(ii) The movement in the loss allowance in respect of trade and other receivables during the year was as follows

(₹ in crores)

Balance as at 1st April, 2019	**8.61**
Movement during the year	(1.39)
Balance as at 31st March, 2020	**7.22**
Movement during the year	(0.38)
Balance as at 31st March, 2021	**6.83**

2 Cash and bank balances

The Company held Bank balance of ₹ 50.32 crores at 31st March, 2021 (Previous Year : ₹ 65.13 crore). The same are held with bank and financial institution counterparties with good credit rating.

3 Derivatives

The forward cover has been entered into with banks /financial institution counterparties with good credit rating.

4 Others

Other than trade receivables reported above , the Company has no other financial assets which carries any significant credit risk.

(B) 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.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdraft/ cash credit facility. The Company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities. The Company has access to a sufficient variety of sources of short term funding with existing lenders. The Company has arrangements with the reputed banks and has unused line of credit that could be drawn upon should there be need.

(i) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

(₹ in crores)

Contractual maturities of financial liabilities as at 31st March, 2021	1 year or less	1-2 years	2- 5 years	Total
Non-derivatives				
Long term borrowings (inclusive of accumulated interest)	103.01	115.07	34.11	252.19
Working Capital Facility and Short term loans and borrowings	288.24	-	-	288.24
Lease liabilities (inclusive of accumulated interest)	5.00	5.00	3.75	13.75
Trade payables	51.20	-	-	51.20
Other financial liabilities	21.76	-	-	21.76
Total non-derivative liabilities	**469.21**	**120.07**	**37.86**	**627.14**
Derivatives (net settled)				
Foreign exchange forward contracts	-	-	-	-
Total derivative liabilities	**-**	**-**	**-**	**-**

(₹ in crores)

Contractual maturities of financial liabilities as at 31st March, 2020	1 year or less	1-2 years	2- 5 years	Total
Non-derivatives				
Long term borrowings (inclusive of accumulated interest)	85.52	54.52	91.74	231.78
Working Capital Facility and Short term loans and borrowings	340.98	-	-	340.98
Lease liabilities (inclusive of accumulated interest)	6.52	6.13	9.64	22.28
Trade payables	85.92	-	-	85.92
Other financial liabilities	25.48	-	-	25.48
Total non-derivative liabilities	**544.42**	**60.65**	**101.38**	**706.45**
Derivatives (net settled)				
Foreign exchange forward contracts	39.46	-	-	39.46
Total derivative liabilities	**39.46**	**-**	**-**	**39.46**

(C) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk.

(i) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EURO, GBP, CHF, Chinese Renminbi (RMB) and SGD. The Company has in place the Risk management policy to manage the foreign exchange exposure.

The Foreign currency exchange rate exposure is partly balanced through natural hedge, where in the company's borrowing is in foreign currency and cash flow generated from financial assets is also in same foreign currency. This provide an economic hedge without derivatives being entered into and therefore hedge accounting not applied in these circumstances.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

The Company can enter into foreign currency forward contracts and other authorized derivative contracts, which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables/receivables and borrowings.

The Company uses derivative instruments, mainly foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in line with the policy.

The Company hedges 75% to 80% of its estimated foreign currency exposure in respect of forecast sales. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

Foreign currency risk exposure:

The Company exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows

Sr no	Particulars	Currency	As at 31st March, 2021 (₹ in crores)	As at 31st March, 2021 FC in Million	As at 31st March, 2020 (₹ in crores)	As at 31st March, 2020 FC in Million
A	**Financial assets**					
(i)	Trade receivables	EURO	5.18	0.60	5.42	0.65
		USD	34.25	4.69	44.35	5.87
		CHF	8.42	1.09	25.71	3.27
(ii)	Loans and Advances	USD	50.08	6.85	61.30	8.11
		CHF	-	-	16.56	2.11
(iii)	Interest receivable	USD	0.88	0.12	0.58	0.08
		CHF	-	-	0.03	0.00
(iv)	Dividend receivable	USD	1.72	0.23	-	-
B	**Financial liabilities**					
(i)	Foreign currency loan					
	Bank loan	USD	282.62	38.66	490.60	64.94
		GBP	65.17	6.47	-	-
		CHF	47.46	6.12	26.93	3.43
	Interest Payable	USD	0.54	0.07	0.54	0.07
(ii)	Trade payables	USD	9.66	1.32	22.38	2.96
		EURO	1.25	0.15	1.74	0.21
		GBP	2.27	0.23	1.24	0.13
		CHF	3.67	0.47	-	-
		CNY	0.11	0.09	0.10	0.09
		SGD	0.24	0.04	-	-
		JPY	-	-	0.39	5.55

The Company has entered into forward contract transactions, which are not intended for trading or speculative purpose but to hedge the export receivables including future receivables. The Company has following forward cover outstanding.

Type of transaction	Purpose	Currency	Buy or Sell	Cross Currency	As at 31st March, 2021 Amount in Foreign currency in Mn.	As at 31st March, 2021 (₹ in crores)	As at 31st March, 2020 Amount in Foreign currency in Mn.	As at 31st March, 2020 (₹ in crores)
Forward Cover	To hedge export receivables	USD	Sell	INR	18.50	135.24	74.00	559.07
		CHF	Sell	INR	104.49	809.72	106.25	835.47
		GBP	Sell	INR	7.00	70.51	-	-
		CHF	Sell	USD	2.00	15.50	-	-
Swap Cover	To hedge Foreign Currency Loan	CHF	Sell	USD	12.36	95.75	16.90	132.92
		CHF	Sell	INR	6.32	49.00	4.40	34.56

(c) Sensitivity

A reasonably possible strengthening (weakening) of the Indian Rupee against various currency mentioned in the table below as at March 31 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit / (loss) before tax gain / (loss) Strengthening	Profit / (loss) before tax gain / (loss) Weakening	Equity, gross of tax Increased	Equity, gross of tax (Decreased)
March 31, 2021				
Effect in INR				
1 % movement				
USD	0.71	(0.71)	0.71	(0.71)
EUR	(0.04)	0.04	(0.04)	0.04
GBP	(0.03)	0.03	(0.03)	0.03
CHF	(9.27)	9.27	(9.27)	9.27
NZD	0.00	0.00	0.00	0.00
SGD	0.00	(0.00)	0.00	(0.00)
March 31, 2020				
Effect in INR				
1 % movement				
USD	9.66	(9.66)	9.66	(9.66)
EUR	0.23	(0.23)	0.23	(0.23)
GBP	0.01	(0.01)	0.01	(0.01)
CHF	(10.04)	10.04	(10.04)	10.04

(ii) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Company main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31st March 2021, the Company's borrowings at variable rate were mainly denominated in USD, GBP and CHF.

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation.

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in crores)

Particulars	As at 31st March, 2021 Nominal amount	As at 31st March, 2020 Nominal amount
Variable rate borrowings	524.28	557.46
Fixed rate borrowings	1.99	-
Total borrowings	**526.27**	**557.46**

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(b) Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased/(decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in crores)

Particulars	Impact on profit /(loss) - Increase / (Decrease) in profit	
	As at 31st March, 2021	As at 31st March, 2020
Interest rates – increase by 50 basis points *	(2.62)	(2.79)
Interest rates – decrease by 50 basis points *	2.62	2.79

* Holding all other variables constant

(D) Hedge Accounting

The Company's business objective includes safe-guarding its earnings against adverse effect of foreign exchange and interest rates. The Company has adopted a structured risk management policy to hedge all these risks within an acceptable risk limit and an approved hedge accounting framework which allows for Cash Flow hedges. Hedging instruments include forwards and swap as derivative instruments to achieve this objective. The table below shows the position of hedging instruments and hedged items as on the balance sheet date.

Cash Flow Hedge

Hedging instruments

(₹ in crores)

Particulars	Nominal Value	Carrying amount		Change in fair value	Hedge maturity	Line item in Balance sheet
		Assets	Liabilities			
Foreign Currency Risk						
Forward contract	1,030.97	-	-	48.41	April, 2021 to April, 2022	Other current liabilities
Interest and currency Swap	144.75	-	147.86	3.11	October, 2019 to July 2022	Long term borrowings and Other financial liabilities
Foreign currency loans	345.11	-	336.60	(8.50)	Till August 24	Long term and short term borrowings

Hedge items

(₹ in crores)

Particulars	Nominal Value	Change in fair value	Hedge reserve	Line item in Balance sheet
Foreign Currency Risk				
Highly probable exports	1,518.34	42.54	42.54	Other equity
For loans	2.49	0.47	0.47	Other equity

NOTE 26: CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard the Company's ability to remain as a going concern and maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or return capital to shareholders.

The Company's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute annual dividends in future periods. The amount of future dividends of equity shares will be balanced with efforts to continue to maintain an adequate liquidity status.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio at at 31st March, 2021 was as follows.

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Borrowings		
Long term and Short term borrowings	432.65	478.88
Current maturities of Long term borrowings	93.62	78.59
Less: Cash and cash equivalents	(50.32)	(65.13)
Adjusted net debt	**475.95**	**492.34**
Total Equity	4,674.62	4,795.85
Adjusted net equity	**4,674.62**	**4,795.85**
Adjusted net debt to adjusted equity ratio	**0.10**	**0.10**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital of the Company during the current and previous year. The company has current and non-current investments in marketable instruments of ₹ 101.36 crores(Previous Year ₹ 89.80 crores) as on 31st March, 2021.

NOTE 27: EMPLOYEE BENEFITS

The Company has an obligation towards gratuity, a defined benefit obligation. The benefits are governed by the Payment of Gratuity Act, 1972. The company makes lumpsum payment to vested employees an amount based on 15 days last drawn basic salary including dearness allowance (if any) for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The most recent actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

(₹ in crores)

	A : Defined benefit plans -	For the year ended 31st March, 2021	For the year ended 31st March, 2020
		Gratuity (Non-funded)	Gratuity (Non-funded)
I	**Expenses recognised in statement of profit and loss during the year:**		
1	Current Service Cost	0.87	0.91
2	Past Service Cost	-	-
3	Interest cost	0.58	0.60
	Total Expenses	**1.45**	**1.51**
II	**Expenses recognised in OCI**		
1	Actuarial changes arising from changes in demographic assumptions	0.00	(0.01)
2	Actuarial changes arising from changes in financial assumptions	0.00	(0.97)

3	Actuarial changes arising from changes in experience adjustments	0.78	1.04
	Total Expenses	**0.78**	**0.07**
III	**Net (Asset) /Liability recognised as at balance sheet date:**		
1	Present value of defined benefit obligation	7.57	9.38
2	Net (Asset) /Liability - Current	0.98	1.17
	Net (Asset) /Liability - Non- Current	6.60	8.21
IV	**Reconciliation of Net (Asset) / Liability recognised as at balance sheet date:**		
1	Defined benefit obligation at the beginning of the year	9.38	8.44
2	Current Service Cost	0.87	0.91
3	Past Service Cost	0.00	0.00
4	Interest cost	0.58	0.60
5	Actuarial loss/(gain) due to change in financial assumptions	0.00	(0.97)
6	Actuarial loss/(gain) due to change in demographic assumption	0.00	(0.01)
7	Actuarial loss/ (gain) due to experience adjustments	0.78	1.04
8	Benefit paid	(4.03)	(0.64)
	Net (asset) / liability at the end of the year	**7.57**	**9.38**
V	**Maturity profile of defined benefit obligation**		
1	Within the next 12 months (next annual reporting period)	0.98	1.17
2	Between 2 and 5 years	2.92	4.10
3	Between 6 and 10 years	3.67	4.11
VI	**Quantitative sensitivity analysis for significant assumptions is as below:**		
1	Increase/(decrease) on present value of defined benefit obligation at the end of the year		
	(i) 0.5% increase in discount rate	(0.25)	(0.29)
	(ii) 0.5% decrease in discount rate	0.25	0.31
	(iii) 0.5% increase in rate of salary increase	0.26	0.28
	(iv) 0.5% decrease in rate of salary increase	(0.26)	(0.27)
	(v) 10% increase in employee turnover rate	0.06	0.09
	(vi) 10% decrease in employee turnover rate	(0.08)	(0.10)

Sensitivity analysis method

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

VII	**Actuarial Assumptions:**	**As at 31st March, 2021**	**As at 31st March, 2020**
1	Discount rate	6.55% p.a	6.55% p.a
2	Expected rate of salary increase	3.00% p.a	3.00% p.a
3	Attrition rate		
	Age Band		
	25 & Below	15.00% p.a	15.00% p.a
	26 to 35	12.00% p.a	12.00% p.a
	36 to 45	9.00% p.a	9.00% p.a
	46 to 55	6.00% p.a	6.00% p.a
	56 & above	3.00% p.a	3.00% p.a

4	Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

Notes:

a) Amount recognised as an expense in the Statement of Profit and Loss and included in Note 19 under "Salaries and wages": Gratuity ₹ 1.45 crores (Previous year - ₹ 1.51 crores) and Leave encashment ₹ 0.98 crores (Previous year - ₹ 0.07 crores)

b) The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

B Defined contribution plan

The Company makes contributions towards provident fund and super annuation fund which are in the nature of defined contribution post employment benefit plans. Under the plan, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. Amount recognised as an expense in the Statement of Profit and Loss - included in Note 19 - "Contribution to provident and other funds" ₹ 1.68 crore (Previous Year - ₹ 2.53 crore). The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

NOTE 28: MERGER OF DISHMAN PHARMACEUTICALS AND CHEMICALS LTD WITH THE COMPANY

The amalgamation had been accounted in the year 2016-17 under the "Purchase Method" as per the then prevailing Accounting Standard 14 – Accounting for Amalgamations, as referred to in the Scheme of Amalgamation approved by the Hon'ble High Court, Gujarat, which is different from Ind AS 103 "Business Combinations". The excess of consideration payable over net assets acquired had been recorded as goodwill amounting ₹ 1326.86 crores, represented by underlying intangible assets acquired on amalgamation and is being amortized over the period of 15 years from the Appointed Date.

Had the goodwill not been amortized as required under Ind AS 103, the Depreciation and Amortization expense for the year ended March 31, 2021 would have been lower by ₹ 88.45 crores (Previous Year ₹ 88.45 crores), and the Profit Before Tax for the year ended March 31, 2021 would have been lower by an equivalent amount.

NOTE 29: CONTINGENT LIABILITIES

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Labour Law claims against the Company not acknowledged as debt	3.73	3.42
b) (i) Outstanding guarantees furnished to the bank in respect of wholly owned subsidiaries	18.28	56.66
(ii) Outstanding guarantees furnished to the bank in respect of former subsidiaries and a joint venture company	10.98	11.27
c) Disputed central excise duty (including service tax) liability	6.45	28.00
d) Disputed income tax liability for various assessment years for which appeals are pending with Appellate authorities, out of the said amount, the Company has paid ₹ 56.01 crores (Previous year ₹ 56.01 crores) under protest.*	346.14	356.61
e) Disputed sales tax and central sales tax liability	4.34	4.34

* The Income - Tax Assessments of the Company have been completed up to Assessment Year 2015-16. The total contingent liabilities is ₹ 346.14 crore as on March 31, 2021. Based on the management evaluation, advice of tax consultants, on the decisions of the various Appellate authorities and the interpretations of other relevant provisions of the Income tax Act, the management of the company is of the opinion that the demand raised is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary. Further, the Commissioner of Income Tax and Hon'ble ITAT has given the judgment/rulings in favour of the Company in certain cases. However, as the Department or the company has contested the judgment/rulings in Hon'ble ITAT or High Court, the amount has been shown as contingent liabilities

NOTE 30: COMMITMENTS

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Property, plant and equipment	6.00	7.20

(b) Disclosures in respect of Assets acquired under Hire Purchase Arrangements

The total of minimum hire instalments payable for vehicle acquired at the Balance sheet date are as under.

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Commitments for minimum lease payments in relation to non-cancellable finance leases are payable as follows:		
Within one year	0.34	0.14
Later than one year but not later than five years	0.40	-
Later than five years	-	-
	0.74	**0.14**

Finance lease in respect of lease hold land.

The Company has entered into finance lease for land. These leases are generally for a period of 99 years. These leases can be extended for further 99 years. No part of the land has been sub leased. Except for the initial payment, there are no material annual payments for the aforesaid leases.

(c) Disclosures in respect of Assets taken on operating lease

The Company has taken offices space on operating lease. Lease payment is recognised in Statement of Profit and Loss for the year is ₹ 2.26 crores (PY. ₹ 1.58 crores)

(d) Disclosure as per Ind AS 116

(i) Movement in Right of use assets (Refer Note 2)

(ii) Movement in lease liability

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening balance	15.22	-
Additions	-	18.35
Interest charged during the year	1.52	1.88
Repayment	(5.00)	(5.00)
Closing balance	**11.74**	**15.22**

(iii) Lease payment to be made in

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Within one year	3.87	3.48
Later than one year but not later than five years	7.87	11.74
Later than five years	-	-
	11.74	**15.22**

NOTE 31: RELATED PARTY DISCLOSURE AS PER IND AS 24 RELATED PARTY DISCLOSURE

(a) Details of related parties:

Description of relationship	Name of the related party
Holding Company	Adimans Technologies LLP
Subsidiary	Dishman USA Inc.
Subsidiary	Dishman Carbogen Amcis (Europe) Ltd (Formerly known as Dishman Europe Ltd).
Subsidiary	Dishman International Trading (Shanghai) Co. Ltd.
Subsidiary	CARBOGEN AMCIS Holding AG
Subsidiary	Dishman Australasia Pty Ltd.
Subsidiary	Dishman Middle East FZE
Subsidiary	Dishman Biotech Ltd. (w.e.f. 30.09.2019)
Subsidiary	Dishman IT Xellence Pvt. Ltd.
Subsidiary	Dishman Engineering Xellence Pvt. Ltd.
Subsidiary	Invisible Biotech Ltd.
Step Down Subsidiary	CARBOGEN AMCIS (Shanghai) Co. Ltd.
Step Down Subsidiary	CARBOGEN AMCIS AG
Step Down Subsidiary	CARBOGEN AMCIS B.V. (formerly known as Dishman Netherlands B.V.)
Step Down Subsidiary	CARBOGEN AMCIS SAS
Step Down Subsidiary	CARBOGEN AMCIS Ltd., U.K.
Step Down Subsidiary	Shanghai Yiqian International Trade Co. Ltd.
Step Down Subsidiary	Dishman Carbogen Amcis (Singapore) Pte Ltd.
Step Down Subsidiary	Dishman Carbogen Amcis (Japan) Ltd. (formerly known as Dishman Japan Ltd.)
Step Down Subsidiary	CARBOGEN AMCIS Innovations AG
Step Down Subsidiary	CARBOGEN AMCIS Specialities AG
Step Down Subsidiary	Dishman Carbogen Amcis AG
Step Down Subsidiary	CARBOGEN AMCIS Real Estate SAS
Key Management Personnel (KMP) - Non Executive Director	Mr. Janmejay R. Vyas
Key Management Personnel (KMP) - Executive Director	Mrs. Deohooti J. Vyas
Key Management Personnel (KMP) - Executive Director	Mr. Arpit J. Vyas
Key Management Personnel (KMP) - Non Executive Director	Mr. Mark C. Griffiths
Key Management Personnel (KMP) - Non Executive Director	Mr. Sanjay S. Majmudar
Key Management Personnel (KMP) - Non Executive Director	Mr. Ashok C. Gandhi
Key Management Personnel (KMP) - Non Executive Director	Mr. Subir Kumar Das
Key Management Personnel (KMP) - Non Executive Director	Mr. Rajendra S. Shah
Key Management Personnel (KMP) - Non Executive Director	Ms. Maitri K. Mehta
Key Management Personnel (KMP) - Global CFO	Mr. Harshil R. Dalal
Key Management Personnel (KMP) - Company Secretary and Compliance Officer	Ms. Shrima G. Dave
Relative of Key Management Personnel	Ms. Aditi J. Vyas

Relative of Key Management Personnel	Ms. Mansi J Vyas
Relative of Key Management Personnel	Mrs. Pankti H. Dalal
Key Management Personnel is Karta	Mr. J. R. Vyas. HUF
Key Management Personnel is Karta	Mr. Harshil R. Dalal HUF
Entity in which KMP can exercise significant influence	Dishman Biotech Ltd. (up to 29.09.2019)*
Entity in which KMP can exercise significant influence	Azafran Innovacion Ltd.*
Entity in which KMP can exercise significant influence	Dishman Infrastructure Ltd.*
Entity in which KMP can exercise significant influence	Azafran Ventures Pvt. Ltd.*
Entity in which Relatives of KMP can exercise significant influence	Discus IT Pvt. Ltd.*
Entity in which Relatives of KMP can exercise significant influence	Discus Business Services LLP*

* Only where transactions have taken place during the year.

(b) Details of related party transactions for the year ended on 31st March, 2021 and balances outstanding as at 31st March, 2021:

(₹ in crores)

Particulars	Holding Company	Subsidiaries	Step Down Subsidiaries	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Purchase of goods	-	-	3.76	-	-	0.06	3.82
	(-)	(2.95)	(28.32)	(-)	(-)	(9.28)	(40.56)
Sale of goods / services (Including Other Operating Income)	-	111.76	25.74	-	-	0.03	137.53
	(-)	(318.80)	(33.99)	(-)	(-)	(0.21)	(353.00)
Rendering of services	0.01	6.14	3.12	-	-	1.24	10.51
	(-)	(6.15)	(-)	(-)	(-)	(-)	(6.15)
Receiving of services	-	1.69	0.23	0.20	0.10	2.73	4.95
	(-)	(2.25)	(0.11)	(1.61)	(0.09)	(3.02)	(7.08)
Rent Expense^	-	5.00	-	-	-	-	5.00
	(-)	(5.00)	(-)	(-)	(-)	(-)	(5.00)
Royalty expenses	-	-	0.14	-	-	-	0.14
	(-)	(2.34)	(-)	(-)	(-)	(-)	(2.34)
Investment	-	0.01	-	-	-	-	0.01
	(-)	(19.52)	(-)	(-)	(-)	(-)	(19.52)
Interest income	-	6.98	1.85	-	-	3.04	11.87
	(-)	(3.49)	(3.64)	(-)	(-)	(4.57)	(11.70)
Interest expenses	-	1.55	-	-	-	-	1.55
	(-)	(4.02)	(-)	(-)	(-)	(-)	(4.02)
Dividend income	-	24.73	1.72	-	-	-	26.44
	(-)	(31.48)	(-)	(-)	(-)	(-)	(31.48)
Loans given / (repaid), net#	-	(29.04)	(9.44)	-	-	(0.06)	(38.53)
	(-)	(-4.87)	(-41.61)	(-)	(-)	(-)	(-46.48)
Remuneration	-	-	-	1.07	0.36	-	1.43
	(-)	(-)	(-)	(3.48)	(1.57)	(-)	(5.06)
Sitting fees to Non Executive Directors	-	-	-	0.11	-	-	0.11
	(-)	(-)	(-)	(0.12)	(-)	(-)	(0.12)
Commission to Non Executive Directors	-	-	-	0.52	-	-	0.52
	(-)	(-)	(-)	(0.52)	(-)	(-)	(0.52)
Guarantees and collaterals withdrawn during the period	-	38.38	-	-	-	-	38.38
	(-)	(31.51)	(-)	(-)	(-)	(-)	(31.51)
Trade advances given	-	-	-	-	-	0.11	0.11
	(-)	(-)	(-)	(-)	(-)	(124.37)	(124.37)
Trade advances received back	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(94.84)	(94.84)
Dividend paid	-	-	-	-	-	-	-
	(1.98)	(-)	(-)	(0.00)	(0.00)	(-)	(1.98)

(₹ in crores)

Particulars	Holding Company	Subsidiaries	Step Down Subsidiaries	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Balances outstanding at the end of the year							
Trade receivables	0.01	32.08	7.09	-	-	1.49	40.67
	(-)	(64.73)	(11.12)	(-)	(-)	(0.22)	(76.07)
Trade advances received	-	20.26	-	-	-	-	20.26
	(-)	(57.22)	(-)	(-)	(-)	(-)	(57.22)
Guarantees and collaterals given	-	18.28	-	-	-	-	18.28
	(-)	(56.66)	(-)	(-)	(-)	(-)	(56.66)

Guarantees given by Dishman Infrastructure Ltd. on behalf of the company	-	-	-	-	-	9.89	9.89
	(-)	(-)	(-)	(-)	(-)	(20.55)	(20.55)
Loans and advances given (Incl. Interest accrual)	-	57.34	48.68	-	-	38.72	144.75
	(-)	(76.92)	(59.04)	(-)	(-)	(60.67)	(196.63)
Dividend receivable	-	-	1.70	-	-	-	1.70
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Trade payables	-	8.29	2.81	0.19	0.09	0.98	12.35
	(-)	(19.96)	(7.56)	(0.32)	(0.17)	(0.82)	(28.83)

Note: Figures in bracket relates to the previous year

(c) Disclosure in respect of material transactions with related parties

(₹ in crores)

Particulars	Name of the related party	FY 2020-21	FY 2019-20
Purchase of goods	Shanghai Yiqian International Trade Co. Ltd.	3.69	1.28
	CARBOGEN AMCIS B.V. (formerly known as Dishman Netherlands B.V.)	0.07	27.05
	Dishman Biotech Ltd. - as entities in which relatives of KMP have significant influence	-	9.28
	Dishman Biotech Ltd. - as subsidirary	-	2.95
Sale of goods / services	Dishman Carbogen Amcis (Europe) Ltd (Formerly known as Dishman Europe Ltd).	73.00	224.09
	CARBOGEN AMCIS AG	1.72	23.07
	Dishman USA Inc.	35.59	92.07
	Dishman Austriasia Pty. Ltd.	0.51	1.96
	Dishman International Trading (Shanghai) Co..Ltd.	1.19	0.68
	CARBOGEN AMCIS B.V. (formerly knowns as Dishman Netherlands B.V.)	24.02	10.92
	Dishman Biotech Ltd.	-	0.20
Rendering of services	Dishman USA Inc.	2.42	6.08
	Dishman Carbogen Amcis (Europe) Ltd (Formerly known as Dishman Europe Ltd).	3.69	-
	CARBOGEN AMCIS B.V. (formerly knowns as Dishman Netherlands B.V.)	3.12	-
	Azafran Innovacion Ltd.	1.20	-
	Dishman International Trading (Shanghai) Co..Ltd.	-	0.07
Receiving of services	Dishman USA Inc.	0.84	0.84
	CARBOGEN AMCIS AG	-	0.11

Receiving of services	Dishman Carbogen Amcis (Europe) Ltd (Formerly known as Dishman Europe Ltd).	0.86	1.40
	Discus IT Pvt. Ltd.	2.35	2.37
	Discus Business Services LLP	0.14	0.36
	CARBOGEN AMCIS AG	-	0.11
	Dishman Carbogen Amcis (Singapore) Pte. Ltd.	0.23	-
	Mr. Janmejay R. Vyas	0.02	1.43
	Ms. Aditi J. Vyas	0.10	0.09
	Janmejay R. Vyas - HUF	0.09	0.08
	Mr. Arpit J. Vyas	0.18	0.18
	Harshil R. Dalal - HUF	0.15	0.20
Rent Expense^	Dishman Biotech Ltd.	5.00	5.00
Royalty expense	CARBOGEN AMCIS Innovations AG	0.14	2.34
Investments	Dishman IT Xellence Pvt. Ltd.	-	0.01
	Dishman Engineering Xellence Pvt. Ltd.	-	0.01
	Dishman Biotech Ltd.	-	19.50
	Invisible Biotech Ltd.	0.01	-
Interest income	Dishman Infrastructure Ltd.	3.04	4.57
	Dishman Carbogen Amcis (Singapore) Pte. Ltd.	1.85	3.64
	Dishman Biotech Ltd.	6.86	3.46
	CARBOGEN AMCIS Holding AG	0.12	0.03
Interest expenses	Dishman USA Inc.	1.55	4.02
Dividend income	CARBOGEN AMCIS Holding AG	17.07	31.48
	Dishman Carbogen Amcis (Singapore) Pte. Ltd	1.72	-
	Dishman USA Inc.	7.66	-
Loans given / (repaid), net#	Dishman Carbogen Amcis (Singapore) Pte. Ltd	(9.44)	(41.61)
	Dishman Biotech Ltd.	(14.14)	(4.87)
	CARBOGEN AMCIS Holding AG**	(14.90)	-
Remuneration does not include post-employment benefits and Other long term benefits.	Mrs. Deohooti J.Vyas	-	1.20
	Mr. Arpit J.Vyas	-	1.20
	Ms. Aditi J. Vyas	-	0.64
	Ms. Mansi J. Vyas	-	0.69
	Mr. Harshil R. Dalal	1.00	1.00
	Ms. Shrima G. Dave	0.07	0.08
	Mrs. Pankti H. Dalal	0.36	0.24
Sitting fees to Non Executive Directors	Mr. Sanjay S. Majmudar	0.03	0.04
	Mr. Ashok C. Gandhi	0.03	0.04
	Mr. Subir Kumar Das	0.02	0.02
	Mr. Rajendra S. Shah	0.01	0.01
	Ms. Maitri K. Mehta	0.01	0.01
Commission to Non Executive Directors	Mr. Sanjay S. Majmudar	0.15	0.15
	Mr. Ashok C. Gandhi	0.11	0.11
	Mr. Subir Kumar Das	0.11	0.11
	Mr. Rajendra S. Shah	0.08	0.08
	Ms. Maitri K. Mehta	0.07	0.07
Guarantees and collaterals withdrawn during the period	Dishman USA Inc.	38.38	31.51

Trade advances given	Dishman Biotech Ltd.	-	69.63
	Azafran Innovacion Ltd.	0.11	54.74
Trade advances received back	Dishman Biotech Ltd.	-	40.10
	Azafran Innovacion Ltd.	-	54.74
Dividend paid	Adimans Technologies LLP	-	1.98
	Mr. Janmejay R.Vyas	-	0.00
	Mrs. Deohooti J.Vyas	-	0.00
	Mr. Arpit J.Vyas	-	0.00
	Ms. Aditi J. Vyas	-	0.00
	Ms. Mansi J. Vyas	-	0.00
Outstanding balance of trade receivables	Dishman Carbogen Amcis (Europe) Ltd (Formerly known as Dishman Europe Ltd).	3.80	-
	CARBOGEN AMCIS AG	1.08	9.86
	Dishman USA Inc.	26.20	63.23
	CARBOGEN AMCIS B.V. (formerly knowns as Dishman Netherlands B.V.)	5.18	0.40
Outstanding balance of trade payables	Dishman USA Inc.	1.35	8.19
	CARBOGEN AMCIS B.V. (formerly knowns as Dishman Netherlands B.V.)	2.09	6.96
	Dishman Biotech Ltd.	-	5.72
	Dishman Carbogen Amcis (Europe) Ltd (Formerly known as Dishman Europe Ltd).	2.39	-
	CARBOGEN AMCIS Holding AG	4.71	4.82
Outstanding trade advances received	Dishman USA Inc.	19.16	48.80
	Dishman Carbogen Amcis (Europe) Ltd (Formerly known as Dishman Europe Ltd).	-	8.42
Outstanding balances of guarantees and collaterals	Dishman USA Inc.	18.28	56.66
Outstanding balance of Loans and advance (Including Interest Accrual)	CARBOGEN AMCIS (Shanghai) Co. Ltd.	2.49	2.57
	Dishman Infrastructure Ltd.	38.72	60.67
	Dishman Carbogen Amcis (Singapore) Pte. Ltd	46.20	56.47
	CARBOGEN AMCIS Holding AG**	-	14.90
	Dishman Biotech Ltd.	57.34	62.01

* Outstanding balance of ₹ 66.88 crores towards trade advances given to Dishman Biotech Ltd. was converted to loan on 1st October, 2019.

** Dividend receivable of ₹ 14.90 crores from CARBOGEN AMCIS Holding AG was converted into loan during previous year.

The Loans to related parties is presented net of repayment due to multiple transactions

^ Rent Paid has been disclosed as Right of Use assets and lease liabilities in accordance with IND AS 116.

(d) Information Pertaining to Loans and Guarantees given to Subsidiaries (Information Pursuant to Regulation 34(3) of SEBI (LISTING OBLIGATION AND DISCLOUSRE REQUIREMENTS) REGULATIONS, 2015 and section 186(4) of Companies Act, 2013):

(i) Loans and advances in the nature of loans to subsidiaries / others

(₹ in crores)

Name of the Company	Outstanding at the beginning of the year	Given during the year	Adjusted/ repaid during the year	Other adjustments	Closing at the end of the year	Maximum amount outstanding during the year	Purpose
CARBOGEN AMCIS (Shanghai) Co. Ltd	2.57	-	-	(0.08)	2.49	2.57	Other corporate purpose
Dishman Infrastructure Ltd.	38.06	-	(0.06)	-	38.00	38.06	Other corporate purpose
Dishman Carbogen Amcis (Singapore) Pte. Ltd.	56.47	-	(9.44)	(1.48)	45.55	56.47	Other corporate purpose
CARBOGEN AMCIS Holding AG**	14.90	-	(14.90)	-	-	14.90	Other corporate purpose
Dishman Biotech Ltd.	62.01	-	(14.14)	-	47.87	92.97	Other corporate purpose

(ii) Guarantees given to subsidiaries :

	As at March 31, 2021		As at March 31, 2020		Purpose
	Foreign currency in Mn.	Amount in ₹ Cr	Foreign currency in Mn.	Amount in ₹ Cr	
Dishman USA Inc.	USD 2.50	18.28	USD 7.50	56.66	For loan obtained by subsidiary for business purpose.

NOTE 32: DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 :

(₹ in crores)

Particulars	2020-21	2019 -20
a) Principal amount due to suppliers under MSMED Act, 2006	0.44	1.31
b) Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	0.17	0.02
c) Payment made to suppliers (other than interest) beyond the appointed day during the year	7.22	37.65
d) Interest paid to suppliers under MSMED Act (Section 16)	-	-
e) Interest due and payable towards suppliers under MSMED Act for payments already made	0.13	0.52
f) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (including interest mentioned in (e) above)	0.29	0.54

NOTE 33: EARNINGS PER SHARE

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Basic earnings per share: from Continuing operations		
Total basic earnings per share attributable to the equity holders of the Company	(14.85)	2.46
(b) Diluted earnings per share: from Continuing operations		
Total diluted earnings per share attributable to the equity holders of the Company	(14.85)	2.46

(c) Reconciliations of earnings used in calculating earnings per share

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Basic earnings per share: From continuing operations		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	(232.81)	56.01
Diluted earnings per share: From continuing operations		
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	(232.81)	56.01

(d) Weighted average number of shares used as the denominator

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	15,67,93,095	16,09,98,443
Adjustments for calculation of diluted earnings per share	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	**15,67,93,095**	**16,09,98,443**

As per Ind AS – 33 "Earnings per share", EPS is to be calculated on the basis of Net Profit after tax and amounts under Other Comprehensive Income (Net of tax) are not to be considered.

NOTE 34: OFF SETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The are no financial instruments which are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 31st March, 2021 and 31st March, 2020.

NOTE 35:

(i) Details of research and development expenditure recognised as revenue expense (Other than contract research expenses)

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Annual Maintenance	0.01	0.07
Consumables	0.01	0.42
Conveyance	0.00	0.08
Laboratory Expenses	0.04	3.16
Others	0.13	0.14
Repair & maintenance	0.01	0.19
Raw Material Consumption	0.01	2.02
Salary & Wages	0.91	8.80
Subscription Expenses	0.19	1.06
Total	**1.31**	**15.95**

(ii) Details of research and development expenditure recognised as capital expenses

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Plant & Machinery	-	0.04
Office Equipments and Computers	0.02	0.04
Laboratory equipment	0.28	0.96
CWIP - Laboratory equipment	0.58	-
Intangible assets under development	8.92	-
Total	**9.80**	**1.04**

NOTE 36: SEGMENT REPORTING

As the Company's annual report contains both Consolidated and Standalone Financial Statements, segmental information is presented only on the basis of Consolidated Financial Statement. (Refer note No. 32 of Consolidated Financial Statements).

NOTE 37 : BUY BACK OF SHARES

The Board of Directors of the Company at its meeting held on January 16, 2020, has inter-alia approved the Buyback proposal for purchase by the Company of its fully paid-up equity shares of face value of ₹ 2/- each ("Equity Shares" and such buyback, the "Buyback"), from the shareholders/beneficial owners of the Company, at a price not exceeding ₹ 150 (Rupees One Hundred Fifty Only) per Equity Share ("Maximum Buyback Price") from the open market through stock exchange mechanism in such manner as may be prescribed in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 ("Buy-back Regulations") and the Companies Act, 2013 ("Act") (including any statutory modification(s) or re-enactment of the Act or Buy-back Regulations, for the time being in force).

The Buyback shall not exceed ₹ 72 crore (Rupees Seventy crores only), excluding brokerage costs, fees, turnover charges, taxes such as securities transaction tax and goods and service tax (if any), stamp duty and other transaction charges ("Maximum Buyback Size"). The Maximum Buyback Size represents 1.48% and 1.38% of the total paid-up equity share capital and free reserves (including securities premium account) as per the standalone audited financial statements and the audited consolidated financial statements respectively of the Company as at March 31, 2019, which is in accordance with Section 68(2) of the Companies Act, 2013.

The scheme of buyback was commenced from January 27, 2020 and till March 31, 2020 the Company bought back 45,31,177 equity shares resulted in cash outflow of ₹ 35.75 crores. In line with the requirement of the Companies Act 2013, an amount of ₹ 35.75 crores had been utilized from the securities premium account for the buy back. Further, capital redemption reserve of ₹ 0.90 lacs (representing the nominal value of the shares bought back and extinguished) had been created in the previous year.

During the current year, the Company bought back 80,000 equity shares which resulted in cash outflow of ₹ 2.29 Crores. In line with the requirement of the Companies Act 2013, an amount of ₹ 2.29 crores has been utilized from the securities premium account for the buy back. Further, capital redemption reserve of ₹ 0.02 Crores (representing the nominal value of the shares bought back and extinguished) has been created.

NOTE 38: On 19th December 2019, the Income Tax Department conducted a search at the Company's premises. As part of the process, the Company received notice under the Income Tax Act for filling the Income tax Returns for past years to which necessary compliance has been made.

NOTE 39: During the year under review, the company initiated implementation of set of measures aimed at limiting any risk related to COVID-19 to Company's employees, customers and associates. This impacted the deployment of optimal workforce at the manufacturing plants. Moreover, in India, the these factors, the production and revenue at the Company's sites in India were impacted to certain extent. The Company continues to monitor the impact of Covid-19 on recoverability of receivables/advances, assessment of impairment of goodwill and intangibles, investments and inventory.

NOTE 40: There was a joint inspection carried out during the quarter ended March, 2020 by the Swissmedic and European Directorate for the Quality of Medicines & HealthCare (EDQM), due to which there were certain audit observations issued deficient to EU GMP Part II and other relevant Annexes for the Company's Bavla site. There was an impact on the production at the Company's Bavla manufacturing site due to the observations received, which adversely impacted the revenue and profitability of the Company's operations at Bavla during the quarter and the full year.

The Company has been steadily ramping up manufacturing activities at the Bavla site in order to meet the customer requirements. Two of the largest Global Pharmaceutical companies have successfully audited the company's Bavla site during the year. The implementation of the corrective Action Plan submitted to the EDQM is also underway and on track wherein the company should be able to successfully address the audit observations.

NOTE 41: The Finance Act, 2021 has introduced an amendment to section 32 of the Income Tax Act, 1961, whereby Goodwill of a business will no be considered as a depreciable asset and depreciation on goodwill will not be allowed as deductible expenditure effective 1st April, 2020. In accordance with the requirements of Ind AS 12, Income Taxes, the Company has recognised additional deferred tax expense amounting to INR 96.28 crores as the outcome on the difference between Goodwill as per the books of account and its updated tax base of NIL resulting from the aforementioned amendment. This deferred tax liability shall not be a cash outflow in the future. This entire deferred tax liability of INR 96.28 crores will be reversed in proportion to the goodwill amortized in books of accounts in the subsequent years.

NOTE 42: The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

NOTE 43: The previous year figures have been re-grouped, re-cast and re-arranged wherever considered necessary.

NOTE 44: The Company is not a large Corporate as per applicability criteria given under the SEBI circular SEBI/HO/DDHS/CIR/2018/144 dated November 20, 2018.

NOTE 45: The financial statements were authorised for issue by the Company's Audit Committee and Board of directors at their respective meetings on 11th May, 2021.

As per our attached report of even date

For **Haribhakti & Co. LLP**
Chartered Accountants.
ICAI Firm Registration No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834

For **V.D.Shukla & Co.**
Chartered Accountants
ICAI Firm Registration No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416

Place: Ahmedabad
Date: 11th May, 2021

For and on behalf of the Board of Directors

Arpit J. Vyas
Global Managing Director
DIN: 01540057
Place: Vitznau

Deohooti J. Vyas
WholeTime Director
DIN: 00004876

Harshil R. Dalal
Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date: 11th May, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Dishman Carbogen Amcis Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

OPINION

We have audited the accompanying consolidated Ind AS financial statements of Dishman Carbogen Amcis Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Ind AS financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the consolidated state of affairs of the Group as at March 31, 2021, their consolidated loss (including other comprehensive income), their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group 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 Ind AS financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated Ind AS financial statements.

EMPHASIS OF MATTER

We draw attention to the following matters in the notes to the consolidated Ind AS financial statements:

(a) Note 27 of the consolidated Ind AS financial statements detailing the accounting treatment relating to the Scheme involving merger of Dishman Pharmaceuticals and Chemicals Limited and Dishman Care Limited with Dishman Carbogen Amcis Limited, which has been accounted in the year 2016-17 under the "Purchase Method" as per the then prevailing Accounting Standard 14 – Accounting for Amalgamation in compliance with the Scheme of Amalgamation pursuant to Sections 391 to 394 of Companies Act, 1956 approved by the Hon'ble High Court of Gujarat. In accordance with the Scheme, the Holding Company had recognized Goodwill on Amalgamation amounting to ₹ 1,326.86 crores which is amortised over its useful life. This accounting treatment is different from that prescribed under Indian Accounting Standard 103 - Business Combination (Ind AS 103). Had the goodwill not been amortised as required under Ind AS 103, the Depreciation and Amortisation expense as well as Loss before tax for the year ended March 31, 2021 would have been lower by ₹ 88.45 crores.

(b) Note 44 of the consolidated Ind AS financial statements, which states that CARBOGEN AMCIS AG, subsidiary company, identified two projects pertaining to Q4 FY 2019-20 where the Cost of Goods Sold were now appropriately allocated to these projects in the relevant period. Hence, in accordance with Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" the audited Ind AS financial statements of the previous financial year have been appropriately revised.

(c) Notes 39 of the consolidated Ind AS financial statements explaining the impact of COVID–19, nationwide lockdown and Note No 40 in relation to certain audit observations issued by Swissmedic and European Directorate for the Quality of Medicines & Healthcare (EDQM) on account of joint inspection carried out by them for the Holding Company's manufacturing plant at Bavla and certain Certificate of Suitability (CEPs) were also suspended. As a result, Holding Company's operations, production, revenue and profitability were adversely impacted during the year ended March 31, 2021. The Holding Company continues to monitor the impact of COVID-19 on recoverability of receivables / advances, assessment of impairment of goodwill and intangibles, investments and inventory.

(d) Note 41 of the consolidated Ind AS financial statements, which states that due to change brought in by Finance Act, 2021, the depreciation on goodwill will not be available to the Holding Company from Assessment Year 2021-2022 onwards. Due to this, the balance of goodwill amounting to ₹ 275.51 crores as per tax books is treated as a non-deductible temporary difference. As a result of that, the deferred tax liability on the same amounting to ₹ 96.28 crores has been recognized during the year ended March 31, 2021.

(e) Note 43 of the consolidated Ind AS financial statements, wherein as stated, due to cancellation of one project, one of the subsidiary had impaired its inventory relating to that project since the inventory was produced specifically for the customer and had no alternative usage. The impairment loss on account of this amounting to CHF 2.77mn (₹ 22.28 crores) has been shown an exceptional item for the year ended March 31, 2021.

Our opinion is not modified in respect of these matters.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How was the matter addressed in our audit
Impairment assessment of the carrying value of Goodwill – Holding Company (Refer Note 4 to the consolidated Ind AS financial statements) The Holding Company carries goodwill amounting to ₹ 774.03 crores in its standalone Ind AS financial statements as at March 31, 2021 which was recorded due to the merger of Dishman Pharmaceutical and Chemical Limited into Dishman Carbogen Amcis Limited. In terms with Ind AS 36, goodwill is tested for impairment annually at the CGU level whereby the carrying amount of the CGU (including goodwill) is compared with the recoverable amount of the CGU. However the goodwill generated on the merger is amortised over 15 years. The recoverable amount is determined on the basis of the value in use which is the present value of future cash flows of the CGU using discounted cash flow model ('Model'), which involves estimates pertaining to expected business and earnings forecasts and key assumptions including those related to discount and long-term growth rates. These estimates require high degree of management judgement resulting in inherent subjectivity. We considered this as a key audit matter due to significant judgement and assumption involved in estimating future cash flows using the Model.	Our audit procedures on testing for goodwill impairment includes the following: • Obtained an understanding from the management with respect to process and controls followed by the Holding Company to perform annual impairment test related to goodwill and performed necessary audit procedures to test the operating effectiveness of the relevant internal controls during the year ended and as of March 31, 2021. • Evaluated management's identification of CGU's, the carrying value of each CGU and the methodology followed by management for the impairment assessment in compliance with the prevailing accounting standards; • Evaluated appropriateness of key assumptions included in the cash flow forecasts used in computing recoverable amount of each CGU, such as growth rates, profitability, discount rates, etc., with reference to our understanding of their business and historical trends; and comparing past projections with actual results, including discussions with management relating to these projections; • Considered the impairment testing valuation report for goodwill outstanding in standalone books carried on by independent valuer; • Considered the fair value of Investment in subsidiaries based on the valuation certified by the subsidiary auditors; • Performed sensitivity analysis on these key assumptions to assess potential impact of downside in the underlying cash flow forecasts and assessed the possible mitigating actions identified by management; and • Evaluated the appropriateness of the disclosure in the consolidated Ind AS financial statements and assessed the completeness and mathematical accuracy.
Impairment assessment of carrying value of Goodwill on consolidation (Refer Note 4 to the consolidated Ind AS financial statements) The consolidated Ind AS financial statements of the Holding Company has Goodwill on Consolidation amounting to ₹ 2,807.01 Crores as at March 31, 2021 which are tested for impairment. These impairment tests are based on future business forecasts and budgets and other parameters	Our audit procedures on impairment assessment of Goodwill on Consolidation include the following substantive procedures : • Obtained an understanding from the management with respect to process and controls followed by the Holding Company to perform annual impairment test related to goodwill and performed necessary audit procedures to test the operating effectiveness of the relevant internal controls during the year ended and as of March 31, 2021.

Key Audit Matter	How was the matter addressed in our audit
We considered the valuation of such Goodwill on Consolidation to be significant to the audit, because of the materiality of the Goodwill amount to the consolidated Ind AS financial statements of the Holding Company. The management assesses at least annually the existence of impairment indicators for Goodwill on consolidation. The Management has assessed the impairment by reviewing the business forecasts of the Holding Company and its subsidiaries, using discounted cash flow valuation model (the "Model"). The recoverable amounts of the Investments is determined based on the management's estimates of future cash flows and their judgment with respect to the investees' performance including key assumptions related to discount and long-term growth rates. Accordingly, the impairment assessment of Goodwill on consolidation was determined to be a key audit matter in our audit of the consolidated Ind AS financial statements.	• Evaluated management's identification of CGU's, the carrying value of each CGU and the methodology followed by management for the impairment assessment in compliance with the prevailing accounting standards; • Evaluated appropriateness of key assumptions included in the cash flow forecasts used in computing recoverable amount of each CGU, such as growth rates, profitability, discount rates, etc., with reference to our understanding of their business and historical trends; and comparing past projections with actual results, including discussions with management relating to these projections. • Obtained the valuation report on Impairment testing of goodwill for consolidation • Obtained the subsidiary auditors Impairment testing working file certifying the fair value of Investment at various subsidiaries; • Performed sensitivity analysis on these key assumptions to assess potential impact of downside in the underlying cash flow forecasts and assessed the possible mitigating actions identified by management; and • Evaluated the appropriateness of the disclosure in the consolidated Ind AS financial statements and assessed the completeness and mathematical accuracy.
Evaluation of uncertain tax positions (Refer Note 2.20 and Note 25 to the consolidated Ind AS financial statements) The Group operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including transfer pricing and indirect tax matters. This involves significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the standalone financial statements. Hence, this has been considered as a key audit matter.	Our audit procedures include the following substantive procedures: • Obtained detailed list of matters under dispute and other uncertain tax positions as at March 31, 2021; • Read and evaluated select key correspondences, external legal opinions / consultations by the management; • Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and • Assessed the management's estimate of the possible outcome of the disputed cases.
Accounting and valuation of Hedging Instrument (Refer Note 34(D) to the consolidated Ind AS financial statements) The Holding Company hedges its foreign currency risk and interest rate risk through derivative instruments and applies hedge accounting principles for derivative instruments as prescribed by Ind AS 109. Asset pertaining to derivative instruments as at March 31, 2021 is amounting to ₹ 53.21 crores and credit balance of Cash Flow Hedge Reserve of ₹ 27.00 crores as on that date. These contracts are recorded at fair value and cash flow hedge accounting is applied, such that gains and losses arising from fair value changes are deferred in equity and recognized in the standalone statement of profit and loss when hedges mature and / or when the hedge item occurs. The valuation of hedging instruments and consideration of hedge effectiveness has been identified as a key audit matter as it involves a significant degree of complexity and management judgment and are subject to an inherent risk of error.	Our audit procedures included but not limited to: • Obtained understanding and evaluated the design and implementation of the processes and internal controls relating to accounting and valuation of hedge instruments; • Tested the Holding Company's key internal financial controls for derivative financial instruments and hedge accounting; • Verified, on a sample basis, hedge documentation and contracts; • Re-performed, on a sample basis, the year-end valuations of derivative financial instruments and calculations of hedge effectiveness; and • Obtained confirmation of year-end derivative financial instruments from counterparties, on a sample basis.

OTHER INFORMATION

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Directors Report with Annexures and Management Discussion and Analysis, but does not include the standalone Ind AS financial statements, consolidated Ind AS financial statements and our auditor's report thereon.

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act 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 in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS 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 and its subsidiary company, which is company incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

a) We did not audit the Ind AS financial statements of 17 (Seventeen) subsidiaries, whose Ind AS financial statements reflects total assets of ₹ 7,818.86 crores and net assets of ₹ 5,099.74 crores as at March, 31 2021, total revenues of ₹ 2,096.40 crores and net cash inflow amounting to ₹ 129.94 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

   Certain of these subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by their respective independent auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of their respective independent auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

b) We did not audit the Ind AS financial statements of 5 (Five) subsidiaries, whose Ind AS financial statements reflects total assets of ₹ 818.36 crores and net assets of ₹ 748.66 crores as at March, 31 2021, total revenues of ₹ 1.01 crores and net cash inflow amounting to ₹ 1.74 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. These Ind AS financial statements have been audited by V.D. Shukla & Co., Chartered Accountants, one of the joint auditors of the Holding Company, whose reports have been furnished by the management and reliance has been placed by the other auditor of the Holding Company for the purpose of this report.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate Ind AS financial statements and the other financial information of subsidiaries, as noted in the Other Matters section above we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 and taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company, incorporated in India, none of the directors of the Group companies, incorporated in India, is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure";

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

   In our opinion and to the best of our information and according to the explanations given to us by the Holding Company and the report of the statutory auditor of its subsidiary company, incorporated in India, the remuneration paid/ provided to their directors during the year by the Holding Company and subsidiary company incorporated in India is in accordance with the provisions of section 197 of the Act;

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   (i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 25 to the consolidated Ind AS financial statements;

   (ii) Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Notes 13 and 34 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group.

   (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For **Haribhakti & Co. LLP**
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834
UDIN: 21036834AAAAAS6048

Place: Ahmedabad
Date: 11th May, 2021

For **V.D.Shukla & Co.**
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416
UDIN: 21036416AAAAFI3426

Place: Ahmedabad
Date: 11th May, 2021

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Dishman Carbogen Amcis Limited on the consolidated Ind AS financial statements for the year ended March 31, 2021]

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")

In conjunction with our audit of the consolidated Ind AS financial statements of Dishman Carbogen Amcis Limited ("Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which is company incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiary company, which is company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary company, which is company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary company.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reporting of other auditor as mentioned in Other Matters paragraph below, the Holding Company and its subsidiary company, which is company incorporated in India, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to 1 (one) subsidiary company, which is company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For **Haribhakti & Co. LLP**
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834
UDIN: 21036834AAAAAS6048

Place: Ahmedabad
Date: 11th May, 2021

For **V.D.Shukla & Co.**
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416
UDIN: 21036416AAAAFI3426

Place: Ahmedabad
Date: 11th May, 2021

CONSOLIDATED BALANCE SHEET

As at 31st March, 2021

(₹ in crores)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020 (Refer Note 44)
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	1,699.01	1,711.85
(b) Capital work-in-progress	2	424.64	202.34
(c) Right of use assets	2	317.81	178.77
(d) Investment property	3	4.94	5.07
(e) Goodwill	4	3,581.01	3,684.71
(f) Other intangible assets	4	95.51	97.52
(g) Intangible assets under development		61.14	31.83
(h) Financial assets			
i. Investments	5(a)(i)	55.78	84.02
ii. Loans	5(c)	97.72	39.78
iii. Others	5(e)	4.07	7.47
(i) Deferred tax assets (Net)	6(a)	10.24	6.40
(j) Non-current tax Assets (Net)	9	106.13	107.71
(k) Other non-current assets	7	203.96	263.37
Total non-current assets		**6,661.96**	**6,420.84**
Current assets			
(a) Inventories	8	515.65	580.87
(b) Financial assets			
i. Investments	5(a)(ii)	146.44	106.61
ii. Trade receivables	5(b)	379.21	577.43
iii. Cash and cash equivalents	5(d) (i)	243.54	121.94
iv. Bank balances other than (iii) above	5(d) (ii)	34.20	39.04
v. Loans	5(c)	3.75	6.27
vi. Others	5(e)	107.66	50.91
(c) Other current assets	10	232.19	295.90
Total current assets		**1,662.64**	**1,778.97**
Total assets		**8,324.60**	**8,199.81**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11(a)	31.36	31.38
(b) Other equity	11(b)	5,667.46	5,683.68
Total equity		**5,698.82**	**5,715.06**
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
i. Borrowings	12(a)	503.94	241.30
ii. Lease liabilities		365.14	235.96
(b) Provisions	13	310.99	294.08
(c) Deferred tax liabilities (Net)	6(b)	191.77	144.46
(d) Other non-current liabilities	14	5.14	-
Total non-current liabilities		**1,376.98**	**915.80**
Current liabilities			
(a) Financial liabilities			
i. Borrowings	12(b)	542.47	688.23
ii. Lease liabilities		57.82	65.32
iii. Trade payables	12(c)		
a. Total Outstanding dues of Micro Enterprises and Small Enterprises		0.44	1.31
b. Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		162.58	282.21
iii. Other financial liabilities	12(d)	253.21	297.17
(b) Other current liabilities	14	212.36	216.34
(c) Provisions	13	10.08	15.99
(d) Current tax liabilities (Net)	9	9.84	2.38
Total current liabilities		**1,248.80**	**1,568.95**
Total liabilities		**2,625.78**	**2,484.75**
Total equity and liabilities		**8,324.60**	**8,199.81**
Significant accounting policies	1		
The accompanying notes form an integral part of these Financial Statements.			

As per our attached report of even date

For **Haribhakti & Co. LLP**
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834

Place: Ahmedabad
Date: 11th May, 2021

For **V.D.Shukla & Co.**
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416

For and on behalf of the Board of Directors

Arpit J. Vyas
Global Managing Director
DIN: 01540057
Place: Vitznau

Deohooti J. Vyas
WholeTime Director
DIN: 00004876

Harshil R. Dalal
Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date: 11th May, 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended 31st March, 2021

(₹ in crores)

Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020 (Refer Note 44)
Income			
(a) Revenue from operations	15	1,912.03	2,043.60
(b) Other income	16	38.45	44.46
Total income		**1,950.48**	**2,088.06**
Expenses			
(a) Cost of materials consumed	17	434.77	476.38
(b) Changes in inventories of finished goods and work-in-progress	18	33.38	(17.66)
(c) Employee benefit expense	19	872.91	762.27
(d) Finance costs	20	47.61	61.95
(e) Depreciation and amortisation expense	21	307.94	282.87
(f) Other expenses	22	296.62	325.05
Total expenses		**1,993.23**	**1,890.86**
(Loss) / Profit before exceptional items and tax		**(42.75)**	**197.20**
Exceptional items		(22.28)	-
(Loss) / Profit before tax		**(65.03)**	**197.20**
Tax expense	23		
(a) Current tax		43.93	26.96
(b) shortage provision of income tax of earlier years		17.97	-
(c) Deferred tax		38.20	11.73
(Loss) / Profit for the year		**(165.13)**	**158.51**
Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		0.48	(39.82)
(b) Income Tax impact on above		0.27	(0.14)
(c) Equity Instruments designated at fair value through other comprehensive income		0.04	1.69
(d) Income Tax impact on above		(0.01)	(0.59)
(B) Items that will be reclassified to profit or loss			
(a) (i) Movement in Foreign Currency Translation Reserve		14.74	352.45
(b) (i) Foreign Exchange Fluctuation in respect of cash flow hedge		114.38	(96.23)
Other Comprehensive Income for the year (net of tax)		**129.90**	**217.36**
Total Comprehensive Income for the year		**(35.23)**	**375.87**
Profit for the year attributable to :			
(a) Owners of the Company		(165.13)	158.51
(b) Non Controlling Interest		-	-
Other Comprehensive Income for the year attributable to :		**(165.13)**	**158.51**
(a) Owners of the Company		129.90	217.36
(b) Non Controlling Interest		-	-
Total Comprehensive Income for the year attributable to :		**129.90**	**217.36**
(a) Owners of the Company		(35.23)	375.87
(b) Non Controlling Interest		-	-
		(35.23)	**375.87**
Earnings per equity share of face value of ₹ 2/- each:			
(a) Basic earnings per share (in ₹)	24	(10.53)	10.10
(b) Diluted earnings per share (in ₹)	24	(10.53)	10.10
Significant accounting policies	1		
The accompanying notes form an integral part of these Financial Statements.			

As per our attached report of even date

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Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834

For **V.D.Shukla & Co.**
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416

Place: Ahmedabad
Date: 11th May, 2021

For and on behalf of the Board of Directors

Arpit J. Vyas
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WholeTime Director
DIN: 00004876

Harshil R. Dalal
Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date: 11th May, 2021

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2021

(₹ in crores)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Cash flow from operating activities		
(Loss) / Profit before tax	**(65.03)**	**197.20**
Adjustments for		
Depreciation and amortisation expense	307.94	282.87
Loss on fixed assets sold / scrapped / written off	-	0.16
Interest Income	(21.77)	(25.30)
Finance costs	47.61	61.95
Net exchange differences	(21.55)	5.65
Gain on disposal of Property, plant and equipment	(2.52)	5.86
Bad debts written off	5.05	0.73
Provision for doubtful trade and other receivables, loans and advances (net)	(2.22)	(1.81)
Operating profit before working capital changes	**247.51**	**527.31**
(Increase)/Decrease in trade receivables	221.87	(125.56)
(Increase) / Decrease in inventories	90.91	(33.37)
Increase /(decrease) in trade payables and provisions	(81.45)	190.12
(Increase)/Decrease in loans and advances	42.57	56.53
Adjustment for translation difference in working capital	43.22	44.51
Cash generated from operations	**564.63**	**659.54**
Income taxes paid	(51.20)	(74.40)
Net cash flows generated from operating activities	**513.43**	**585.14**
Cash flow from investing activities		
Net Proceeds from property, plant and equipment including Capital work in progress and Capital Advance	(366.03)	(408.56)
Proceeds from sale of investment (net)	-	60.62
Net proceeds from marketable instruments	(9.18)	(88.29)
(Increase)/Decrease in balance held as Margin Money	9.01	(24.33)
Loans (given) / received back	(55.42)	(4.24)
Interest received	40.83	23.06
Net cash flows (used in) investing activities	**(380.79)**	**(441.74)**
Cash flows from financing activities		
Buy back of equity share capital	(2.31)	(36.65)
Proceeds from non current borrowings	356.20	75.14
Repayment of non current borrowings	(186.97)	(229.30)
Proceeds/(Repayment) on short term borrowings (net)	(66.77)	157.40
Interest paid	(52.85)	(61.14)
Lease Liabilities	(58.34)	-
Dividends paid to company's shareholders	-	(3.23)
Net cash used in financing activities	**(11.04)**	**(97.77)**
Net increase in cash and cash equivalents	**121.60**	**45.62**
Cash and cash equivalents at the beginning of the financial year	121.94	76.32
Cash and cash equivalents at end of the year	**243.54**	**121.94**

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following

(₹ in crores)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Balance with banks		
- in current account	243.15	113.23
Cash on hand	0.39	8.71
Total Cash and cash equivalents	**243.54**	**121.94**

Note:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.
2. All figures in bracket are outflow.
3. Income taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
4. The amendments to Ind AS 7 Statement of Cash Flow requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising for financing activities, to meet the disclosure requirement. The amendment has become effective from April 1, 2017 and the required disclosure is made below:

(₹ in crores)

	As at 31 March 2020	Cash Flows	Non-cash changes		As at 31 March 2021
		Net Proceeds / (Repayment)	Fair value changes	Long / Short. Term Re-Classification	
Long-Term Borrowings (Current and non current)	367.93	169.23	5.81	80.45	623.42
Short-Term Borrowings	688.23	(66.77)	1.46	(80.45)	542.47

Significant accounting policies (Note No. 1)

The accompanying notes form an integral part of these Financial Statements.

As per our attached report of even date

For **Haribhakti & Co. LLP**
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ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834

For **V.D.Shukla & Co.**
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416

Place: Ahmedabad
Date: 11th May, 2021

For and on behalf of the Board of Directors

Arpit J. Vyas
Global Managing Director
DIN: 01540057
Place: Vitznau

Deohooti J. Vyas
WholeTime Director
DIN: 00004876

Harshil R. Dalal
Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date: 11th May, 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2021

A. Equity share capital

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	(₹ in crores)	No. of Shares	(₹ in crores)
Balance at the beginning of the year	15,68,63,095	31.38	16,13,94,272	32.28
Add: Issued during the year	-	-	-	-
Add : Buy back during the year	(80,000)	(0.02)	(45,31,177)	(0.90)
Balance at the end of the year	15,67,83,095	31.36	15,68,63,095	31.38

B. Other Equity

(₹ in crores)

Particulars	Reserves & Surplus			Other Comprehensive Income			
	Securities Premium	Capital Redemption Reserve	Retained Earnings	Foreign currency translation reserve	Equity Instrument through OCI	Cash flow hedge reserves	Total
Balance as on 1st April, 2019	**4,777.72**	**-**	**399.75**	**153.52**	**6.96**	**8.85**	**5,346.81**
Profit for the year	-	-	180.30	-	-	-	180.30
Effect of prior period adjustment (Refer Note No. 44)	-	-	(21.79)	-	-	-	(21.79)
Other comprehensive income for the year	-	-	(39.96)	352.43	1.10	(96.23)	217.34
Total Comprehensive Income for the year (revised)	**-**	**-**	**118.55**	**352.43**	**1.10**	**(96.23)**	**375.85**
Buy back of shares	(35.75)	-	-	-	-	-	(35.75)
Dividend paid	-	-	(3.23)	-	-	-	(3.23)
Transfer from Capital redemption reserve to Securities Premium on account of Buyback of shares	(0.90)	0.90	-	-	-	-	-
Balance as on 31st March, 2020	**4,741.07**	**0.90**	**515.07**	**505.95**	**8.06**	**(87.38)**	**5,683.68**
(Loss) for the year	-	-	(165.13)				(165.13)
Other comprehensive income for the year	-	-	0.75	36.05	0.03	114.38	151.20
Total Comprehensive Income for the year	**-**	**-**	**(164.38)**	**36.05**	**0.03**	**114.38**	**(13.93)**
Transfer from Capital redemption reserve to Securities Premium on account of Buyback of shares	(0.02)	0.02	-	-	-	-	-
Buy back of shares	(2.29)	-	-	-	-	-	(2.29)
Balance as on 31st March, 2021	**4,738.76**	**0.92**	**350.69**	**542.00**	**8.09**	**27.00**	**5,667.46**

Significant accounting policies (Note No. 1)

The accompanying notes form an integral part of these Financial Statements.

As per our attached report of even date

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Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
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DIN: 00004876

Harshil R. Dalal
Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date: 11th May, 2021

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1.0 BACKGROUND

Dishman Carbogen Amcis Limited (CIN: L74900GJ2007PLC051338) is a public company limited by shares incorporated on 17th July, 2007 under the provisions of the Companies Act, 1956, having its registered office at Dishman Corporate House, Iscon - Bopal Road, Ambli, Ahmedabad- 380058, Gujarat. The Company and its subsidiaries (the 'Group') is engaged in Contract Research and Manufacturing Services (CRAMS) and manufacture and supply of marketable molecules such as specialty chemicals, vitamins & chemicals and disinfectants with presence in Switzerland, UK, Europe, China and other countries. It has manufacturing and research facilities in India, Switzerland, France, Netherland, United Kingdon and China. The equity shares of Dishman Carbogen Amcis Limited are listed on National Stock Exchange of India Ltd. ("NSE") and BSE Ltd. ("BSE") (collectively, the "Stock Exchanges").

2.0 SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These financial statements are the consolidated financial statements of the Group prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

2.2 BASIS OF PRESENTATION

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial consolidated statements.

2.3 STATEMENT OF COMPLIANCE

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) and other relevant provisions of the Act.

2.4 BASIS OF CONSOLIDATION:

Subsidiaries

Subsidiaries are all entities that are controlled by the Company. Control exist when the Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affects those returns through power over the entity. In accessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, income and expenses. For the purpose of preparing these consolidated financial statements, the accounting policies of the subsidiaries have been changed where necessary to align them with the policies adopted by the Company. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance sheet respectively.

Associates and Joint ventures (Equity accounted investee)

Associates are those entities over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entities but is not control or joint control of those policies. Significant influence is generally presumed to exist when the Company holds between 20% and 50% of the voting power of another entity.

Joint arrangements are those arrangements over which the Company has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in associates and jointly controlled entities are accounted for using the equity method (equity accounted investees) and are initially recognized at cost. Investments in such entities are accounted by the equity method of accounting. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these consolidated financial statements. Unrealized gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee.

2.5 BUSINESS COMBINATION

(i) The Group accounts for each business combination by applying the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

(ii) Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

(iii) The Company measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount of the identifiable assets acquired and liabilities (including contingent liabilities in case such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably) assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognized as capital reserve.

(iv) Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to settlement of pre-existing relationships.

(v) Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise subsequent changes in the fair value of the contingent consideration are recognised in the Consolidated Statement of Profit and Loss.

(vi) Transaction costs that the Company incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

(vii) On an acquisition-by-acquisition basis, the Company recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

(viii) Any goodwill that arises on account of such business combination is tested annually for impairment.

(ix) Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders. The difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

(x) In respect of merger of Dishman Pharmaceuticals and Chemicals Limited and Dishman Care Limited with the Holding Company, the accounting treatment has been given as per the Court approved scheme.

2.6 INVENTORIES

Inventories are valued at cost as per moving weighted average price or net realisable value, whichever is lower after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Inventories of stores and spare parts are valued at cost.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

2.7 PROPERTY, PLANT AND EQUIPMENT

Freehold land is carried at historical cost and not depreciated. All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non cenvatable taxes and duties, directly attributable costs of bringing the asset to its present location and condition and initial estimate of costs of dismantling and removing the item and restoring the site on which it is located. Properties in the course of construction are carried at cost, less any recognised impairment loss. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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 asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

Machinery spares, stand-by equipment and servicing equipment are recognised as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

Depreciation

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. Depreciation on the subsequent cost capitalisation are depreciated over the remaining useful life of the assets.

Depreciation has been provided on straight line method and in the manner specified in Schedule II of the Companies Act, 2013 based on the useful life specified in Schedule II except where management estimate of useful life is different.

The useful lives have been determined based on technical evaluation done by the management's expert taking into account the nature of the asset, past history of replacement, anticipated technology changes etc.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

2.8 GOODWILL AND INTANGIBLE ASSETS

Intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the intangible asset.

In respect of business combination that occurred prior to transition date, goodwill is included on the basis of its deemed cost, which represents the amount recorded under previous GAAP.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increase the future economic benefits embodied in the specific assets to which it relates. All other expenditure are recognised in profit or loss as incurred.

Amortisation

Amortisation is recognised in profit or loss on a straight line basis over the estimated useful lives of the intangible assets upto ten years from the date that they are available for use.

Goodwill arising on merger of Dishman Pharmaceuticals and Chemicals Ltd (DPCL) with the Company has been recognised as per the Court scheme. Said Goodwill has been amortised in accordance with the Court scheme for which the Company has estimated useful life of 15 years.

Internally generated intangible asset: Research and Development

Expenditure on research activity is recognised as expense in the period in which it is incurred. An internally generated intangible asset arising from development is recognised, if any only if, all of the following conditions have been fulfilled:

- 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 or sell the asset.

2.9 INVESTMENT PROPERTIES

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Investment properties are depreciated using the straight-line method over their estimated useful lives.

2.10 BORROWING COST

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. Other borrowing costs are expensed in the period in which they are incurred.

2.11 IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Group's each class of the property, plant and equipment or intangible assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

2.12 IMPAIRMENT OF NON-FINANCIAL ASSETS

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGU's) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill are not reversed in future periods.

2.13 FOREIGN CURRENCY TRANSACTION/ TRANSLATION

Transaction and balances

Transactions in foreign currencies are initially recognised in the financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates prevailing at the reporting date and foreign exchange gain or loss are recognised in profit or 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 non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income. Non-monetary items denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign exchange differences regarded as an adjustment to the borrowing cost are presented in the Statement of profit or loss with in finance cost. All other foreign currency differences arising on translation are recognised in statement of profit and loss on net basis with in other gain/ (losses).

In case of foreign operations whose functional currency is different from the parent company's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the average exchange rates prevailing during the year. Resulting foreign currency differences are recognized in other comprehensive income/ (loss) and presented within equity as part of FCTR. When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is reclassified to the Consolidated Statement of Profit and Loss as a part of gain or loss on disposal.

2.14 REVENUE RECOGNITION

Ind AS 115 states An entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (ie an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

Sales of goods

Revenue from sale of goods is recognised when the control of the goods have been transferred to the buyer, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. The performance obligation in the case of sale of goods is satisfied at a point in time i.e. when the material shift to the customer or on delivery to the customer as may be specified in the contract.

Sales of services

Revenue from services rendered is generally recognized in proportion to the stage of completion of the transaction at the reporting date. The stage of completion of the contract is determined based on actual service provided as a proportion of the total service to be provided. Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Dividend and interest income

Dividend is recognised as income when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Export Incentives

Duty drawback and MEIS and SEIS benefits are recognized at the time of exports and the benefits in respect of licenses received by the Group against export made by it are recognized as and when goods are imported against them.

2.15 EMPLOYEE BENEFITS

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

Defined contribution plans

The Group's contribution to provident fund, employee state insurance scheme, superannuation fund and certain pension schemes are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund and pension, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet and will not be reclassified to profit or loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

2.16 TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the company has a legally enforceable right for such setoff.

MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.17 LEASES

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

2.18 FINANCIAL INSTRUMENTS

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

A. Financial assets

(i) Classification, recognition and measurement:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

The company classifies its financial assets in the following measurement categories:

a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

b) Those to be measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and whether the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Type of instruments	Classification	Rationale for classification	Initial measurement	Subsequent measurement
Debt instruments	Amortized cost	Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest on principal amount outstanding are measured at amortised cost.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Amortized cost is calculated using Effective Interest Rate (EIR) method, taking into account interest income, transaction cost and discount or premium on acquisition. EIR amortization is included in finance Income. Any gain and loss on derecognition of the financial instrument measured at amortised cost recognised in profit and loss account.
	Fair value through other comprehensive income (FVOCI)	Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest on principal amount outstanding, are measured at FVOCI.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Changes in carrying value of such instruments are recorded in OCI except for impairment losses, interest income (including transaction cost and discounts or premium on amortization) and foreign exchange gain/loss which is recognized in income statement. Interest income, transaction cost and discount or premium on acquisition are recognized in to income statement (finance income) using effective interest rate method. On derecognition of the financial assets measured at FVOCI, the cumulative gain or loss previously recognized in OCI is classified from Equity to Profit and Loss account in other gain and loss head.

Debt instruments	Fair value through profit or loss (FVTPL)	Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain and loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which arise.	At fair value. Transaction costs of financial assets expensed to income statement	Change in fair value of such assets are recorded in income statement as other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in the finance income.
Equity instruments	FVOCI	The Company's management has made an irrevocable election at the time of initial recognition to account for the equity investment (On an instrument by instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading. The classification is made on initial recognition and is irrevocable.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Change in fair value of such instrument is recorded in OCI. On disposal of such instruments, no amount is reclassified to income statement. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividend income from such instruments is however recorded in income statement.
	FVTPL	When no such election is made, the equity instruments are measured at FVTPL	At fair value. Transaction costs of financial assets expensed to income statement	Change in fair value of such assets is recorded in income statement.

All financial assets are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, plus/minus transaction costs that are attributable to the acquisition of the financial assets.

Trade receivables are carried at original invoice price as the sales arrangements do not contain any significant financing component. 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.

(ii) Impairment:

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, historical observed default rates are updated and changes in the forward- looking estimates are analysed.

(iii) Derecognition of financial assets:

A financial asset is derecognised only when

(a) the company has transferred the rights to receive cash flows from the financial asset or

(b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(iv) Foreign exchange gain or losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange difference are recognised in profit or loss except for those which are designated as hedging instruments in the hedging relationship.

Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

For the purpose of recognising foreign exchange gain and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

(v) Investments in Subsidiaries:

The Company has availed an option stated under Ind AS 101 and measured investments in equity instruments of subsidiaries at Cost as per Ind AS 27. The Carrying amount is reduced to recognise impairment, if any, in value of investments.

B. Financial liabilities and equity instruments :

Debt and equity instruments issued by a entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Classification, recognition and measurement:

(a) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

(b) Financial liabilities:

Initial recognition and measurement:

Financial liabilities are initially recognised at fair value plus any transaction costs that are attributable to the acquisition of the financial liabilities except financial liabilities at FVTPL which are initially measured at fair value.

Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories :

- At amortised cost
- At fair value through profit or loss (FVTPL)

(i) Financial liabilities at amortised cost:

The company is classifying the following under amortised cost;

- Borrowings from banks
- Borrowings from others
- Finance lease liabilities
- Trade payables

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

(ii) Financial liabilities at fair value through profit or loss:

Financial liabilities held for trading are measured at FVTPL. Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on remeasurement, recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item.

Derecognition:

A financial liability is removed from the balance sheet when the obligation is discharged, or is cancelled, or

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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 Statement of Profit and Loss.

(c) Financial guarantees contracts :

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

C. Derivative financial instruments :

Foreign exchange forward contracts are entered into by the Company to mitigate the risk of changes in foreign exchange rates associated with certain payables, receivables and forecasted transactions denominated in certain foreign currencies. Derivative contracts which do not qualify for hedge accounting under Ind AS109, are initially recognized at fair value on the date the contract is entered into and subsequently measured at fair value through profit or loss. Gain or loss arising from changes in the fair value of the derivative contracts are recognised in profit or loss. Realized gain or loss arising on forward contract relating to forecast sales are included under Other Operating Income in the Statement of Profit and Loss. Derivatives contracts which are qualified for hedge accounting under Ind AS 109, are initially recognized at fair value on the date the contract is entered into and subsequently measured at fair value through other comprehensive income.

D. Offsetting financial instruments :

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.19 FAIR VALUE MEASUREMENT:

The Company measures financial instruments, such as, certain investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable Provisions and Contingencies, Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

2.20 PROVISIONS AND CONTINGENCIES :

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

Contingent liabilities are recognised at their fair value only, if they were assumed as part of a business combination. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset. Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote. The same applies to contingent assets where an inflow of economic benefits is probable.

2.21 SEGMENT REPORTING:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operational decision maker monitors the operating results of its business Segments separately for the purpose of making decision about the resources allocation and performance assessment. Segment performance is evaluated based on the profit or loss and is measured consistently with profit or loss in the financial statements. The operating segments have been identified on the basis of the nature of products/ services.

2.22 CASH AND CASH EQUIVALENT :

Cash and cash equivalent in the balance sheet comprises cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.23 DIVIDEND DISTRIBUTION TO EQUITY SHAREHOLDERS :

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid.

2.24 EARNING PER SHARE :

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.25 CURRENT / NON-CURRENT CLASSIFICATION :

An assets is classified as current if:

(a) It is expected to be realised or sold or consumed in the Company's normal operating cycle;

(b) It is held primarily for the purpose of trading;

(c) It is expected to be realised within twelve months after the reporting period; or

(d) It is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

(a) It is expected to be settled in normal operating cycle;

(b) It is held primarily for the purpose of trading;

(c) It is expected to be settled within twelve months after the reporting period;

(d) It has no unconditional right to defer the settlement of the liability for at lease twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Company's normal operating cycle is twelve months.

2.26 SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS:

The preparation of the Group's financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the Group's accounting policies, management has made the following judgements which have significant effect on the amounts recognised in the financial

a. Useful lives of property, plant and equipment and Goodwill:

Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalised. Useful life of tangible assets is based on the life specified in Schedule II of the Companies Act, 2013 and also as per management estimate for certain category of assets. Assumption also need to be made, when company assesses, whether as asset may be capitalised and which components of the cost of the assets may be capitalised. The goodwill recorded on merger has been amortised based on its estimated benefit / estimated useful life of 15 years.

b. Arrangement containing lease:

At the inception of an arrangement whether the arrangement is or contain lease. At the inception or reassessment of an arrangement that contains a lease, Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, that such contracts are not in the nature of lease.

c. Service Income:

The group uses the percentage of completion method in accounting for its fixed price contract. Use of percentage of completion requires the group to estimate the service performed to date as a proportion of the total service to be performed. Determination of the stage of completion is technical matter and determined by the management experts.

d. Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/ judgements about these factors could affect the reported fair value of financial instruments.

e. Defined benefit plan:

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

f. Allowances for uncollected accounts receivable and advances:

Trade receivables do not carry interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectable. Impairment is made on the expected credit loss model, which are the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumption and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

g. Allowances for inventories:

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

h. Impairment of non-financial assets:

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

i. Taxation:

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

j. Contingencies:

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against company as it is not possible to predict the outcome of pending matters with accuracy.

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

(₹ in crores)

Particulars	Freehold land	Leasehold land	Buildings	Plant and Equipment	Furniture & Fixtures	Vehicles	Office equipment & Computer & Printers	Electrical Installations	Laboratory Equipments	Total	Right To Use Asset	Capital work-in-progress
Year ended 31st March, 2020												
Gross carrying amount												
Opening balance	157.52	176.33	803.86	1,522.15	46.62	16.02	51.57	58.79	63.02	2,895.87	-	143.33
Additions	-	34.11	118.28	93.46	1.98	3.22	6.62	4.19	4.06	265.92	222.02	166.10
Disposals	-	-	(12.12)	(8.40)	(0.04)	(0.44)	(0.05)	-	-	(21.04)	-	(4.11)
Transfers	-	-	-	-	-	-	-	-	-	-	-	(115.38)
Exchange Difference	-	(0.25)	76.57	130.60	4.93	0.40	4.50	0.35	0.19	217.29	-	12.40
Closing balance	**157.52**	**210.19**	**986.60**	**1,737.81**	**53.49**	**19.19**	**62.64**	**63.33**	**67.27**	**3,358.04**	**222.02**	**202.34**
Accumulated depreciation												
Opening balance	(2.18)	(8.78)	(305.72)	(903.59)	(32.52)	(10.79)	(31.41)	(22.68)	(45.17)	(1,362.85)	-	-
Charge for the year	-	(2.79)	(38.39)	(68.73)	(3.02)	(2.03)	(5.27)	(5.05)	(19.95)	(145.22)	(38.30)	-
Disposals	-	-	9.53	8.40	0.04	0.36	0.05	-	-	18.39	(4.94)	-
Exchange Difference	0.71	-	(34.18)	(111.45)	(3.90)	(1.36)	(4.02)	(0.91)	(1.39)	(156.50)	-	-
Closing balance	**(1.47)**	**(11.57)**	**(368.76)**	**(1,075.37)**	**(39.40)**	**(13.82)**	**(40.64)**	**(28.64)**	**(66.51)**	**(1,646.18)**	**(43.24)**	**-**
Net carrying amount	**156.05**	**198.62**	**617.83**	**662.44**	**14.09**	**5.38**	**22.01**	**34.69**	**0.76**	**1,711.85**	**178.77**	**202.34**
Year ended 31st March, 2021												
Gross carrying amount												
Opening balance	157.52	210.19	986.60	1,737.81	53.49	19.19	62.64	63.33	67.27	3,358.04	222.02	202.34
Additions	-	2.76	58.92	90.85	0.68	1.04	3.19	0.00	0.28	157.72	155.14	332.18
Disposals	-	-	(0.00)	-	-	(0.41)	(0.07)	-	(0.13)	(0.60)	(0.16)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	(103.61)
Exchange Difference		0.72	(5.71)	(8.22)	(0.00)	(0.60)	(0.40)	0.23	0.19	(13.80)	(15.24)	(6.27)
Closing balance	**157.52**	**213.67**	**1,039.81**	**1,820.44**	**54.17**	**19.22**	**65.36**	**63.56**	**67.61**	**3,501.36**	**361.76**	**424.64**
Accumulated depreciation and impairment												
Opening balance	(1.47)	(11.57)	(368.76)	(1,075.37)	(39.40)	(13.82)	(40.64)	(28.64)	(66.51)	(1,646.18)	(43.24)	-
Charge for the year	-	(2.86)	(42.43)	(77.29)	(3.09)	(2.10)	(6.08)	(4.88)	(24.66)	(163.39)	(40.89)	-
Transfer (IFRS 16 + ARO)	-	-	(7.12)	-	-	-	-	-	-	(7.12)	35.30	-
Disposals	-	-	-	0.01	-	0.39	0.05	-	0.06	0.51	-	-
Exchange Difference	-	(0.49)	4.11	7.73	0.16	0.63	0.39	0.05	1.25	13.83	4.88	-
Closing balance	**(1.47)**	**(14.92)**	**(414.20)**	**(1,144.92)**	**(42.33)**	**(14.90)**	**(46.28)**	**(33.47)**	**(89.86)**	**(1,802.35)**	**(43.95)**	**-**
Net carrying amount Year Ended 31 March 2021	**156.05**	**198.75**	**625.61**	**675.52**	**11.84**	**4.32**	**19.08**	**30.09**	**(22.25)**	**1,699.01**	**317.81**	**424.64**

Note:

(i) Property, plant & Equipment pledged as a security: Refer note 12 for information on Property, plant & Equipment pledged as a security by the group

(ii) Contractual Obligation : Refer note 26 for disclosure of Contractual Obligation for the acquisition of Property, plant & Equipment

(iii) Amount of interest capitalised during the year ₹ 1.27 crores (Previous year ₹ 1.21 crores).

(iv) Right of use assets are rights for lease of factory building and other assets

NOTE 3: INVESTMENT PROPERTIES

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Gross carrying amount		
Opening gross carrying amount	5.26	6.97
Additions	-	-
Reclassification	-	(2.23)
Translation reserve	0.23	0.52
Closing gross carrying amount	**5.49**	**5.26**
Accumulated depreciation		
Opening	(0.19)	(1.77)
Charge for the year	(0.28)	(0.25)
Reclassification	-	1.97
Translation reserve	(0.08)	(0.14)
Closing accumulated depreciation	**(0.55)**	**(0.19)**
Net carrying amount	**4.94**	**5.07**

(i) Amounts recognised in profit or loss for investment properties

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Rental income	0.28	0.25
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Less: Depreciation	(0.28)	(0.25)
Net Income from investment properties	**(0.00)**	**(0.00)**

(ii) Fair value

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investment properties	6.34	6.00

Estimation of fair value

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Investment property comprises of few properties that are leased to third parties. Each of the leases contains an initial noncancellable period of one month. Subsequent renewals are negotiated with the lessee.

NOTE 4: INTANGIBLE ASSETS

(₹ in crores)

Particulars	Computer software	Copyrights, patents & other Intellectual property rights, services and operating rights	Brands / Trademarks	Total	Goodwill	Goodwill on consolidation	Total
Year ended 31 March 2020							
Gross carrying amount							
Opening balance	34.10	104.58	16.09	154.78	1,326.86	2,519.37	3,846.23
Additions	0.31	-	-	0.31	-	10.42	10.42
Disposals	-	-	-	-	-	-	-
Translation adjustments	1.42	4.37	0.67	6.46	-	292.46	292.46
Closing balance	**35.83**	**108.95**	**16.76**	**161.55**	**1,326.86**	**2,822.25**	**4,149.11**
Accumulated amortisation							
Opening balance	(27.73)	(27.55)	(10.45)	(65.73)	(375.94)	-	(375.94)
Charge for the year	(0.32)	(9.68)	(0.64)	(10.64)	(88.46)	-	(88.46)
Translation adjustments	5.21	5.17	1.97	12.35	-	-	-
Closing balance	**(22.85)**	**(32.06)**	**(9.12)**	**(64.02)**	**(464.40)**	**-**	**(464.40)**
Net carrying amount for Year Ended 31st March, 2020	**12.99**	**76.89**	**7.65**	**97.52**	**862.46**	**2,822.25**	**3,684.71**
Year ended 31 March 2021							
Gross carrying amount							
Opening balance	35.83	108.95	16.76	161.54	1,326.86	2,822.25	4,149.11
Additions	6.42	15.16	1.42	23.00	-	-	-
Translation adjustments	(2.77)	(6.40)	(1.18)	(10.35)	(0.01)	(15.25)	(15.26)
Closing balance	**39.48**	**117.71**	**17.00**	**174.19**	**1,326.85**	**2,807.00**	**4,133.85**
Accumulated amortisation and impairment							
Opening balance	(22.85)	(32.06)	(9.12)	(64.03)	(464.40)	-	(464.40)
Amortisation Charge for the year	(1.54)	(6.79)	(6.60)	(14.93)	(88.45)	-	(88.45)
Translation adjustments	0.49	(0.50)	0.29	0.28	-	0.01	0.01
Closing balance	**(23.90)**	**(39.35)**	**(15.43)**	**(78.68)**	**(552.85)**	**0.01**	**(552.84)**
Net carrying amount for Year Ended 31st March, 2021	**15.58**	**78.36**	**1.58**	**95.51**	**774.00**	**2,807.01**	**3,581.01**

Goodwill

The goodwill at each CGU level is tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount is less than its carrying value. The recoverable amount is based on a value-in-use calculation using the discounted cash flow method. The value-in-use calculation is made using the net present value of the projected post-tax cashflows for next 5 years and the Terminal Value at the end of the 5 years (after considering the relevant long-term growth rate).

Goodwill acquired through business combinations has been allocated to their underlying geographical classification:

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
CGUs (Goodwill)		
India	774.03	862.48
Europe and China	2,799.24	2,814.48
Rest of the World	7.74	7.74
	3,581.01	**3,684.71**

Key assumptions used in the value in use calculations

The Cash flow projections includes specific estimates for 5 years developed using expected margins, internal forecast and a terminat growth rate thereafter of 2.50%. The value assigned to the assumption reflects past experience and are consistent with the management's plan for focusing operation in these locations. The management believe that the planned market share growth per year for next 5 years is reasonably achievable.

Discount rate reflects the current market assessment of the risks specific to a CGU. The discount rate is estimated based on the weighted average cost of capital for respective CGU. Post-tax discount rate used was 7.35% for the year ended 31st March, 2021.

The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

Based on the above assumptions and analysis, no impairment was identified for any of the CGU as at 31st March, 2021.

NOTE 5: FINANCIAL ASSETS

5 (a) (i) Non-current investments

(₹ in crores)

Particulars	% of holding	As at 31st March, 2021	As at 31st March, 2020
Investment in equity instruments (fully paid-up)			
A) Quoted			
(i) Investment in Quoted Equity shares carried at Fair value through Other Comprehensive Income			
(a) Bank of India		0.01	0.01
(March 31, 2021 : 2,100 (Previous Year: 2,100) equity shares of Face value of ₹ 10/- each fully paid up)			
(ii) Other investment which are carried at Fair value through statement of profit and loss			
(a) HDFC Housing Opportunities Fund		-	3.16
(March 31, 2021 : Nil (Previous Year: 50,000) units of Face value of ₹ 10/- each)			
(iii) Other investment which are carried at cost			
(a) IRB Invit Fund		4.51	4.62
(March 31, 2021 : 5,80,000 (Previous Year : 5,80,000) bonds of Face value of ₹ 100/- each)			
(b) J M Financials Credit Solutions Ltd.		-	25.00
(March 31, 2021 : Nil (Previous Year : 2,50,000) NCDs of Face value of ₹ 1,000/- each)			
B) Unquoted			
(i) Investment in other entities which are carried at Fair value through Other Comprehensive Income			
(a) CAD Middle East Pharmaceuticals Industries LLC	10.95	51.23	51.21
(March 31, 2021 : 21,900 (Previous Year: 21,900) equity shares of Face value of SAR 1,000/- each fully paid up)			
(b) Nami Trading Co-FZE LLC	-	0.03	0.02
(March 31, 2021 : 15 (Previous Year: 15) equity shares of Face value of AED 1,000/- each fully paid up)			
(c) Stuti(Ambawadi) Owners' Association	-	0.00	0.00
(March 31, 2021 : 30 (Previous Year : 30) equity shares of Face value of ₹ 100/- each fully paid up)			
(d) Sangeeta Plaza iflex Office Premises Co-op Society Ltd.	-	0.00	0.00
(March 31, 2021 : 50 (Previous Year : 50) equity shares of Face value of ₹ 50/- each fully paid up)			

Total	**55.78**	**84.02**
Total non-current investments	**55.78**	**84.02**
Aggregate amount of quoted investments and market value thereof	0.01	3.17
Aggregate amount of quoted investments and carried at cost thereof	4.51	29.62
Aggregate amount of unquoted investments- book value/ market value	51.26	51.23

Reclassification

During the previous year, the Company has reclassified certain investment from fair value through profit and loss (FVTPL) to investment which are carried at cost on account of its business model change.

Change in fair value loss of ₹ 5.87 crores that would have been recognised in profit and loss during the reporting period if the financial assets has not been reclassified.

1. Equity Shares designated as at Fair value through other comprehensive income:

At 1st April, 2016 the company designated the investments shown below as equity shares at Fair value through Other Comprehensive Income because these equity shares represent investments that the company intends to hold for long term strategic purpose.

(₹ in crores)

Particulars	Fair value as at 31st March, 2021	Fair value as at 31st March, 2020
1. CAD Middle East Pharmaceuticals Ind LLC	51.23	51.21
2. Nami Trading Co-FZE LLC	0.03	0.02
3. Bank of India	0.01	0.01

5 (a) (ii) Current investments

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investment in equity instruments (fully paid-up)		
A. Quoted		
(i) Other investment which are carried at Fair value through statement of profit and loss		
Baroda Dynemic Equity Fund	-	0.98
(March 31, 2021 : Nil (Previous Year : 10,00,000) units of mutual fund of Face value of ₹ 10/- each)		
Baroda Banking And Financial Services Fund	-	0.37
(March 31, 2021 : Nil (Previous Year : 2,25,729) units of mutual fund of Face value of ₹ 22.15/- each)		
Baroda Equity Savings Fund	-	0.25
(March 31, 2021 : Nil (Previous Year : 2,49,990) units of mutual fund of Face value of ₹ 10/- each)		
Union OverNight Fund March 31, 2021 : 926.66 (previous Year NIL) Units of Mutual Fund	0.10	-
Union Liquid Fund March 31, 2021 : 509.90 (previous Year NIL) Units of Mutual Fund	0.10	-
Aditya Birla Sun Life Money Manager Fund March 31, 2021 : 35,096.950 (previous Year NIL) Units of Mutual Fund	1.00	-
Axis Liquid Fund-Growth Plan March 31, 2021 : 13209.522 (previous Year NIL) Units of Mutual Fund	3.02	-
Punjab National Bank Perpetual Bond March 31, 2021 : 90 (previous Year NIL) bonds of face value ₹ 10,00,000	8.63	-

Union Bank Perpetual Bond March 31, 2021 : 150 (previous Year NIL) bonds of face value ₹ 10,00,000	14.69	-
Canara Bank Perpetual Bond March 31, 2021 : 250 (previous Year NIL) bonds of face value ₹ 10,00,000	24.33	-
Bank Of India Perpetual Bond March 31, 2021 : 100 (previous Year NIL) bonds of face value ₹ 10,00,000	9.90	-
SBI MLDF R-Growth Plan March 31, 2021:- 2,2230.481 (Previous Year Nil) Units of Mutual fund	0.61	-
HDFC LDF R-Growth Plan March 31, 2021:- 137,467.757 (Previous Year Nil) Units of Mutual fund	0.62	-
Baroda Large and Mid Cap Fund	3.84	-
(March 31, 2021 : 29,99,840.007 (Previous Year : Nil) units of mutual fund of Face value of ₹ 10/- each)		
B. Unuoted		
(i) Other investment which are carried at amortised cost		
(a) Home Credit India Finance Pvt. Ltd. - NCDs	-	25.41
(March 31, 2021 : Nil (Previous Year : 250) NCD of Face value of ₹ 10,00,000/- each)		
C. Others		
(a) Fixed deposit with Bajaj Finance Ltd.	79.60	79.60
(under lien)		
Total current investments	**146.44**	**106.61**
Aggregate amount of quoted investments and market value thereof	66.84	1.60
Aggregate amount of unquoted investments	79.60	105.01

5 (b) Trade receivables

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, Considered good, Unsecured	386.47	587.37
Less: Impairment loss allowance	(7.26)	(9.94)
	379.21	**577.43**
Receivables which have significant increase in Credit Risk	0.46	0.46
Less: Impairment loss allowance	(0.46)	(0.46)
	-	-
Total receivables	**379.21**	**577.43**

1. No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

2. Trade receivable due from private companies in which any director is a partner, director or a member is ₹ 1.49 crores (Previous Year : ₹ 0.22 crores).

3. Trade receivable are non- interest bearing and are generally on credit terms in the range of 30 to 120 days.

4. The company's exposure to credit and currency risk and loss allowances related to trade receivables are disclosed in Note 34.

5. For receivables secured against borrowings see Note 12.

5 (c) Loans

(₹ in crores)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non- current	Current	Non- current
Unsecured, considered good				
Loan to related parties (Refer Note 29)	3.17	91.63	-	38.08
Loan to employees	0.49	3.90	3.92	-
Other Loans	0.09	2.19	2.35	1.70
Total loans	**3.75**	**97.72**	**6.27**	**39.78**

Note: Of the above, loan amounting to ₹ 94.8 crores (Previous Year ₹ 38.08 crores), including reclassification from short term advance to long term loan amounting to ₹ 43.03 Crores, is receivable from the Companies in which Company's Director is also a director.

5 (d) (i) Cash and cash equivalents

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with banks		
- in current accounts*	243.15	113.23
Cash on hand	0.39	8.71
Total cash and cash equivalents	**243.54**	**121.94**

*(Includes Cash in transit of C.Y. ₹ 5.14 Crs.)

5 (d) (ii) Bank Balances Other than Cash and cash equivalents

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a)Earmarked balances with banks for:		
(i) Unpaid Dividend	0.09	0.12
(ii) Balances held as margin money or security against borrowings, guarantees and other commitments	13.88	10.20
(b) In other deposit account *	20.23	28.73
	34.20	**39.04**

* Out of the above deposits, ₹ 20.23 Crores (P.Y. ₹ 19.73 crores) is under lien.

5 (e) Other financial assets

(₹ in crores)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non- current	Current	Non- current
Unsecured, considered good unless otherwise stated				
(a) Fixed deposits having maturity of more than one year	-	0.68	-	4.85
(b) Insurance claims	19.11	-	19.13	-
(c) Interest Receivable *	12.50	-	31.56	-
(d) Security Deposits	0.73	3.39	0.22	2.62
(e) Receivable towards hedge instruments	53.21	-	-	-
(f) Others	22.11	-	-	-
Total other financial assets	**107.66**	**4.07**	**50.91**	**7.47**

(* Out of the ₹ 12.5 cr., interest receivable from related party ₹ 0.72 cr.)

NOTE 6

(a) : Deferred tax assets

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred tax asset on account of:		
Unabsorbed losses	0.01	4.30
Provision for post retirement benefits	27.74	26.22
Others	4.14	0.88
	31.89	**31.39**
Deferred tax liability on account of:		
Difference between written down value/capital work in progress of fixed assets as per the books of accounts and income tax	(10.11)	(11.55)
Inventory	(10.65)	(14.61)
Others	(0.89)	(2.22)
	(21.65)	**(28.38)**
Net deferred tax assets/(Liabilities)*	**10.24**	**3.01**

*Represent aggregate for entities having net deferred tax assets

Note 6 (b) : Deferred tax Liabilities

The balance comprises temporary differences attributable to:

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred tax asset on account of:		
Unabsorbed losses	138.94	141.82
Provision for post retirement benefits	3.74	4.37
Loans	4.06	3.34
Others	0.71	0.68
On Stock Reserve	7.66	-
	155.11	**150.22**
Minimum alternate tax (MAT) credit Entitlement	49.53	51.39
	204.64	**201.61**
Deferred tax liability on account of:		
Difference between written down value/capital work in progress of fixed assets as per the books of accounts and income tax	(383.98)	(317.14)
DTL on MTM	-	(22.30)
Others	(12.43)	(6.62)
	(396.41)	**(346.06)**
Net deferred tax assets/(Liabilities)*	**(191.77)**	**(144.46)**

*Represent aggregate for entities having net deferred tax liabilities

Note 6 (c) Movements in deferred tax assets/liabilities

(₹ in crores)

Particulars	Net balance April 1, 2020	Recognised in profit or loss	Recognised in OCI	Translation Adjustments	31st March, 2021		
					Net	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Unabsorbed losses	132.89	(2.75)	-	8.80	138.95	138.95	-
Provision for post retirement benefits	21.32	(2.79)	0.27	12.69	31.49	31.49	-
Depreciation	(304.73)	(63.64)	-	(25.71)	(394.09)	-	(394.09)
Inventory	(17.18)	3.74	-	2.79	(10.65)	-	(10.65)
Loans	0.85	0.76	-	2.44	4.06	4.06	-
Investments	(2.23)	(0.60)	(0.01)	-	(2.84)	-	(2.84)
DTL on Mark to Market	(22.30)	22.30	-	-	0.00	-	0.00
On stock reserve	-	7.66	-	-	7.66	-	7.66
Others	(1.45)	(1.02)	-	(3.16)	(5.64)	4.85	(10.49)
Deferred tax assets (Liabilities)	**(192.82)**	**(36.34)**	**0.26**	**(2.15)**	**(231.06)**	**179.35**	**(410.41)**
Minimum Alternate Tax (MAT) credit entitlement	51.39	(1.86)	-	-	49.53	49.53	-
Net Deferred tax assets/(Liabilities)	**(141.43)**	**(38.20)**	**0.26**	**(2.15)**	**(181.53)**	**228.87**	**(418.05)**

(₹ in crores)

Particulars	Net balance April 1, 2019	Recognised in profit or loss	Recognised in OCI	Translation Adjustments	31st March, 2020		
					Net	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Unabsorbed losses	128.89	2.75	-	1.25	132.89	132.89	-
Provision for post retirement benefits	35.61	(14.87)	(0.14)	0.71	21.32	21.32	-
Depreciation	(319.78)	10.54	-	4.50	(304.73)	-	(304.73)
Inventory	(22.57)	5.38	-	0.02	(17.18)	-	(17.18)
Loans	2.44	(1.60)	-	0.01	0.85	0.85	-
Investments	(0.94)	(0.69)	(0.59)	-	(2.23)	-	(2.23)
DTL on Mark to Market	(6.69)	(15.61)	-	-	(22.30)	-	(22.30)
Others	3.97	(5.43)	-	0.01	(1.45)	(1.45)	-
Deferred tax assets (Liabilities)	**(179.07)**	**(19.52)**	**(0.73)**	**6.50**	**(192.82)**	**153.61**	**(346.43)**
Minimum Alternate Tax (MAT) credit entitlement	46.69	4.70	-	-	51.39	51.39	-
Net Deferred tax assets/(Liabilities)	**(132.39)**	**(14.82)**	**(0.73)**	**6.50**	**(141.43)**	**205.00**	**(346.43)**

Minimum Alternative Tax (MAT credit) balance as on 31st March, 2021 amounts to ₹ 49.53 crores (Previous Year : ₹ 51.39 crores). The Company is reasonably certain of availing the said MAT credit in future years against the normal tax expected to be paid in those years.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

NOTE 7: OTHER NON-CURRENT ASSETS

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured considered good, unless otherwise stated		
(a) Capital advances		
Considered Good	176.04	224.79
Considered Doubtful	-	3.10
	176.04	**227.89**
Less: Provision for doubtful advances	-	3.10
	176.04	**224.79**
(b) Prepaid expenses	0.35	0.60
(c) Balances with government authorities	33.00	37.98
Less: Provision for doubtful receivable	5.43	-
	27.57	**37.98**
Total other non-current assets	**203.96**	**263.37**

NOTE 8: INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Raw materials	156.18	189.25
(b) Work-in-progress	170.18	206.44
(c) Finished goods (including goods in transit)*	183.81	180.93
(d) Stores and spares	5.48	4.25
Total inventories	**515.65**	**580.87**

* Including goods in transit of ₹ 28.13 crores (Previous year ₹ 8.51 crores)

Note: For Inventories pledged as securities against borrowings, see Note 12

NOTE 9: CURRENT TAX ASSETS (NET)

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current tax assets		
Advance income tax (Net of provisions)	106.13	107.71
	106.13	**107.71**
Current tax Liabilities		
Provision for current tax (Net of advance tax)	9.84	2.38
	9.84	**2.38**

NOTE 10: OTHER CURRENT ASSETS

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured considered good, unless otherwise stated		
(a) Advances other than Capital advances		
(i) Prepaid Expenses	39.09	25.29
(ii) Advances & recoverables		
Considered Good	166.78	230.55
Considered Doubtful	-	0.15
	166.78	**230.70**
Less: Provision for other doubtful loans and advances	-	(0.15)
	166.78	**230.55**
(b) Balances with government authorities	26.32	40.06
Total other current assets	**232.19**	**295.90**

NOTE 11: EQUITY SHARE CAPITAL AND OTHER EQUITY

11 (a) Equity share capital

Authorised equity share capital

Particulars	Number of shares	(₹) in crores
As at 31st March, 2019	**17,02,50,000**	**34.05**
Addition during the year	-	-
As at 31st March, 2020	**17,02,50,000**	**34.05**
Addition during the year	-	-
As at 31st March, 2021	**17,02,50,000**	**34.05**

(i) Issued and subscribed & paid up capital

Particulars	Number of shares	Face Value	Equity share capital(par value) (₹) in crores
As at 31st March, 2019	**16,13,94,272**	**2.00**	**32.28**
Issued during the year	-	-	-
Buy back during the year	(45,31,177)	2.00	(0.90)
As at 31st March, 2020	**15,68,63,095**	**2.00**	**31.38**
Issued during the year	-	-	-
Buy back during the year	(80,000)	2.00	(0.02)
As at 31st March, 2021	**15,67,83,095**	**2.00**	**31.36**

(ii) Shares of the company held by holding/ultimate holding company

Particulars	As at 31st March, 2021	As at 31st March, 2020
Adimans Technologies LLP	9,30,02,442	9,90,91,898

(iii) Details of shareholders holding more than 5% shares in the company

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares	% holding	Number of shares	% holding
Adimans Technologies LLP	9,30,02,442	59.32%	9,90,91,898	63.17%

(iv) The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/- per share. Each holders of equity shares carry one vote per share without restrictions and are entitled to dividend, as and when declared. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. All shares rank equally with regard to the Company's residual assets.

(v) The Company has not declared any dividend during the year.

11 (b) Other Equity

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Securities Premium Reserve	4,738.76	4,741.07
(b) Capital Redemption Reserve	0.92	0.90
(c) Surplus in Statement of Profit and Loss	350.69	515.07
(d) Other Comprehensive Income		
- Equity instruments through OCI	8.09	8.06
- Cash flow hedge reserves	27.00	(87.38)
- Foreign currency translation reserve	542.00	505.96
Total reserves and surplus	**5,667.46**	**5,683.68**

Movement in Reserves

(i) Retained earnings

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Surplus in Statement of Profit and Loss		
Opening Balance	515.07	399.75
Add: Net profit for the year	(165.13)	158.51
Add: Remeasurements of the defined benefit plans	0.75	(39.96)
Add : Dividend payment	-	(3.23)
Closing balance	**350.69**	**515.07**

Retained earnings represents surplus/ accumulated earnings of the Corporation and are available for distribution to shareholders.

(ii) Equity instruments through Other Comprehensive Income

This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income, under and irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

(iii) Cash flow hedge reserve

The Company has designated its hedging instruments as cash flow hedges and any gain / loss on cash flow hedge is maintained in the said reserve. At the time of settlement of instrument, the gain / loss is recognised in the Statement of Profit and Loss.

(iv) Securities Premium movement

The Company has transferred amount from Security Premium Reserves to Capital Redemption Reserve on account of buy back of shares during the year.

(v) Capital Redemption Reserve

The Company has created Capital Redemption Reserve because of buy back of shares during the year.

NOTE 12: FINANCIAL LIABILITIES

12 (a) Borrowings

(₹ in crores)

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
Secured			
Term loans			
From banks	(a)	503.54	222.41
Long-term maturities of Hire purchase obligations	(b)	0.40	-
Unsecured			
Term loans			
From Banks		-	18.89
Total borrowings		**503.94**	**241.30**

Note:

(a) (i) Term loans

(₹ in crores)

Name of the bank	Terms of repayment and security	As at 31st March, 2021	As at 31st March, 2020
Bank of Baroda#	The Term Loan is secured by First paripasu Charge on Company's immovable and movable fixed assets along with other term lenders at Bavla unit and second charge on entire current assets of the company present and future. Repayable in 20 equal quarterly installments starting from March 2021 ending on December 2025.	25.24	-
Bank of Baroda	The Term Loan is secured by extension of charge on consortium Bank's existing Charge .Which is Hypothecation of Inventories, collateral security of book debts, first charge on the Company's fixed asset(Including Land) at Naroda DTA plant located at Plot No. 1216/12, 1216/20 to 23, Phase IV, and Plot No. 67, Phase I, GIDC Estate, Naroda, Ahmedabad unit and second pari pasu charge on fixed asset(Including Land) at Bavla Plant. Repayble in 18 Monthly installments starting from January 2021 ending on June 2022.	1.73	-
Bank of Baroda*	The Corporate Loan is secured by first Pari-passu charge on company's fixed assets at Bavla unit along with existing term lenders and second paripasu charge on Current Assets of the company with existing lenders, repayable in 20 quarterly installment starting from May 2019 and ending on February 2024.	14.85	19.37
Bank of Baroda	The Term Loan is secured by First paripasu Charge on Company's immovable and movable fixed assets along with other term lenders at Bavla unit and second charge on entire current assets of the company present and future. Repayable in 20 equal quarterly installments starting from March 2021 ending on December 2025.	14.06	-
State bank of India	The Term Loan is secured by extension of charge on consortium Bank's existing Charge . Which is Hypothecation of Inventories, collateral security of book debts, first charge on the Company's fixed asset(Including Land) at Naroda DTA plant located at Plot No. 1216/12, 1216/20 to 23, Phase IV, and Plot No. 67, Phase I, GIDC Estate, Naroda, Ahmedabad unit and second pari pasu charge on fixed asset(Including Land) at Bavla Plant. Repayble in 18 Monthly installments starting from Nov 2020 ending on April 2022.	0.42	0.00
HDFC Bank Ltd.*#	The Term Loan is secured by Charge on Dishman Corporate House property, Amblic Road, Opp. Annapurna Farm House, Satelite Area, Ahmedabad. Repayble in 17 equal quarterly installments starting from March 2018 ending on March 2022.	10.41	17.35
Bajaj Finance Limited	The Term Loan is secured by Fixed Deposits.	1.63	1.97
Qatar National Bank	The term loan is secured by first pari-passu charge in the Company's fixed assets at Bavla unit alongwith existing term lenders and second pari-passu charge on current assets of the Company with existing term lenders, repayable in 20 quarterly installment starting from October, 2017 and ending July, 2022.	69.48	101.18

Credit Suisse AG	The syndicated loan is secured by pledging all shares registered with the commercial register of the Canton of Basel Landschaft for Carbogen Amcis Innovations AG, Carbogen Amcis Specialities AG and Carbogen Amcis AG and secured by all Intra-Group Receivables (Carbogen Group). Loan is repayable in Half yearly instalment (31st March and 30th September) starting from i. After completion of Capex Plan or ii. March 31, 2026 whichever is earlier subject to entire loan being repaid by the termination date i.e. January 18, 2027, which is extendable by 12 months from the original termination date. This loan is mortage on the company various assets situated at Building Hauptrasse 167, 4416 Bubendrof, Switzerland, Building Hauptrasse 145, 4416 Bubendrof, Switzerland and Freehold Land, building Neulandweg 5, 5502 Hunzenschwil, Switzerland.	354.20	-
Credit Suisse AG	Loan is secured by Building No 167, Repayment 0.005 Mn chf Per Quarter Ending On December, 2047	-	4.21
Credit Suisse AG	Loan is secured by Building No 145, Repayment 0.085 Mn CHF per quarter ending on March, 2043.	-	58.52
Credit Suisse AG	Loan is secured by mortgage land in Hunzenschwil, Repayment 0.012 mn CHF per quarter ending on March, 2045.	-	9.06
ABN AMRO Bank N.V.	The term loan is secured by mortgage of all Land and Buildings and Investment Property, pledge on all Inventories, pledge on trade receivables, pledge on plant & equipments of CARBOGEN AMCIS BV.The term loan is repayable in equal quarterly installments of EURO 0.02 mn. and ending on September, 2022.	3.69	10.75
Axis Bank	The Term Loan is secured by 100% Credit Guarantee by NCGTC and second parripasu charge on existing securities. Repayable in 48 monthly installments starting from March 2022 ending on Feb 2026. Security in respect of said loan is yet to be created.	7.83	-
Bank of Baroda	The Corporate Loan is secured Loan is secured by first Pari-Passu charge on the Company's immovable and movable fixed assets at Bavla unit and second charge on SEZ Land of M/s Dishman Infrastructure Ltd and Corporate Guarantee of M/s Dishman Infrastructure Ltd., repayable in 24 quarterly installment starting from June 2015 in ballooning fashion and ending on 31 March 2021	-	-
Total secured borrowings		**503.54**	**222.41**
Bank of Baroda	The term loan is unsecured and repayable in equal quarterly installments of USD 1.25 mn. and ending on September, 2021.	-	18.89
Total unsecured borrowings		**-**	**18.89**

(b) Long-term maturities of Hire purchase obligations

(₹ in crores)

Name of the bank	Note	As at 31st March, 2021	As at 31st March, 2020
HDFC Bank Limited	Hire Purchase Finances are secured by hypothecation of respective assets	0.40	-
Total of Long-term maturities of Hire purchase obligations		**0.40**	**-**

Note :

(a) The interest from banks range from LIBOR+1.10% (in foreign curreny Term loans) To MCLR+3.75 % (in rupee currency loans).

(b) For current maturities of long term borrowings, refer Note 12 (c).

* (c) The Company has availed benefit of moratorium on term loans under COVID-19 announcements by RBI for the period of six months . Accordingly period of repayment will change as per moratorium period.

(d) Swap contract has been entered in to for this loan.

12 (b) Current borrowings

(₹ in crores)

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
Secured			
Loans repayable on demand			
From banks	(a)	530.90	558.01
Others		10.45	8.45
Unsecured			
Loan from banks- Foreign Currency		1.12	87.60
Others		-	34.17
Total Current borrowings		**542.47**	**688.23**

Note:

(a) Details of current borrowings

(₹ in crores)

Name of the bank	Security	As at 31st March, 2021	As at 31st March, 2020
Union Bank of India	Hypothecation of Inventories, collateral security of book debts, first charge on the Company's fixed asset (Including Land) at Naroda DTA plant located at Plot No. 1216/12, 1216/20 to 23, Phase IV, and Plot No. 67, Phase I, GIDC Estate, Naroda, Ahmedabad unit and second pari pasu charge on fixed asset (Including Land) at Bavla Plant.	7.40	32.81
Bank of Baroda		99.33	98.63
State Bank of India		65.42	69.49
Doha Bank		-	45.44
Indian Bank		20.49	-
IDFC Bank		14.93	0.00
ICBC Bank, China	Hypothecation of Inventories, Collateral security of book debts, first charge on the Company's fixed asset at CARBOGEN AMCIS (Shanghai) Co. Ltd.	13.39	19.18
Credit Suisse Bank	Hypothecation of Inventories, collateral security of book debts, Negative Pledge of fixed assets of CARBOGEN AMCIS AG.	-	292.47
Credit Suisse Bank	The syndicated loan is secured by pledging all shares registered with the commercial register of the Canton of Basel Landschaft for Carbogen Amcis Innovations AG, Carbogen Amcis Specialities AG and Carbogen Amcis AG and secured by all Intra-Group Receivables (Carbogen Group). This loan is mortage on the company various assets situated at Building Hauptrasse 167, 4416 Bubendrof, Switzerland, Building Hauptrasse 145, 4416 Bubendrof, Switzerland and Freehold Land, building Neulandweg 5, 5502 Hunzenschwil, Switzerland.	238.27	-

SKS Fincap Pvt Ltd	Unsecured	1.12	-
AXIS Bank	Short term loan is secured by Charge on land, Building, Plant and Machinery at plot No 1216/11, 1216/24 to 27 , Phase IV, GIDC Estate Naroda on Paripassu basis with DCB Bank.	38.35	39.85
DCB Bank	Short term loan is secured by Charge on land, Building, Plant and Machinery at plot No 1216/11, 1216/24 to 27 , Phase IV, GIDC Estate Naroda on Paripassu basis with Axis Bank.	33.32	26.93
Bajaj Finance Ltd.	Secured against fixed deposit with Bajaj Fianance Ltd	10.45	8.45
HDFC Bank Ltd.	Unsecured	-	20.81
Loan from Directors	Unsecured	-	34.17
Total Current borrowings		**542.47**	**688.23**

Short Term Loan facility (Secured and Unsecured) from banks caring interest-rate ranging from L+1.25% to MCLR + 1.25% p.a. for different facilities these facilities were repayable on demand

12 (c) Trade payables

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current		
a. Total Outstanding dues of Micro Enterprises and Small Enterprises and	0.44	1.31
b. Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	162.58	282.21
Total trade payables	**163.02**	**283.52**

Note:

1. All trade payables are current
2. The company's exposure to currency and liquidity risks related to trade payable is disclosed in Note 34.
3. Out of the above trade payable, payable to related party is ₹ 1.25 crores.

12 (d) Other financial liabilities

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current		
(i) Current maturities of long-term debt	119.48	126.63
(iii) Interest accrued but not due on borrowings	2.97	1.49
(iv) Unpaid dividends	0.09	0.12
(v) Employee related provisions	103.71	99.01
(vi) Payable towards hedge instruments	-	39.46
(vii) Others	26.96	30.46
Total other current financial liabilities	**253.21**	**297.17**

NOTE 13: PROVISIONS

(₹ in crores)

Particulars	As at 31st March, 2021			As at 31st March, 2020		
	Current	Non-current	Total	Current	Non-current	Total
(a) Provision for Employee Benefits:						
(i) Compensated absences (Refer Note No. 31)	1.04	0.69	1.73	0.88	0.58	1.45
(ii) Gratuity (net) (Refer Note No. 31)	1.00	11.43	12.43	1.26	8.64	9.91
(iii) Pension (Refer Note No. 31)	-	267.39	267.39	-	262.58	262.58
(b) Other Provisions:						
(i) Asset Retirement Obligation	-	31.48	31.48	-	22.28	22.28
(ii) Provision for onerous Contract	7.59	-	7.59	12.03	-	12.03
(iii) Environmental Provision	-	-	-	1.82	-	1.82
(iv) Others	0.45	-	0.45	-	-	-
Total Provisions	**10.08**	**310.99**	**321.07**	**15.99**	**294.08**	**310.07**

Information about provisions

(a) Asset Retirement Obligation

A provision has been recognised for decommissioning costs obligation as per lease agreement for factory located at Carbogen Amcis AG. The provision has been made to include the present value of expected future decommissioning cost of the site in total.

(b) Provision for onerous Contract

In Carbogen Amcis AG, a provision has been recognised where cost to fulfil the terms of project contracts are higher then financials and economic benefits to be received. The provision is measured at best estimate of expenditure required to settle the present obligation.

(c) Environmental Provision

In accordance with the Dutch Law, land contamination done due to the manufacturing activities by the Group's subsidiary in Netherland must be restores to its original condition when it was bought. Due to the long term nature of liability, there was a uncertainty in estimating provision. The provision had been calculated using a discount rate of 1% till previous year, which was the risk free rate in Netherland. In current year, the provision has been fully utilized for rehabilitation purpose and now further provision is no longer required.

(ii) Movements in provisions

Movements in each class of provision during FY 2020-21, are set out below:

(₹ in crores)

Particulars	Asset Retirement Obligation	Onerous Contract	Environmental Provision	Total
As at 1st April, 2020	**22.28**	**12.03**	**1.82**	**36.13**
Additional provisions recognised	9.52	0.93	-	10.45
Amounts used during the year	-	(5.06)	(1.82)	(6.88)
Translation Adjustments	(0.32)	(0.31)	-	(0.63)
As at 31st March, 2021	**31.48**	**7.59**	**-**	**39.07**

NOTE 14: OTHER CURRENT LIABILITIES

(₹ in crores)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Non-Current	Current	Non-Current	Current
(a) Statutory tax payables	-	4.37	-	9.90
(b) Advances from customers	-	181.21	-	200.39
(c) EMD and Retention money	-	26.78	-	6.05
(d) Other payables	5.14	-	-	-
Total other current liabilities	**5.14**	**212.36**	**-**	**216.34**

NOTE 15: REVENUE FROM OPERATIONS

The entity derives the following types of revenue:

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Sale of products (Refer Note (i))	1,138.53	1,337.99
(b) Sale of services (Refer Note (ii))	745.57	635.28
(c) Other operating revenue (Refer Note (iii))	27.93	70.33
Total revenue from operations	**1,912.03**	**2,043.60**

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Note:		
(i) Sale of products comprises :		
Sale of manufactured goods	1,138.53	1,337.99
Total - Sale of products	**1,138.53**	**1,337.99**
(ii) Sale of services comprises :		
Product Development Services	745.57	635.28
Total - Sale of services	**745.57**	**635.28**
(iii) Other operating revenues comprise:		
Sale of scrap	1.38	0.76
Duty drawback income	1.74	11.43
Forex (Loss) / gain on forward contracts against sales	(11.87)	42.40
Sales of raw material	28.65	15.70
Others	8.03	0.04
Total - Other operating revenues	**27.93**	**70.33**

NOTE 16: OTHER INCOME

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest income (Refer Note (i))	21.77	25.30
(b) Dividend income from Long term Investments	0.00	0.00
(c) Net gain on Long Term Investments	2.34	-
(d) Income from Travel Business	(0.14)	0.56
(e) Other Income	14.30	18.60
(f) Profit on sale of assets	0.18	-
Total other income	**38.45**	**44.46**

Note (i) : Interest income comprises:

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest on loans and advances given to related parties	4.04	5.18
Interest on loans and advances given to others	1.16	2.59
Other interest	16.57	17.53
Total - Interest income	**21.77**	**25.30**

NOTE 17 : COST OF MATERIALS CONSUMED

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Raw materials at the beginning of the year	189.25	173.75
Add: Purchases	423.99	491.88
Less: Exceptional items (Refer Note 43)	(22.28)	-
	590.96	**665.63**
Less: Raw material at the end of the year	(156.18)	(189.25)
Total cost of materials consumed	**434.78**	**476.38**

NOTE 18: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Inventories at the beginning of the year		
Work-in progress	206.44	218.12
Finished goods	180.93	151.59
Total opening balance	**387.37**	**369.71**
Inventories at the end of the year		
Work-in progress	170.18	206.44
Finished goods	183.81	180.93
Total closing balance	**353.99**	**387.37**
Total changes in inventories of finished goods and work-in-progress	**33.38**	**(17.66)**

NOTE 19: EMPLOYEE BENEFIT EXPENSE

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Salaries and wages for gratuity and leave encashment (Refer Note 31)	788.13	669.90
(b) Contributions to provident and other funds	61.97	64.97
(c) Staff welfare expenses	22.81	27.40
Total employee benefit expense	**872.91**	**762.27**

NOTE 20: FINANCE COSTS

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest on debts and borrowings	35.04	39.28
(b) Interest on lease liability	3.99	5.58
(c) Other Borrowing Cost	4.48	7.90
(d) Forex loss considered as finance cost	4.10	9.18
Total Finance costs	**47.61**	**61.95**

NOTE 21: DEPRECIATION AND AMORTISATION EXPENSE

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Depreciation of property, plant and equipment	163.67	145.47
(b) Depreciation of Right of use asset	40.89	38.30
(c) Amortisation of intangible assets and Goodwill	103.38	99.10
Total depreciation and amortisation expense	**307.94**	**282.87**

NOTE 22: OTHER EXPENSES

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Consumption of stores and spare parts	0.88	0.99
Other manufacturing expenses	14.94	15.90
Power and fuel	40.69	59.72
Laboratory expenses	5.19	5.60
ETP Expenses	3.80	5.16
Rent including lease rentals (Refer Note 26D)	6.54	4.76
Repairs and maintenance - Buildings	19.96	20.47
Repairs and maintenance - Machinery	59.29	56.13
Repairs and maintenance - Others	14.13	13.78
Insurance	19.36	16.16
Telephone and Communication	9.09	8.37
Travelling and conveyance	6.98	19.91
Printing and stationery	3.34	3.36
Freight and forwarding	18.84	17.62
Sales commission	0.32	0.81
Sales promotion	2.78	4.97
Donations and contributions	4.12	2.89
Legal and professional	34.05	30.69
Bad trade and other receivables, loans and advances written off	5.05	0.73
Membership & Subscription	1.17	2.68
Office Electricity	0.59	0.54
Recruitment Expenses	3.16	4.49
Loss on Property, Plant and Equipment sold / scrapped / written off	-	0.16
Net loss on sale of investments	-	5.86
Foreign exchange loss	16.19	11.69
Miscellaneous expenses	6.04	11.61
Royalty expenses	0.12	-
Total other expenses	**296.62**	**325.05**

NOTE 23: INCOME TAX EXPENSE

(a) Income tax expense

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Current tax		
Current tax on profits for the year	43.93	26.96
Adjustments for current tax of prior periods	17.97	-
Total current tax expense	**61.90**	**26.96**
Deferred tax		
Increase in deferred tax liabilities	36.34	19.52
MAT credit entitlement	1.86	(4.70)
Total deferred tax expense/(benefit)	**38.20**	**14.82**
Income tax expense	**100.10**	**41.78**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit before income tax expense	**(65.03)**	**197.20**
Enacted income tax rate in India applicable to the Company 34.944% (PY 34.944%)	**(22.72)**	**68.91**
Tax effect of:		
Permanent Disallowances	0.07	0.11
Tax effect of Remeasurement of the defined benefit plans	(0.17)	0.57
Deferred Tax effect on Restatements	1.32	-
Deferred tax assets not created on unabsorbed losses	-	0.00
Deferred tax on stock reserve	7.66	3.76
Adjustment prior year tax	3.23	(3.10)
Tax impact due to foreign dividend income	-	(5.50)
Difference in tax rate of foreign jurisdiction and intercompany adjustments	(9.26)	(4.27)
R&D Tax relief	(3.32)	(3.50)
Participation deduction	(0.63)	(5.58)
Excess/ Short Provision of Earlier Period	17.97	0.00
Deferred tax on account of Goodwill	96.28	0.00
Tax Impact of M2M	2.65	0.00
Others	7.02	(9.62)
Income tax expense	**100.10**	**41.78**
Weighted average tax rate for the year	**(153.93%)**	**21.19%**

(c) Amounts recognised in Other Comprehensive Income

(₹ in crores)

Particulars	For the Year Ended 31st March, 2021			For the Year Ended 31st March, 2020		
	Before tax	Tax exp. (benefit)	Net of tax	Before tax	Tax exp. (benefit)	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurement of the defined benefit plans	0.48	0.27	0.75	(39.82)	(0.14)	(39.96)
Equity instruments through Other Comprehensive income- net change in fair value	0.04	(0.01)	0.03	1.69	(0.59)	1.10
Items that will be reclassified to profit or loss						
foreign exchange fluctuation in respect of cash flow hedge	114.38	-	114.38	(96.23)	-	(96.23)

(d) Amounts recognised directly in equity

No aggregate amounts of current and deferred tax have arisen in the reporting period which have been recognised in equity and not in Statement of Profit or Loss or Other Comprehensive Income.

(e) No deferred tax has been recognised in respect of temporary differences associated with investments in subsidiaries where the Company is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future. The temporary differences associated with such investments in subsidiaries is represented by the contribution of those investments to the Group's retained earnings.

NOTE 24: EARNINGS PER SHARE

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Basic earnings per share: from Continuing operations		
Total basic earnings per share attributable to the equity holders of the Company	(10.53)	10.10
(b) Diluted earnings per share: from Continuing operations		
Total diluted earnings per share attributable to the equity holders of the Company	(10.53)	10.10

(c) Reconciliations of earnings used in calculating earnings per share

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Basic earnings per share: From continuing operations		
Profit attributable to the equity holders of the company used in calculating basic earnings per share:	(165.13)	158.51
Diluted earnings per share:From continuing operations		
Profit attributable to the equity holders of the company used in calculating diluted earnings per share:	(165.13)	158.51

(d) Weighted average number of shares used as the denominator

Particulars	31 March 2021 Number of shares	31 March 2020 Number of shares
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	15,67,93,095	16,09,98,443
Adjustments for calculation of diluted earnings per share:	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	**15,67,93,095**	**16,09,98,443**

NOTE 25: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Labour Law claims against the Company not acknowledged as debt	3.73	3.42
b) Outstanding guarantees furnished to the bank in respect of former subsidiaries and a joint venture company	10.98	11.27
c) Disputed central excise duty (including service tax) liability	6.45	28.00
d) Disputed income tax liability for various assessment years for which appeals are pending with Appellate authorities, out of the said amount, the Company has paid ₹ 56.01 crores (Previous year ₹ 56.01 crores) under protest.*	346.14	356.61
e) Disputed sales tax and central sales tax liability	4.34	4.34

*The Income -Tax Assessments of the Company have been completed up to Assessment Year 2015-16. The total contingent liabilities is ₹ 346.14 crore as on March 31, 2021. Based on the management evaluation, advice of tax consultants, on the decisions of the various Appellate authorities and the interpretations of other relevant provisions of the Income tax Act, the management of the company is of the opinion that the demand raised is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary. Further, the Commissioner of Income Tax and Hon'ble ITAT has given the judgment/rulings in favour of the Company in certain cases. However, as the Department or the company has contested the judgment/rulings in Hon'ble ITAT or High Court, the amount has been shown as contingent liabilities.

NOTE 26: COMMITMENTS

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Property, plant and equipment	418.17	236.63
Intangible assets	17.58	7.62
Sewage Services Agreement (25 Years)	13.81	-
Polluted Waste Water Space Occupied Fee Agreement (25 Years)	4.84	-

(b) Finance lease in respect of lease hold land.

The Company has entered into finance lease for land. These leases are generally for a period of 99 years. These leases can be extended for further 99 years. No part of the land has been sub leased. Except for the initial payment, there are no material annual payments for the aforesaid leases.

(c) Disclosures in respect of Assets acquired under finance lease agreement

The total of minimum hire installments payable for assets acquired at the Balance sheet date are as under

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Commitments for minimum lease payments in relation to non-cancellable finance leases are payable as follows:		
Within one year	18.82	0.14
Later than one year but not later than five years	87.67	-
	106.49	**0.14**

(d) Disclosures in respect of Assets taken on short term lease

The Company has taken offices space on short term lease. Lease payment is recognised in Statement of Profit and Loss for the year is ₹ 6.54 crores (PY. ₹ 4.76 crores)

(e) Disclosure as per Ind AS 116

(i) Movement in Right of use assets (Refer Note 2)

(ii) Movement in lease liability

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening balance	180.82	-
Additions	190.38	222.24
Interest charged during the year	3.99	5.58
Repayment	(37.96)	(47.00)
Translation adjustment	(21.56)	-
Closing balance	**315.67**	**180.82**

(iii) Lease payment to be made in

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Within one year	39.05	44.15
Later than one year but not later than five years	155.00	100.97
Later than five years	121.62	35.72
	315.67	**180.82**

NOTE 27 : MERGER OF DISHMAN PHARMACEUTICALS AND CHEMICALS LTD WITH THE COMPANY

The amalgamation had been accounted in the year 2016-17 under the "Purchase Method" as per the then prevailing Accounting Standard 14 – Accounting for Amalgamations, as referred to in the Scheme of Amalgamation approved by the Hon'ble High Court, Gujarat, which is different from Ind AS 103 "Business Combinations". The excess of consideration payable over net assets acquired had been recorded as goodwill amounting ₹ 1326.86 crores, represented by underlying intangible assets acquired on amalgamation and is being amortized over the period of 15 years from the Appointed Date.

Had the goodwill not been amortized as required under Ind AS 103, the Depreciation and Amortization expense for the year ended March 31, 2021 would have been lower by ₹ 88.45 crores (Previous Year ₹ 88.45 crores), and the Loss Before Tax for the year ended March 31, 2021 would have been lower by an equivalent amount.

NOTE 28: INTERESTS IN OTHER ENTITIES

(a) Subsidiaries

The group's subsidiaries at 31st March, 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Place of Business/ Country of Incorporation	Ownership Interest Held by the Group 31st March, 2021	Ownership Interest held by Non-Controlling Interests 31st March, 2021
Subsidiaries		**%**	**%**
Dishman Carbogen Amcis (Europe) Ltd (Formerly known as Dishman Europe Ltd).	UK	100%	0%
Dishman USA. Inc.	USA	100%	0%
Dishman Middle East FZE	UAE	100%	0%
Dishman Australasia Pty Ltd.	Australia	100%	0%
Dishman International Trading (Shanghai) Co. Ltd.	China	100%	0%
Shanghai Yiqian International Trade Co. Ltd. *	China	100%	0%
CARBOGEN AMCIS Holding AG	Switzerland	100%	0%
CARBOGEN AMCIS Innovations AG ^	Switzerland	100%	0%
CARBOGEN AMCIS Specialities AG ^	Switzerland	100%	0%
CARBOGEN AMCIS (Shanghai) Co. Ltd. **	China	100%	0%
CARBOGEN AMCIS Ltd. **	UK	100%	0%
CARBOGEN AMCIS AG **	Switzerland	100%	0%
CARBOGEN AMCIS SAS **	France	100%	0%
Dishman Carbogen Amcis (Japan) Ltd.(formerly known as Dishman Japan Ltd.) **	Japan	100%	0%
CARBOGEN AMCIS B.V. (formerly knowns as Dishman Netherlands B.V.) &	Holland	100%	0%
Dishman Carbogen Amcis (Singapore) Pte Ltd. $	Singapore	100%	0%
Dishman Carbogen Amcis AG @	Switzerland	100%	0%
Dishman Biotech Ltd.	India	100%	0%
Dishman IT Xellence Pvt.Ltd.	India	100%	0%
Dishman Engineering Xellence Pvt. Ltd.	India	100%	0%
Carbogen Amcis Real Estate SAS**	France	100%	0%
Invisible Biotech Limited	India	100%	0%

$ Through Dishman Carbogen Amcis (Europe) Ltd (Formerly known as Dishman Europe Ltd).

^ Through CARBOGEN AMCIS Holding AG

* Through Dishman International Trading (Shanghai) Co. Ltd.

** Through CARBOGEN AMCIS Innovations AG

& Through CARBOGEN AMCIS Specialities AG

@ Though Dishman Carbogen Amcis (Singapore) Pte. Ltd.

NOTE 29: RELATED PARTY DISCLOSURE AS PER IND AS 24 RELATED PARTY DISCLOSURE

(a) Details of related parties:

Description of relationship	Name of the related party
Holding Company	Adimans Technologies LLP
Key Management Personnel (KMP) - Non Executive Director	Mr. Janmejay R. Vyas
Key Management Personnel (KMP)- Executive Director	Mrs. Deohooti J. Vyas
Key Management Personnel (KMP)- Executive Director	Mr. Arpit J. Vyas
Key Management Personnel (KMP) - Non Executive Director	Mr. Mark C. Griffiths
Key Management Personnel (KMP) - Non Executive Director	Mr. Sanjay S. Majmudar
Key Management Personnel (KMP) - Non Executive Director	Mr. Ashok C. Gandhi
Key Management Personnel (KMP) - Non Executive Director	Mr. Subir Kumar Das
Key Management Personnel (KMP) - Non Executive Director	Mr. Rajendra S. Shah
Key Management Personnel (KMP) - Non Executive Director	Ms. Maitri K. Mehta
Key Management Personnel (KMP) - Global CFO	Mr. Harshil R. Dalal
Key Management Personnel (KMP) - Company Secretary and Compliance Officer	Ms. Shrima G. Dave
Relative of Key Management Personnel	Ms. Aditi J. Vyas
Relative of Key Management Personnel	Ms. Mansi J. Vyas
Relative of Key Management Personnel	Mrs. Pankti H. Dalal
Relative of Key Management Personnel	Mrs. Saloni A. Vyas
Key Management Personnel is Karta	Mr. J. R. Vyas HUF
Key Management Personnel is Karta	Mr. Harshil R. Dalal HUF
Entity in which KMP can exercise significant influence	Dishman Biotech Ltd. (up to 29.09.2019)*
Entity in which KMP can exercise significant influence	Azafran Innovacion Ltd.*
Entity in which KMP can exercise significant influence	Dishman Infrastructure Ltd.*
Entity in which KMP can exercise significant influence	Azafran Ventures Pvt. Ltd.*
Entity in which Relatives of KMP can exercise significant influence	Discus IT Pvt. Ltd.*
Entity in which KMP can exercise significant influence	Aamanya AG*
Entity in which Relatives of KMP can exercise significant influence	Discus Business Services LLP*

* Only where transactions have taken place during the year.

(b) Details of related party transactions for the year ended on 31st March, 2021 and balances outstanding as at 31st March, 2021:

(₹ in crores)

Particulars	Holding Company	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Purchase of goods	-	-	-	0.06	0.06
	(-)	(-)	(-)	(9.28)	(9.28)
Sale of goods / services	-	-	-	0.03	0.03
	(-)	(-)	(-)	(0.21)	(0.21)
Rendering of services	-	-	-	1.24	1.24
	(-)	(-)	(-)	(-)	-
Receiving of services	-	0.20	0.10	2.72	3.01
	(-)	(1.61)	(0.09)	(3.02)	(4.72)
Interest income	-	-	-	4.04	4.04
	(-)	(-)	(-)	(4.57)	(4.57)
Loans given / (repaid), net#	-	(34.17)	-	3.11	(31.06)
	(-)	(34.17)	(-)	(-)	(34.17)
Remuneration	-	11.13	1.33	-	12.46
	(-)	(13.02)	(2.49)	(-)	(15.51)
Sitting fees to Non Executive Directors	-	0.11	-	-	0.11
	(-)	(0.12)	(-)	(-)	(0.12)
Commission to Non Executive Directors	-	0.52	-	-	0.52
	(-)	(0.52)	(-)	(-)	(0.52)
Trade advances given	-	-	-	0.11	0.11
	(-)	(-)	(-)	(124.37)	(124.37)
Trade advances received back	-	-	-	-	-
	(-)	(-)	(-)	(94.84)	(94.84)
Dividend paid	-	-	-	-	-
	(1.98)	(0.00)	(0.00)	(-)	(1.98)

(₹ in crores)

Particulars	Holding Company	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Balances outstanding at the end of the year					
Trade receivables	-	-	-	1.49	1.49
	(-)	(-)	(-)	(0.22)	(0.22)
Trade advances given	-	-	-	6.54	6.54
	(-)	(-)	(-)	(6.73)	(6.73)
Loans taken	-	-	-	-	-
	(-)	(34.17)	(-)	(-)	(34.17)
Guarantees given by Dishman Infrastructure Ltd. on behalf of the company	-	-	-	9.89	9.89
	(-)	(-)	(-)	(20.55)	(20.55)
Loans and advances given (Including Accrued Interest and lease advance)	-	-	-	95.53	95.53
	(-)	(-)	(-)	(150.46)	(150.46)
Trade payables	-	0.19	0.09	0.98	1.25
	(-)	(0.32)	(0.17)	(0.82)	(1.31)

Note: Figures in bracket relates to the previous year

The Loans to related parties is presented net of repayment due to multiple transactions

(c) Disclosure in respect of material transactions with related parties

(₹ in crores)

Particulars	Name of the related party	FY 2020-21	FY 2019-20
Purchase of goods	Dishman Biotech Ltd.	-	9.28
Sale of goods / services	Dishman Biotech Ltd.	-	0.20
Rendering of services	Azafran Innovacion Ltd.	1.20	-
Receiving of services	Discus IT Pvt. Ltd.	2.35	2.37
	Mr. Janmejay R. Vyas	0.02	1.43
Remuneration does not include post-employment benefits and Other long term benefits.	Mr. Janmejay R. Vyas	1.16	1.13
	Mrs. Deohooti J. Vyas	-	1.20
	Mr. Arpit J. Vyas	4.92	5.85
Sitting fees to Non Executive Directors	Mr. Sanjay S. Majmudar	0.03	0.04
	Mr. Ashok C. Gandhi	0.03	0.04
	Mr. Subir Kumar Das	0.02	0.02
	Mr. Rajendra S. Shah	0.01	0.01
	Ms. Maitri K. Mehta	0.01	0.01
Loan (repaid)/ taken	Mr. Arpit J. Vyas	(30.00)	30.00
Commission to Non Executive Directors	Mr. Sanjay S. Majmudar	0.15	0.15
	Mr. Ashok C. Gandhi	0.11	0.11
	Mr. Subir Kumar Das	0.11	0.11
	Mr. Rajendra S. Shah	0.08	0.08
	Ms. Maitri K. Mehta	0.07	0.07
Trade advances given	Azafran Innovacion Ltd.	0.11	54.74
Trade advances received back	Azafran Innovacion Ltd.	-	54.74
Dividend paid	Adimans Technologies LLP	-	1.98
Outstanding balance of Loans and advance (Including Accrued Interest and lease advance)	Dishman Infrastructure Ltd.	92.36	150.46
Trade advance given	Azafran Innovacion Ltd.	6.54	6.73

NOTE 30: CAPITAL MANAGEMENT

For the purpose of the group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the group. The primary objective of the group's capital management is to safeguard the group's ability to remain as a going concern and maximise the shareholder value.

The group manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders or return capital to shareholders.

The group's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute annual dividends in future periods. The amount of future dividends of equity shares will be balanced with efforts to continue to maintain an adequate liquidity status.

The group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The group's adjusted net debt to equity ratio at 31st March, 2021 was as follows.

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Borrowings		
Long term and Short term borrowings	1,046.42	929.53
Current maturities of Long term borrowings	119.48	126.63
Less: cash and cash equivalents	277.74	160.98
Adjusted net debt	**888.14**	**895.18**
Total Equity	5,698.82	5,715.06
Adjusted net equity	**5,698.82**	**5,715.06**
Adjusted net debt to adjusted equity ratio	**0.16**	**0.16**

In order to achieve this overall objective, the group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital of the group during the current year.The group has current and non-current investments in marketable instruments of ₹ 150.96 crores (P.Y. ₹ 139.40 crores) as on March 31, 2021.

NOTE 31: EMPLOYEE BENEFITS IN RESPECT OF HOLDING COMPANY

The Company has an obligation towards gratuity, a defined benefit obligation. The benefits are governed by the Payment of Gratuity Act, 1972. The company makes lumpsum payment to vested employees an amount based on 15 days last drawn basic salary including dearness allowance (if any) for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The most recent actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

(₹ in crores)

	A : Defined benefit plans -	For the year ended 31st March, 2021 Gratuity (Non-funded)	For the year ended 31st March, 2020 Gratuity (Non-funded)
I	**Expenses recognised in statement of profit and loss during the year:**		
1	Current Service Cost	0.87	0.91
2	Past Service Cost	-	-
3	Interest cost	0.58	0.60
	Total Expenses	**1.45**	**1.51**
II	**Expenses recognised in OCI**		
1	Actuarial changes arising from changes in demographic assumptions	-	(0.01)
2	Actuarial changes arising from changes in financial assumptions	-	(0.97)
3	Actuarial changes arising from changes in experience adjustments	0.78	1.04
	Total Expenses	**0.78**	**0.07**
III	**Net Asset /(Liability) recognised as at balance sheet date:**		
1	Present value of defined benefit obligation	7.57	9.38
2	Net (Asset) /Liability - Current	0.98	1.17
	Net (Asset) /Liability - Non- Current	6.59	8.21
IV	**Reconciliation of Net (Asset) / Liability recognised as at balance sheet date:**		
1	Defined benefit obligation at the beginning of the year	9.38	8.44
2	Current Service Cost	0.87	0.91
3	Past Service Cost	-	-
4	Interest cost	0.58	0.60
5	Actuarial loss/(gain) due to change in financial assumptions	-	(0.97)
6	Actuarial loss/(gain) due to change in demographic assumption	-	(0.01)
7	Actuarial loss/ (gain) due to experience adjustments	0.78	1.04
8	Benefit paid	(4.04)	(0.64)
	Net (asset) / liability at the end of the year	7.57	9.38
V	**Maturity profile of defined benefit obligation**		
1	Within the next 12 months (next annual reporting period)	0.98	1.17
2	Between 2 and 5 years	2.91	4.10
3	Between 6 and 10 years	3.67	4.11
VI	**Quantitative sensitivity analysis for significant assumptions is as below:**		
1	Increase/(decrease) on present value of defined benefit obligation at the end of the year		
	(i) 0.5% increase in discount rate	(0.25)	(0.29)
	(ii) 0.5% decrease in discount rate	0.25	0.31
	(iii) 0.5% increase in rate of salary increase	0.26	0.28
	(iv) 0.5% decrease in rate of salary increase	(0.26)	(0.27)
	(v) 10% increase in employee turnover rate	0.06	0.09
	(vi) 10% decrease in employee turnover rate	(0.08)	(0.10)

Sensitivity analysis method

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

VII	Actuarial Assumptions:	As at 31st March, 2021	As at 31st March, 2020
1	Discount rate	6.55% p.a	6.55% p.a
2	Expected rate of salary increase	3.00% p.a	3.00% p.a
3	Attrition rate		
	Age Band		
	25 & Below	15.00% p.a	15.00% p.a
	26 to 35	12.00% p.a	12.00% p.a
	36 to 45	9.00% p.a	9.00% p.a
	46 to 55	6.00% p.a	6.00% p.a
	56 & above	3.00% p.a	3.00% p.a
4	Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Notes:

a) Amount recognised as an expense in the Statement of Profit and Loss and included in Note 19 under "Salaries and wages" : Gratuity ₹ 1.45 crores (Previous year - ₹ 1.51 crores) and Leave encashment ₹ 0.98 crores (Previous year - ₹ 0.07 crores)

b) The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

B Defined contribution plan

The Company makes contributions towards provident fund and super annuation fund which are in the nature of defined contribution post employment benefit plans. Under the plan, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. Amount recognised as an expense in the Statement of Profit and Loss - included in Note 19 - "Contribution to provident and other funds" ₹ 1.68 crore (Previous Year - ₹ 2.53 crore). The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Employee Benefits plan

a) Defined Benefit Plan of CARBOGEN AMCIS AG and CARBOGEN AMCIS Innovations AG

(i) Pension Plan

(CHF in Mn.)

	Defined benefit plans -	For the year ended 31st March, 2021	For the year ended 31st March, 2020
		Pension Plan	Pension Plan
I	**Expenses recognised in statement of profit and loss during the year:**		
1	Current Service Cost	6.01	(0.73)
2	Interest cost	0.10	0.11
	Total Expenses	**6.11**	**(0.62)**
II	**Expenses/(Income) recognised in OCI**		
1	Actuarial changes arising from changes in demographic assumptions	-	-
2	Actuarial changes arising from changes in financial assumptions	1.99	4.03
3	Actuarial changes arising from changes in experience adjustments	1.38	2.55
4	Actuarial changes arising from changes in demographic assumptions	(3.52)	(0.07)
5	Return on plan assets excluding interest income	0.02	0.18
	Total Expenses/(Income)	**(0.13)**	**6.68**
III	**Net Asset /(Liability) recognised as at balance sheet date:**		
1	Present value of defined benefit obligation	114.80	103.77
2	Fair value of Plan asset	84.20	74.59
3	Net Asset /(Liability) - Current	-	-
4	Net Asset /(Liability) - Non- Current	(30.60)	(29.18)
IV	**Reconciliation of Defined Benefit Obligation recognised as at balance sheet date:**		
1	Defined benefit Obligation at beginning of the year	103.77	92.41
2	Current Service Cost	5.95	5.50
3	Past Service Cost	0.00	(6.28)
4	Interest cost	0.36	0.39
5	Contributions by plan participants	3.00	2.79
6	Administration cost (excl. cost for managing plan assets)	0.06	0.05
7	Actuarial loss/(gain)	(0.16)	6.50
8	Benefit paid	1.82	2.41
9	Others (pensioners staying with AXA)	-	-
10	Net asset / (liability) at the end of the year	114.80	103.77
V	**Reconciliation of fair value of plan assets:**		
1	Fair value of plan assets at the beginning of the year	74.59	64.74
2	Interest income on plan assets	0.27	0.28
3	Contributions by the employer	4.50	4.19
4	Contributions by plan participants	3.00	2.79
5	Benefits (paid) / deposited	1.82	2.41
6	Return on plan assets excl. interest income	0.02	0.18
7	Others (pensioners staying with AXA)	-	-
8	Fair value of plan assets at the end of the year	84.20	74.59
VI	**The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:**		
	Others - 100%	84.20	74.59
	Total	**84.20**	**74.59**
VII	**Maturity profile of defined benefit obligation**		
1	Weighted average duration of defined benefit obligation in years	18.60	18.60
2	Weighted average duration of dbo in years for active members	18.50	18.60
3	Weighted average duration of dbo in years for pensioners	21.00	19.30
VIII	**Quantitative sensitivity analysis for significant assumptions is as below:**		
1	Increase/(decrease) on present value of defined benefit obligation at the end of the year		
	(i) 0.25% increase in discount rate	(5.13)	(4.62)
	(ii) 0.25% decrease in discount rate	5.55	5.01
	(iii) 0.25% increase in interest rate	2.03	1.83
	(iv) 0.25% decrease in discount rate	(1.97)	(1.78)
	(v) 0.25% increase in rate of salary increase	1.04	0.95
	(vi) 0.25% decrease in rate of salary increase	(1.03)	(0.94)
	(vii) 1 year increase in life expectancy	2.01	1.58
	(viii) 1 year decrease in life expectancy	(1.99)	(1.56)

Sensitivity analysis method

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

IX	Actuarial Assumptions:	As at March 31, 2021		As at March 31, 2020	
1	Discount rate	0.15%		0.30%	
2	Mortality decrement	BVG 2020 GT		BVG 2015 GT	
3	Disability decrement	85% of BVG 2020		85% of BVG 2015	
4	Expected benefit increase	0%		0%	
5	Long-term interest on retirement accounts	0.60%		0.60%	
6	Expected rate of salary increase				
	Age 25 – 29	2.00%		2.00%	
	Age 30 – 34	2.00%		2.00%	
	Age 35 – 39	1.50%		1.50%	
	Age 40 – 44	1.50%		1.50%	
	Age 45 – 49	1.50%		1.50%	
	Age 50 – 54	1.50%		1.50%	
	Age 55 – 65	1.00%		1.00%	
7	Attrition rate				
		Men	Women	Men	Women
	Age 25 – 29	20.00%	18.00%	20.00%	18.00%
	Age 30 – 34	15.00%	14.00%	15.00%	14.00%
	Age 35 – 39	11.00%	11.00%	11.00%	11.00%
	Age 40 – 44	8.00%	8.00%	8.00%	8.00%
	Age 45 – 49	6.00%	7.00%	6.00%	7.00%
	Age 50 – 54	4.00%	5.00%	4.00%	5.00%
	Age 55 – 59	2.00%	2.00%	2.00%	2.00%
	Age 60 – 65	1.00%	1.00%	1.00%	1.00%
8	Retirement probabilities	Men	Women	Men	Women
	Age 64	-	100%	-	100%
	Age 65	100%	-	100%	-

(ii) Jubilee Plan

(CHF in Mn.)

	Defined benefit plans -	For the year ended 31st March, 2021 Jubilee Plan	For the year ended 31st March, 2020 Jubilee Plan
I	**Expenses recognised in statement of profit and loss during the year:**		
1	Current Service Cost	0.55	0.45
2	Interest cost	0.01	0.02
	Total Expenses	**0.56**	**0.47**
II	**Expenses recognised in OCI**		
1	Actuarial changes arising from changes in financial assumptions	0.06	0.10
2	Actuarial changes arising from changes in demogr. assumptions	0.02	(0.00)
3	Actuarial changes arising from changes in experience adjustments	(0.58)	0.29
	Total Expenses	**(0.50)**	**0.39**
III	**Net Asset /(Liability) recognised as at balance sheet date:**		
1	Present value of defined benefit obligation	3.64	3.66
2	Net Asset /(Liability) - Current	-	-
	Net Asset /(Liability) - Non- Current	3.64	3.66
IV	**Reconciliation of Net Asset / (Liability) recognised as at balance sheet date:**		
1	Defined benefit Obligation at beginning of the year	3.66	3.14

2	Current Service Cost	0.55	0.45
3	Interest cost	0.01	0.02
4	Contributions by plan participants	0.03	-
5	Administration cost (excl. cost for managing plan assets)	0.00	0.00
6	Actuarial loss/(gain)	(0.50)	0.39
7	Benefits (paid) / deposited	(0.11)	(0.34)
8	Net asset / (liability) at the end of the year	3.64	3.66
V	**Maturity profile of defined benefit obligation**		
1	Weighted average duration of defined benefit obligation in years	6.80	6.80
VI	**Quantitiative sensitivity analysis for significant assumptions is as below:**		
1	Increase/(decrease) on present value of defined benefit obligation at the end of the year		
	(i) 0.25% increase in discount rate	0.20	(0.06)
	(ii) 0.25% decrease in discount rate	0.34	0.07
	(iii) 0.25% increase in rate of salary increase	0.33	0.06
	(iv) 0.25% decrease in rate of salary increase	(0.12)	(0.05)
	(v) 1 year increase in life expectancy	0.27	0.01
	(vi) 1 year deccrease in life expectancy	0.26	0.00

Sensitivity analysis method

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

VII	Actuarial Assumptions:	As at March 31, 2021		As at March 31, 2021	
1	Discount rate	0.15%		0.30%	
2	Mortality decrement	BVG 2020 GT		BVG 2015 GT	
3	Disability decrement	BVG 2020		BVG 2015	
4	Expected benefit increase	0%		0%	
5	Long-term interest on retirement accounts	0.60%		0.60%	
6	Expected rate of salary increase				
	Age 25 – 29	2.00%		2.00%	
	Age30 – 34	2.00%		2.00%	
	Age 35 – 39	1.50%		1.50%	
	Age 40 – 44	1.50%		1.50%	
	Age 45 – 49	1.50%		1.50%	
	Age 50 – 54	1.50%		1.50%	
	Age 55 – 65	1.00%		1.00%	
7	Attrition rate				
		Men	Women	Men	Women
	Age 25 – 29	20.00%	18.00%	20.00%	18.00%
	Age 30 – 34	15.00%	14.00%	15.00%	14.00%
	Age 35 – 39	11.00%	11.00%	11.00%	11.00%
	Age 40 – 44	8.00%	8.00%	8.00%	8.00%
	Age 45 – 49	6.00%	7.00%	6.00%	7.00%
	Age 50 – 54	4.00%	5.00%	4.00%	5.00%
	Age 55 – 59	2.00%	2.00%	2.00%	2.00%
	Age 60 – 65	1.00%	1.00%	1.00%	1.00%
8	Retirement probabilities	Men	Women	Men	Women
	Age 64	-	100%	-	100%
	Age 65	100%	-	100%	-

1 The Discount rate is based on the prevailing market yields of Swiss Bonds as at the Balance Sheet date for the estimated terms of the obligations.

2 Salary Escalation Rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

3 Carbogen Amcis AG has taken an insurance for covering all risks arising from the pension plan for its employees from AXA Life Insurance Co. Ltd.

Defined Contribution Pension Scheme (In respect of Carbogen Amcis SAS, Carbogen Amcis Ltd., UK and CARBOGEN AMCIS B.V.) During the year, the group operated a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to ₹ 6.34 crores (Previous Year. : ₹ 4.75 crores)and the outstanding pension liability as at 31st March 2021 is ₹ 4.86 crores (Previous Year : ₹ 3.32 crores).

NOTE 32: SEGMENT REPORTING

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Operating Segments:

The Company is in the business of manufacturing and marketing of -

A. Contract Research & Contract Manufacturing (CRAMS).

B. Vitamin D analogues, Cholesterol, Bulk Drugs, Intermediates, Quats and Specialty Chemicals.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

Segment assets and Liabilities:

As certain assets of the Group including manufacturing facilities, development facilities and financial assets and liabilities are often deployed interchangeably across segment, it is impractical to allocate these assets and liabilities to each segment. Hence, the details for segment assets and segment liabilities has not been disclosed.

(a) Summary of Segmental Information for the year ended 31st March, 2021

(₹ in crores)

Particulars	CRAMS	Vitamin - D, Bulk Drugs, Quats, Speciality Chemicals and traded goods	Unallocated/ Others	Total
Revenue				
External Sales	1,432.41	479.62	-	1,912.03
	(1,510.03)	(533.57)	-	(2,043.60)
Inter Segment Sales	-	-	-	-
Revenue from Operations - External	**1,432.41**	**479.62**	**-**	**1,912.03**
Segment Result	(98.72)	65.13	(5.60)	(39.19)
	(189.37)	(25.32)	(19.16)	(233.85)
Interest Income	-	-	21.77	21.77
	-	-	(25.30)	(25.30)
Interest Expenses	-	-	47.61	47.61
	-	-	(61.95)	(61.95)
Tax Expense (Income+Deferred Tax)	-	-	100.10	100.10
	-	-	(38.69)	(38.69)
Net (Loss) / Profit	**-**	**-**	**-**	**(165.13)**
	-	**-**	**-**	**(158.51)**

(b) Summary of Segment Revenue and Segment assets for the year ended 31st March, 2021

(₹ in crores)

	India	Rest of the world	Total
Segment Revenue*	43.94	1,868.09	1,912.03
	(100.56)	(1,943.04)	(2,043.60)
Carrying cost of total assets **	2,616.09	5,708.51	8,324.60
	(2,763.79)	(5,436.00)	(8,199.81)
Carrying cost of non current assets@	1,926.31	4,567.84	6,494.15
	(2,039.00)	(4,244.18)	(6,283.18)

* Based on location of customers

** Based on location of assets

@ Excluding Financial Assets, Investments accounted for using equity method and deferred tax asset.

Information about major customers: Revenues from one of the customers of the Group's CRAMS segment was approximately ₹ 168 crores (Previous year ₹ 189 Crores) representing approximately 8.73% (Previous year : 9.59 %) of the Group's total revenues, for the year ended 31 March 2021.

NOTE 33: FAIR VALUE MEASUREMENTS

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crores)

Financial Assets and Liabilities as at 31st March, 2021	Carrying value			Routed through Profit and Loss				Routed through OCI				Carried at amortised cost				Total Amount	Total Fair Value
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets																	
Investments																	
- Equity instruments	51.28	66.84	118.12	66.84	-	-	66.84	0.01	-	51.26	51.27	-	-	0.01	0.01	118.12	118.12
- Fixed deposit	-	79.60	79.60	-	-	-	-	-	-	-	-	-	-	79.60	79.60	79.60	79.60
- carried at cost	4.51	-	4.51	-										4.51	4.51	4.51	3.10
Loans	97.72	3.75	101.47	-	-	-	-	-	-	-	-	-	-	101.46	101.46	101.46	101.46
Trade receivable	-	379.21	379.21	-	-	-	-	-	-	-	-	-	-	379.21	379.21	379.21	379.21
Cash and Cash equivalents	-	243.54	243.54	-	-	-	-	-	-	-	-	-	-	243.54	243.54	243.54	243.54
Other Bank Balance	-	34.20	34.20	-	-	-	-	-	-	-	-	-	-	34.20	34.20	34.20	34.20
Other Financial Assets	4.07	107.66	111.73	-	-	-	-	-	53.21	-	53.21	-	-	58.52	58.52	111.73	111.73
Total	**157.58**	**914.80**	**1,072.38**	**66.84**	**-**	**-**	**66.84**	**0.01**	**53.21**	**51.26**	**104.49**	**–**	**–**	**901.05**	**901.05**	**1,072.37**	**1,070.96**
Financial Liabilities																	
Borrowings	503.94	542.47	1,046.41	-	-	-	-	-	-	-	-	-	-	1,046.41	1,046.41	1,046.41	1,046.41
Lease liability	365.14	57.82	422.96	-	-	-	-	-	-	-	-	-	-	422.96	422.96	422.96	422.96
Trade Payables	**-**	**163.02**	**163.02**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**163.02**	**163.02**	**163.02**	**163.02**
Other Financial Liabilities	**-**	**253.21**	**253.21**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**253.21**	**253.21**	**253.21**	**253.21**
Total	**869.08**	**1,016.52**	**1,885.60**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**–**	**–**	**1,885.60**	**1,885.60**	**1,885.60**	**1,885.60**

(₹ in crores)

Financial Assets and Liabilities as at 31st March, 2020	Carrying value			Routed through Profit and Loss				Routed through OCI				Carried at amortised cost				Total Amount	Total Fair Value
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets																	
Investments																	
- Equity instruments	54.39	1.61	56.00	4.77	-	-	4.77	0.01	-	51.23	51.24	-	-	0.00	0.00	56.00	56.00
- Debt instruments	-	25.41	25.41	-	-	-	-	-	-	-	-	-	-	25.41	25.41	25.41	25.41
- Fixed deposit	-	79.60	79.60	-	-	-	-	-	-	-	-	-	-	79.60	79.60	79.60	79.60
- carried at cost	29.62	-	29.62	-	-	-	-	-	-	-	-	-	-	29.62	29.62	29.62	23.75
Loans	39.78	6.27	46.04	-	-	-	-	-	-	-	-	-	-	46.04	46.04	46.04	46.04
Trade receivable	-	577.43	577.43	-	-	-	-	-	-	-	-	-	-	577.43	577.43	577.43	577.43
Cash and Cash equivalents	-	121.94	121.94	-	-	-	-	-	-	-	-	-	-	121.94	121.94	121.94	121.94
Other Bank Balance	-	39.04	39.04	-	-	-	-	-	-	-	-	-	-	39.04	39.04	39.04	39.04
Other Financial Assets	**7.47**	**50.91**	**58.38**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**58.38**	**58.38**	**58.38**	**58.38**
Total	**131.26**	**902.21**	**1,033.47**	**4.77**	**-**	**-**	**4.77**	**0.01**	**-**	**51.23**	**51.24**	**-**	**-**	**977.46**	**977.46**	**1,033.47**	**1,027.59**
Financial Liabilities																	
Borrowings	241.30	688.23	929.53	-	-	-	-	-	-	-	-	-	-	929.53	929.53	929.53	929.53
Lease liability	235.96	65.32	301.28	-	-	-	-	-	-	-	-	-	-	301.28	301.28	301.28	301.28
Trade Payables	-	283.52	283.52	-	-	-	-	-	-	-	-	-	-	283.52	283.52	283.52	283.52
Derivative financial liabilities	-	39.46	39.46	-	-	-	-	-	-	-	-	-	-	39.46	39.46	39.46	39.46
Other Financial Liabilities	-	257.72	257.72	-	-	-	-	-	-	-	-	-	-	257.72	257.72	257.72	257.72
Total	**477.26**	**1,334.25**	**1,811.51**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,811.51**	**1,811.51**	**1,811.51**	**1,811.51**

B. Measurement of fair value

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables.

3. The fair values for investment in equity shares other than subsidiaries, joint venture and associate were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

4. Forward pricing - The fair value is determined using quoted forward exchange rate at the reporting date and respective present value calculations based on high quality credit yield curves in the respective currency.

C. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

D. The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

E Valuation technique used to determine fair value

The following is the valuation technique used in measuring Level 2 and Level 3 fair values, for the financial instruments measured at fair value in the statement of financial position, as well as significant unobservable inputs used.

Financial instruments meaured at fair value

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable input and fair valuation
Investments in unquoted instruments accounted for as Fair value through Other Comprehensive Income	DCF method	(i) Discounting rate: March 2021: 8.25 % (Previous Year: 8.25 %) (ii) Growth rate: March 2020: 9% (Previous Year: 9%)	Increase/ (Decrease) in significant unobservable input will Increase/ (Decrease) fair value of the instrument
Derivative instruments-forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rate at the reporting date.	Not applicable	Not applicable

F For the fair value of unquoted equity shares, reasonable possible change at the reporting date to one of the significant observable inputs, holding other inputs constant, would have the following effect

(₹ in crores)

Significant unobservable inputs		Profit or Loss	
		As at 31st March, 2021	As at 31st March, 2020
+/- 0.5% Discount rate and Growth rate	Increase	0.90	1.88
	Decrease	0.90	1.85

(G) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended 31 March 2021 and 31 March 2020:

	Unlisted equity securities CAD Middle East Pharmaceuticals Ind LLC	Unlisted equity securities Nami Trading Co-FZE LLC
As at 31st March, 2019	**49.51**	**0.02**
Gains/(losses) recognised in other comprehensive income	1.69	0.00
As at 31st March, 2020	**51.20**	**0.02**
Gains/(losses) recognised in other comprehensive income	0.03	0.01
As at 31st March, 2021	**51.23**	**0.03**

NOTE 34: FINANCIAL RISK MANAGEMENT

The group's financial risk management is an integral part of how to plan and execute its business strategies. The group's activities expose it to a variety of its financial risk including

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

The group's board of directors has overall responsibility for the establishment and oversight of the group's risk management framework.

The group's activities expose it to market risk, liquidity risk and credit risk. The group seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the group's policies approved by the Board of directors, which provides principles on foreign exchange risk, interest rate risk, credit risk, use of financial derivatives etc. Compliance with policies and exposure limits is reviewed by internal auditors. The group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purpose.

The Company's audit committee also oversees how management monitors compliance with the group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(A) 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 trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade and Other receivables

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. The group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The group has established a credit policy under which each new customer is analysed individually for creditworthiness before the 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 in some cases bank references. Sale limits are established for each customer and reviewed periodically.

As at 31st March, 2021, Group did not have any significant concentration of credit risk with any external customers.

Expected credit loss assessment for Trade and Other receivables as at 31st March, 2021

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix. The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages till full provision for the trade receivable is made.

The following table provides information about the exposure to credit risk and expected credit loss for trade and other receivables.

(₹ in crores)

	Gross Carrying amount	Loss allowances	Net Carrying amount
As at 31st March, 2021	386.93	7.72	379.21
As at 31st March, 2020	587.37	9.94	577.43

The movement in the loss allowance in respect of trade and other receivables during the year was as follows

(₹ in crores)

Balance as at 31st March, 2019	**11.91**
Movement during the year	(1.97)
Balance as at 31st March, 2020	**9.94**
Movement during the year	(2.22)
Balance as at 31st March, 2021	**7.72**

Cash and cash equivalents

The group held Bank balance of of ₹ 277.74 crores as at 31st March, 2021 (Previous Year : ₹ 160.98 crores). The same are held with bank and financial institution counterparties with good credit rating.

Derivatives

The forward cover has been entered into with banks /financial institution counterparties with good credit rating.

Others

Other than trade receivables reported above , the group has no other financial assets which carries any significant credit risk.

(B) 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.

Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdraft/ cash credit facility. The group also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.The group has access to a sufficient variety of sources of short term funding with existing lenders. The group has arrangements with the reputed banks and has unused line of credit that could be drawn upon should there be need.

The group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cashflows, and by matching the maturity profile of financial assets and liabilities. Note below set out details of additional undrawn facilities that the group has at its disposal to further reduce liquidity risk.

(i) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

(₹ in crores)

Contractual maturities of financial liabilities as at 31st March, 2021	1 year or less	1-2 years	2- 5 years	More than 5 year	Total
Non-derivatives					
Long term borrowings (inclusive of accumulated interest)	134.89	124.53	51.39	359.81	670.62
Working Capital Facility and Short term loans and borrowings	542.47	-	-	-	542.47
Trade payables	163.02	-	-	-	163.02
Other financial liabilities	130.77	-	-	-	130.76
Total non-derivative liabilities	**971.15**	**124.53**	**51.39**	**359.81**	**1,506.87**
Derivatives (net settled)					
Foreign exchange forward contracts	-	-	-	-	-
Total derivative liabilities	**-**	**-**	**-**	**-**	**-**

(₹ in crores)

Contractual maturities of financial liabilities as at 31st March, 2020	1 year or less	1-2 years	2-5 years	More than 5 year	Total
Non-derivatives					
Long term borrowings (inclusive of accumulated interest)	136.72	85.54	107.84	65.81	395.91
Working Capital Facility and Short term loans and borrowings	688.23	-	-	-	688.23
Trade payables	283.52	-	-	-	283.52
Other financial liabilities	129.60	-	-	-	129.60
Total non-derivative liabilities	**1,238.07**	**85.54**	**107.84**	**65.81**	**1,497.26**
Derivatives (net settled)					
Foreign exchange forward contracts	39.46	-	-	-	39.46
Total derivative liabilities	**39.46**	**-**	**-**	**-**	**39.46**

(C) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The group is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk.

(i) Foreign currency risk

The group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EURO, GBP, Chinese renminbi (RMB), SGD and CHF. The group has in place the Risk management policy to manage the foreign exchange exposure.

The Foreign currency exchange rate exposure is partly balanced through natural hedge, where in the group's borrowing is in foreign currency and cash flow generated from financial assets is also in same foreign currency.

In respect of other monetary assets and liabilities denominated in foreign currencies, the group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

The group can enter into foreign currency forward contracts and other authorized derivative contracts, which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables/receivables and borrowings.

The group uses derivative instruments, mainly foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in line with the policy.

The group hedges 75% to 80% of its estimated foreign currency exposure in respect of forecast sales and purchases and repayment of borrowings over the following 12 months. The group also hedges its FX exposure for a period beyond 12 months as it enters into long term contracts with its customers.

Foreign currency risk exposure:

The Company exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows

Sr no	Particulars	Currency	Standalone		Subsidiary		As at 31st March, 2021	
			(₹ in crores)	(FC in Mn.)	(₹ in crores)	(FC in Mn.)	(₹ in crores)	(FC in Mn.)
A	**Financial assets**							
(i)	Trade receivables	EURO	5.18	0.60	47.79	5.58	52.97	6.18
			(5.42)	*(0.65)*	*(34.07)*	*(4.09)*	*(39.49)*	*(4.74)*
		USD	34.25	4.69	151.08	20.66	185.33	25.35
			(44.35)	*(5.87)*	*(177.83)*	*(23.54)*	*(222.18)*	*(29.41)*
		GBP	-	-	-	-	-	-
			0.00	*0.00*	*(0.85)*	*(0.09)*	*(0.85)*	*(0.09)*
		CHF	8.42	1.09	40.46	5.22	48.88	6.31
			(25.71)	*(3.27)*	*(8.90)*	*(1.13)*	*(34.61)*	*(4.40)*
(ii)	Loans and Advances	USD	50.08	6.85	46.87	6.41	96.95	13.26
			(61.30)	*(8.11)*	*(80.28)*	*(10.63)*	*(141.58)*	*(18.74)*
		CHF	-	-	-	-	-	-
			(16.56)	*(2.11)*	*(4.47)*	*(0.57)*	*(21.03)*	*(2.68)*
(iii)	Interest receivable	USD	0.88	0.12	0.70	0.10	1.58	0.22
			(0.58)	*(0.08)*	*0.00*	*0.00*	*(0.58)*	*(0.08)*
		CHF	-	-	-	-	0.00	0.00
			(0.03)	*(0.00)*	-	-	*(0.03)*	*(0.00)*
(iv)	Dividend receivable	USD	1.70	0.23	-	-	-	-
			-	-	-	-	-	-
(v)	Bank account	USD	-	-	3.91	0.54	3.91	0.54
			-	-	-	-	-	-
(vi)	Other Receivable	USD	-	-	24.55	0.34	24.55	0.34
			-	-	-	-	-	-
B	**Financial liabilities**							
(vii)	Foreign currency loan							
	Bank loan	USD	282.62	38.66	-	-	282.62	38.66
			(490.60)	*(64.94)*	*(31.96)*	*(4.23)*	*(522.55)*	*(69.17)*
		EURO	-	-	200.07	23.34	200.07	23.34
			-	-	-	-	-	-
		GBP	65.17	6.47	-	-	65.17	6.47
			-	-	-	-	-	-
		CHF	47.46	6.12	-	-	47.46	6.12
			(26.93)	*(3.43)*	-	-	*(26.93)*	*(3.43)*
	Other Loan	USD	-	-	91.10	12.46	91.10	12.46
			-	-	-	-	-	-
	Interest Payable	USD	0.54	0.07	0.61	0.08	1.15	0.15
			(0.54)	*(0.07)*	-	-	*(0.54)*	*(0.07)*
(viii)	Trade payables	USD	9.66	1.32	11.40	1.56	21.06	2.88
			(22.38)	*(2.96)*	*(2.23)*	*(0.30)*	*(24.62)*	*(3.26)*
		EURO	1.25	0.15	8.93	1.04	10.18	1.19
			(1.74)	*(0.21)*	*(9.72)*	*(1.17)*	*(11.45)*	*(1.37)*
		GBP	2.27	0.23	10.63	1.05	12.90	1.28
			(1.24)	*(0.13)*	*(1.56)*	*(0.17)*	*(2.80)*	*(0.30)*
		CHF	3.84	0.50	26.09	3.36	29.93	3.86
			0.00	*0.00*	*(17.75)*	*(2.26)*	*(17.75)*	*(2.26)*
		SGD	0.24	0.04	0.18	0.03	0.42	0.07
			-	-	-	-	-	-
		CNY	0.11	0.09	-	-	0.11	0.09
			(0.10)	*(0.09)*	-	-	*(0.10)*	*(0.09)*
		JPY	-	-	-	-	-	-
			(0.39)	*(5.55)*	-	-	*(0.39)*	*(5.55)*

(Figures in bracket & italics reflect previous year)

The Group has entered into forward contract transactions, which are not intended for trading or speculative purpose but to hedge the export receivables including future receivables. The Group has following forward cover outstanding.

Type of transaction	Purpose	Currency	Buy or Sell	Cross Currency	31st March, 2021	
					Amount in Foreign Mn.	(₹ in crores)
Forward Cover	**To hedge export receivables**	USD	Sell	INR	18.50	135.24
					(74.00)	*(559.07)*
		CHF	Sell	INR	104.49	809.72
					(106.25)	*(835.47)*
		GBP	Sell	INR	7.00	70.51
					-	-
		CHF	Sell	USD	2.00	15.50
					-	-
Swap Cover	**To hedge Foreign Currency Loan**	USD	Buy	CHF	38.07	278.34
					-	-
		EURO	Buy	CHF	6.17	52.93
					-	-
		GBP	Buy	CHF	1.05	10.61
					-	-
		CHF	Sell	USD	12.36	95.75
					(16.90)	*(132.92)*
		CHF	Sell	INR	*6.32*	*49.00*
					(4.40)	*(34.56)*

(Figures in bracket & italics reflect previous year)

(c) Sensitivity

A reasonably possible strengthening (weakening) of the Indian Rupee,US dollars, Swiss franc against all other currency at March 31 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit / (loss) before tax gain / (loss)		Equity, gross of tax	
	Strengthening	Weakening	Increased	(Decreased)
31st March, 2021				
Effect in INR				
1 % movement				
USD	(5.14)	(4.51)	(5.14)	(4.51)
EUR	2.08	(2.10)	2.08	(2.10)
GBP	(0.03)	(1.79)	(0.03)	(1.79)
CHF	9.41	9.34	9.41	9.34
SGD	0.00	(0.00)	0.00	(0.00)
31st March, 2020				
Effect in INR				
1 % movement				
USD	3.29	(3.29)	3.29	(3.29)
EUR	0.95	(0.95)	0.95	(0.95)
GBP	0.02	(0.02)	0.02	(0.02)
CHF	(11.33)	11.33	(11.33)	11.33

(ii) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The group main interest rate risk arises from long-term borrowings with variable rates, which expose the group to cash flow interest rate risk. During 31 March 2021 and 31 March 2020, the group's borrowings at variable rate were mainly denominated in USD, EURO, INR & CHF

The group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The group's approch to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation.

(a) Interest rate risk exposure

The exposure of the entity's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Variable rate borrowings	1,162.06	1,056.16
Fixed rate borrowings	3.83	-
Total borrowings	**1,165.89**	**1,056.16**

(b) As at the end of the reporting period, the group had the following variable rate borrowings and interest rate swap contracts outstanding:

(₹ in crores)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Balance	% of total loans	Balance	% of total loans
Bank loans	1,162.06	100.00	1,056.16	100.00
Interest rate swaps (notional principal amount)	-	-	-	-
Total borrowings	**1,162.06**	**100.00**	**1,056.16**	**100.00**

(c) Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in crores)

Particulars	Impact on profit after tax	Impact on profit after tax
	As at 31st March, 2021	As at 31st March, 2020
Interest rates – increase by 50 basis points *	(5.81)	(5.28)
Interest rates – decrease by 50 basis points *	5.81	5.28

* Holding all other variables constant

(D) Hedge Accounting

The Company's business objective includes safe-guarding its earnings against adverse effect of foreign exchange and interest rates. The Company has adopted a structured risk management policy to hedge all these risks within an acceptable risk limit and an approved hedge accounting framework which allows for Cash Flow hedges. Hedging instruments include forwards and swap as derivative instruments to achieve this objective. The table below shows the position of hedging instruments and hedged items as on the balance sheet date.

Cash Flow Hedge

Hedging instruments

(₹ in crores)

Particulars	Nominal Value	Carrying amount		Change in fair value	Hedge maturity	Line item in Balance sheet
		Assets	Liabilities			
Foreign Currency Risk						
Forward contract	1,030.97	-	-	48.41	April, 2021 to April, 2022	Other current liabilities
Interest and currency Swap	144.75	-	147.86	3.11	October, 2019 to July 2022	Long term borrowings and Other financial liabilities
Foreign currency term loans	345.11	-	336.60	(8.50)	Till August 24	Long term and short term borrowings

Hedge items

(₹ in crores)

Particulars	Nominal Value	Change in fair value	Hedge reserve	Line item in Balance sheet
Foreign Currency Risk				
Highly probable exports	1,860.22	43.46	43.46	Other equity
For loans	2.49	0.47	0.47	Other equity

Fair Value Hedge

Hedging instruments

(₹ in crores)

Particulars	Nominal Value	Carrying amount		Routed through P&L	Hedge maturity	Line item in Balance sheet
		Assets	Liabilities			
Foreign Currency Risk						
Foreign currency swap contracts	341.88	342.80	-	0.92	April' 2021	Other financial assets

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NOTE 35: OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The are no financial instruments which are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 31st March, 2021 and 31st March, 2020.

NOTE 36: (i) Details of research and development expenditure recognised as revenue expense (Other than contract research expenses)

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Annual Maintenance	0.01	0.07
Consumables	0.01	0.42
Conveyance	0.00	0.08
Laboratory Expenses	0.04	3.16
Others	0.13	0.14
Repair & maintenance	0.01	0.19
Raw Material Consumption	0.01	2.02
Salary & Wages	0.91	8.80
Subscription Expenses	0.19	1.06
Total	**1.31**	**15.95**

Note 36: (ii) Details of research and development expenditure recognised as capital expenses

(₹ in crores)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Plant & Machinery	-	0.04
Office Equipments and Computers	0.02	0.04
Laboratory equipment	0.28	0.96
CWIP - Laboratory equipment	0.58	-
Intangible assets under development	8.92	-
Total	**9.80**	**1.04**

NOTE 37: BUY BACK OF SHARES

The Board of Directors of the Company at its meeting held on January 16, 2020, has inter-alia approved the Buyback proposal for purchase by the Company of its fully paid-up equity shares of face value of ₹ 2/- each ("Equity Shares" and such buyback, the "Buyback"), from the shareholders/beneficial owners of the Company, at a price not exceeding ₹ 150 (Rupees One Hundred Fifty Only) per Equity Share ("Maximum Buyback Price") from the open market through stock exchange mechanism in such manner as may be prescribed in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 ("Buy-back Regulations") and the Companies Act, 2013 ("Act") (including any statutory modification(s) or re-enactment of the Act or Buy-back Regulations, for the time being in force).

The Buyback shall not exceed ₹ 72 crore (Rupees Seventy Two crores only), excluding brokerage costs, fees, turnover charges, taxes such as securities transaction tax and goods and service tax (if any), stamp duty and other transaction charges ("Maximum Buyback Size"). The Maximum Buyback Size represents 1.48% and 1.38% of the total paid-up equity share capital and free reserves (including securities premium account) as per the standalone audited financial statements and the audited consolidated financial statements respectively of the Company as at March 31, 2019, which is in accordance with Section 68(2) of the Companies Act, 2013.

The scheme of buyback was commenced from January 27, 2020 and till March 31, 2020 the Company bought back 45,31,177 equity shares resulted in cash outflow of ₹ 35.75 crores. In line with the requirement of the Companies Act 2013, an amount of ₹ 35.75 crores has been utilized from the securities premium account for the buy back. Further, capital redemption reserve of ₹ 0.90 lacs (representing the nominal value of the shares bought back and extinguished) has been created in the previous year.

During the current year, the Company bought back 80,000 equity shares which resulted in cash outflow of ₹ 2.29 crores. In line with the requirement of the Companies Act 2013, an amount of ₹ 2.29 crores has been utilized from the securities premium account for the buy back. Further, capital redemption reserve of ₹ 0.02 crores (representing the nominal value of the shares bought back and extinguished) has been created.

NOTE 38: On 19th December 2019, the Income Tax Department conducted a search at the Company's premises. As part of the process, the Company received notice under the Income Tax Act for filling the Income tax Returns for past years to which necessary compliance has been made.

NOTE 39: During the year under review, the company initiated implementation of set of measures aimed at limiting any risk related to COVID-19 to Company's employees, customers and associates. This impacted the deployment of optimal workforce at the manufacturing plants. Moreover, in India, the company faced logistics issues on the import of raw material and export of finished goods. Due to these factors, the production and revenue at the Company's sites in India were impacted to certain extent. The Company continues to monitor the impact of Covid-19 on recoverability of receivables/advances, assessment of impairment of goodwill and intangibles, investments and inventory.

NOTE 40: There was a joint inspection carried out during the quarter ended March, 2020 by the Swissmedic and European Directorate for the Quality of Medicines & HealthCare (EDQM), due to which there were certain audit observations issued deficient to EU GMP Part II and other relevant Annexes for the Company's Bavla site. There was an impact on the production at the Company's Bavla manufacturing site due to the observations received, which adversely impacted the revenue and profitability of the Company's operations at Bavla during the quarter and the full year.

The Company has been steadily ramping up manufacturing activities at the Bavla site in order to meet the customer requirements. Two of the largest Global Pharmaceutical companies have successfully audited the company's Bavla site during the year. The implementation of the corrective Action Plan submitted to the EDQM is also underway and on track wherein the company should be able to successfully address the audit observations.

NOTE 41: The Finance Act, 2021 has introduced an amendment to section 32 of the Income Tax Act, 1961, whereby Goodwill of a business will not be considered as a depreciable asset and depreciation on goodwill will not be allowed as deductible expenditure effective 1st April, 2020.

In accordance with the requirements of Ind AS 12, Income Taxes, the Company has recognised additional deferred tax expense amounting to INR 96.28 crores as the outcome on the difference between Goodwill as per the books of account and its updated tax base of NIL resulting from the aforementioned amendment. This deferred tax liability shall not be a cash outflow in the future. This entire deferred tax liability of INR 96.28 crores will be reversed in proportion to the goowill amortized in books of accounts in the subsequent years.

NOTE 42: The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Preseidential assent in September 2020. The Code has been publishedin the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

NOTE 43: During the current year, due to cancellation of one project, one of the subidaries had impaired its inventory relating to that project since the inventory was produced specifically for the customer and had no alternative usage. The impairment loss on account of this was CHF 2.77 mn shown as an exceptional item.

NOTE 44: During the current year, one of the subsidaries, CARBOGEN AMCIS AG identified two project pertaining to FY 2019-20, where the Cost of Goods sold were now approriately allocated to these projects in the relevant period. Due to this adjustment, for FY 2019-20, the Cost of Goods sold on a consolidated basis increased by INR 24.88 Crores and Deferred tax Assets increased by INR 3.09 Crores. Correspondingly, the retained earnings reduced by INR 22.62 Crores at the subsidary level and on consolidated basis as on March 31, 2020. The consolidated EPS and diluted EPS as on March 31, 2020 shall now each be INR 10.10

NOTE 45: The previous year figures have been re-grouped, re-cast and re-arranged wherever considered necessary.

NOTE 46: The financial statements were authorised for issue by the Company's Audit Committee and Board of directors at their respective meetings on 11th May, 2021.

Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures

Name of the enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹ in crores	As % of consolidated profit or loss	Amount ₹ in crores	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount ₹ in crores
Parent								
Dishman Carbogen Amcis Ltd.	82.03%	4674.61	140.98%	(232.81)	87.68%	113.89	337.51%	(118.92)
Subsidiaries								
Dishman Carbogen Amcis (Europe) Ltd (Formerly known as Dishman Europe Ltd).	14.14%	805.89	2.23%	(3.69)	-	-	10.47%	(3.69)
Dishman USA Inc.	0.48%	27.56	-2.49%	4.12	-	-	-11.69%	4.12
CARBOGEN AMCIS Holding AG	29.52%	1682.01	-8.16%	13.48	-	-	-38.26%	13.48
CARBOGEN AMCIS AG	9.53%	542.83	-50.08%	82.70	18.85%	24.49	-304.24%	107.19
CARBOGEN AMCIS Specialities AG	12.95%	738.22	-12.93%	21.35	-	-	-60.60%	21.35
Dishman International Trading (Shangai) Co. Ltd.	0.14%	7.70	0.07%	(0.11)	-	-	0.31%	(0.11)
CARBOGEN AMCIS (Shanghai) Co. Ltd.	1.53%	87.09	-1.11%	1.83	-	-	-5.19%	1.83
CARBOGEN AMCIS Ltd. (UK)	1.02%	58.33	-2.91%	4.81	-	-	-13.65%	4.81
CARBOGEN AMCIS B.V.	5.98%	340.90	-26.06%	43.04	-	-	-122.16%	43.04
CARBOGEN AMCIS Innovations AG	18.83%	1073.13	3.07%	(5.07)	-17.88%	(23.23)	80.32%	(28.30)
Dishman Australasia (Pty) Ltd.	0.02%	1.26	-0.02%	0.03	-	-	-0.09%	0.03
Dishman Middleast FZE	0.00%	(0.26)	0.06%	(0.10)	-	-	0.29%	(0.10)
Dishman Carbogen Amcis (Japan) Ltd.	0.29%	16.32	-3.51%	5.79	-	-	-16.43%	5.79
CARBOGEN AMCIS SAS	0.57%	32.72	0.39%	(0.65)	-	-	1.84%	(0.65)
Dishman Carbogen Amcis (Singapore) Pte. Ltd.	16.09%	916.97	-3.32%	5.48	-	-	-15.55%	5.48
Dishman Engineering Xellence Pvt. Ltd.	0.00%	(0.00)	0.01%	(0.01)	-	-	0.03%	(0.01)
Dishman IT Xellence Pvt. Ltd.	0.00%	(0.00)	0.01%	(0.01)	-	-	0.03%	(0.01)
Dishman Biotech Ltd.	0.17%	9.41	0.41%	(0.68)	-	-	1.93%	(0.68)
Dishman Carbogen Amcis AG	0.00%	0.00	0.00%	(1.02)	-	-	2.90%	(1.02)
CARBOGEN AMCIS Real Estate SAS	0.00%	0.00	0.00%	(0.03)	-	-	0.09%	(0.03)
Invisible Biotech Ltd.	0.00%	0.00	0.00%	(00.0)	-	-	0.00%	(0.00)
Sub Total	**193.28%**	**11014.67**	**36.64%**	**(61.57)**	**88.65%**	**115.15**	**-152.14%**	**53.58**
Less : Effect of Inter Company elimination/ adjustment	-93.28%	(5315.85)	63.36%	(103.56)	11.35%	14.75	252.14%	(88.81)
Total	**100.00%**	**5698.82**	**100.00%**	**(165.13)**	**100.00%**	**129.90**	**100.00%**	**(35.23)**

As per our attached report of even date

For **Haribhakti & Co. LLP**
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

For **V.D. Shukla & Co.**
Chartered Accountants
ICAI Firm Registration
No. 110240W

Hemant J. Bhatt
Partner
Membership No. 036834

Vimal D. Shukla
Proprietor
Membership No. 036416

Place: Ahmedabad
Date: 11th May, 2021

For and on behalf of the Board of Directors

Arpit J. Vyas
Global Managing Director
DIN: 01540057
Place: Vitznau

Deohooti J. Vyas
WholeTime Director
DIN: 00004876

Harshil R. Dalal
Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date: 11th May, 2021

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 THE FINANCIAL STATEMENT OF SUBSIDIARIES OR ASSOCIATE COMPANIES OR JOINT VENTURES

Part A Subsidiaries

Sr. No.	Name of the Subsidiary	Dishman Carbogen Amcis (Europe) Ltd (Formerly known as Dishman Europe Ltd).	Dishman USA Inc. (DUS)	CARBOGEN AMCIS Holding AG (CAHAG)	CARBOGEN AMCIS AG (CA AG)	CARBOGEN AMCIS SPECIALITIES AG	Dishman International Trading (Shangai) Co. Ltd. *	CARBOGEN AMCIS (Shanghai) Co. Ltd (CASCL)	CARBOGEN AMCIS Limited (UK)	CARBOGEN AMCIS B.V. (CABV)	CARBOGEN AMCIS INNOVATIONS AG	Dishman Australasia (Pty) Ltd	Dishman Middleast FZE	DISHMAN CARBOGEN AMCIS (Japan) Ltd	CARBOGEN AMCIS SAS	DISHMAN CARBOGEN AMCIS (Singapore) Pte. Ltd.	Dishman Engineering Xellence Pvt. Ltd.	Dishman IT Xellence Pvt. Ltd.	Dishman Biotech Ltd.	Invisible Biotech Ltd.	CARBOGEN AMCIS Real Estate SAS	DISHMAN CARBOGEN AMCIS AG
	The Date since when subsidiary was acquired/ created	15/07/1997	21/07/1998	08/08/2006	22/08/2006	26/09/2019	17/02/2004	13/06/2006	21/04/2005	09/04/2003	26/09/2019	27/07/2007	22/03/2011	03/04/2007	01/12/2012	13/07/2016	12/09/2018	13/07/2018	30/09/2019	19/03/2021	19/11/2020	22/11/2019
	Reporting Period of the Subsidiary	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021
	Currency of presentation	British Pound	US Dollar	CHF	CHF	CHF	CNY	CNY	British Pound	Euro	CHF	AU $	UAE Dirhams	JPY	Euro	SGD	INR	INR	INR	INR	Euro	CHF
1	**Share Capital**																					
	In Foreign Currency	0.16	0.30	36.40	1.45	1.00	1.65	196.01	0.00	0.23	1.00	0.10	0.95	153.23	1.20	169.44	-	-	-	-	0.01	0.10
	In Indian Rupees	1.60	2.19	282.09	11.24	7.75	1.85	218.71	0.00	1.95	7.75	0.56	1.89	10.12	10.29	937.66	0.01	0.01	6.50	0.01	0.04	0.77
2	**Reserve**																					
	In Foreign Currency	80.85	3.47	180.66	68.60	94.27	5.56	(117.96)	5.79	39.53	137.48	0.13	(1.08)	93.97	2.62	1.30	-	-	-	-	(0.00)	(0.13)
	In Indian Rupees	814.37	25.37	1,399.92	531.60	730.47	5.93	(131.62)	58.33	338.95	1,065.38	0.70	(2.15)	6.21	22.43	7.20	(0.01)	(0.01)	2.91	(0.00)	(0.03)	(0.99)
3	**Total Assets**																					
	In Foreign Currency	82.75	10.37	312.67	247.88	95.33	9.27	175.31	11.56	45.00	151.61	0.41	0.03	258.26	23.00	179.53	-	-	-	-	0.36	1.20
	In Indian Rupees	833.57	75.80	2,422.92	1,920.87	738.69	10.34	195.61	116.48	385.79	1,174.82	2.28	0.05	17.06	197.20	993.49	0.01	0.01	74.24	0.01	3.09	9.32
4	**Total Liabilities**																					
	In Foreign Currency	1.75	6.60	95.61	177.83	0.06	2.06	97.26	5.77	5.24	13.12	0.18	0.16	11.06	19.18	8.79	-	-	-	-	0.36	1.23
	In Indian Rupees	17.60	48.25	740.91	1,378.04	0.47	2.20	108.52	58.15	44.89	101.69	1.03	0.31	0.73	164.48	48.62	0.02	0.02	64.84	0.00	3.08	9.54
5	**Investments**																					
	In Foreign Currency	74.35	Nil	23.70	Nil	94.89	3.00	Nil	Nil	Nil	142.12	Nil	Nil	Nil	Nil	169.22	Nil	Nil	Nil	Nil	Nil	Nil
	In Indian Rupees	748.93	Nil	1,836.55	Nil	735.29	3.35	Nil	Nil	Nil	1,101.30	Nil	Nil	Nil	Nil	936.44	Nil	Nil	Nil	Nil	Nil	Nil
6	**Turnover**																					
	In Foreign Currency	11.83	11.79	-	154.25	-	8.60	84.24	10.55	31.79	-	0.10	-	105.86	4.62	0.08	-	-	-	-	-	-
	In Indian Rupees	119.17	86.16	-	1,195.28	-	9.17	94.00	106.29	272.58	-	0.58	-	6.99	39.58	0.42	-	-	0.46	-	-	-
7	**Profit Before Tax**																					
	In Foreign Currency	(0.47)	0.91	1.76	12.79	2.65	0.15	1.91	0.55	6.92	(0.64)	0.01	(0.05)	100.88	(0.14)	1.01	-	-	-	-	(0.00)	(0.13)
	In Indian Rupees	(4.71)	6.65	13.67	99.08	20.57	0.16	2.04	5.50	59.30	(4.98)	0.03	(0.10)	6.66	(1.18)	5.61	0.01	0.01	0.15	0.00	(0.04)	(0.99)

8	**Provision for Tax**																					
	In Foreign Currency	-	0.32	0.09	2.36	-	0.00	0.26	0.11	2.16	(0.01)	0.00	-	18.25	(0.06)	0.01	-	-	-	-	(0.00)	-
	In Indian Rupees	-	2.30	0.69	18.32	-	0.00	0.28	1.11	18.50	(0.10)	0.02	-	1.21	(0.53)	0.04	-	-	0.83	-	(0.01)	-
9	**Profit After Tax**																					
	In Foreign Currency	(0.47)	0.59	1.68	10.42	2.65	0.15	1.65	0.44	4.76	(0.63)	0.00	(0.05)	82.63	(0.08)	1.01	-	-	-	-	(0.00)	(0.13)
	In Indian Rupees	(4.71)	4.31	12.98	80.76	20.57	0.16	1.76	4.39	40.79	(4.89)	0.01	(0.10)	5.46	(0.65)	5.58	0.01	0.01	(0.68)	0.00	(0.03)	(0.99)
10	**Proposed Dividend**																					
	In Foreign Currency	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	In Indian Rupees	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Foreign currency are in Millions																						
Indian Rupees are in Crores																						
Note:- 1) The Foreign Currency Figures (including Capital) have been converted into Indian Rupees using the exchange rates prevailing as on 31.03.2021.																						
Conversion Rate		British Pound	US Dollar	CHF	CHF	CHF	CNY	CNY	British Pound	Euro	CHF	AUS $	Dhiram	Japanese Yen	Euro	SGD	INR	INR	INR	INR	Euro	CHF
Foreign Currency into INR as on 31.03.2021		100.7314	73.1050	77.4910	77.4910	77.4910	10.6697	10.6697	100.7314	85.7375	77.4910	55.5306	19.9050	0.6604	85.7375	55.3375	1	1	1	1	85.7375	77.4910

Note:-

1) Name of the subsidiary which is yet to commence operation: (1) Invisible Biotech Ltd., (2) Dishman Engineering Xellence Pvt. Ltd., (3) Dishman IT Xellence Pvt. Ltd., (4) Dishman CARBOGEN AMCIS AG.

2) Name of the subsidiaries which have been liquidated or sold during the year: None

3) * The Financials of the Shanghai Yiqian International Trade Co. Ltd. has been merged with Dishman International trading (Shanghai) Co. ltd.

Date: 11th May, 2021	**Arpit J. Vyas** Global Managing Director DIN: 01540057 Place: Vitznau	**Deohooti J. Vyas** Whole Time Director DIN: 00004876 Place: Ahmedabad	**Harshil R. Dalal** Global CFO Place: Ahmedabad	**Shrima G. Dave** Company Secretary ACS 29292 Place: Ahmedabad

"STATEMENT PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT, 2013 RELATED TO ASSOCIATE COMPANIES AND JOINT VENTURES"

Part B Accociates and joint ventures

Sr. No.	Name of associates/ Joint Ventures	Latest audited Balance sheet Date	Date on which the Associate or Joint Venture was associated or acquired	Shares of Associate/Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/ Joint venture is not conslodiated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for the Year	
				No. Of Shares	Amount of Investment in Associates/ Joint ventures	Extend of Holding%				Conidered in Consolidation	Not considered in consolidation
NIL											

Note:-

1) Names of associates or joint ventures which are yet to commence operations: NIL

2) Names of associates or joint ventures which have been liquidated or sold during the year: NIL

Date: 11th May, 2021	**Arpit J. Vyas** Global Managing Director DIN: 01540057 Place: Vitznau	**Deohooti J. Vyas** Whole Time Director DIN: 00004876 Place: Ahmedabad	**Harshil R. Dalal** Global CFO Place: Ahmedabad	**Shrima G. Dave** Company Secretary ACS 29292 Place: Ahmedabad

NOTES

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Dishman is a global, dynamic group of companies offering a continuum of services to the pharmaceutical industry. We are a global outsourcing partner for pharmaceutical companies, offering a portfolio of products and development, scale-up and manufacturing services.

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