



ALBERT DAVID LIMITED

ANNUAL REPORT

2021-2022



Adds life to life





VISION

To become a globally respected pharmaceutical entity and create value for our stakeholders and employees



MISSION

To deliver excellence in each of our efforts through innovation using cutting edge technology and methodology

- DIRECTORS :** Mr. A. K. Kothari - Executive Chairman
Dr. T. S. Parmar - Managing Director & CEO
Smt. Prabhawati Devi Kothari
Mr. Hemal Kampani
Mr. Rajiv Singhi
Mr. Arindam Sarkar
Mr. Shirish G. Belapure
Dr. Monjori Mitra
Mr. A. V. Kothari (w.e.f. 11.05.2022)
- MANAGEMENT TEAM :** Mr. A. J. Chattopadhyay
Corporate Head – HR
Mr. R. Bhattacharya
Chief Financial Officer
Mr. Anirban Ghosh
Head (Sales & Marketing) – ADL Div.-I
Mr. Ashis A. Majumdar
Head (Sales & Marketing) – ADL Div.- II
Mr. H. T. Nazare
Plant Head, Ghaziabad
Mr. S. Bhattacharya
Plant Head, Kolkata
- COMPANY SECRETARY :** Mr. Chirag A. Vora
- AUDITORS :** Basu Chanchani & Deb,
Chartered Accountants, Kolkata
- BANKER :** State Bank of India
- REGISTRAR & SHARE
TRANSFER AGENT :** Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor, Kolkata-700001.
Tel : 033-2248-2248 / 2243-5029, Fax : 033-2248-4787
Email : mdpldc@yahoo.com
- REGISTERED OFFICE :** ALBERT DAVID LIMITED
(CIN : L51109WB1938PLC009490)
'D' Block, 3rd Floor, Gillander House,
Netaji Subhas Road, Kolkata - 700001.
Tel : 033-2262-8436 / 8456 / 8492, 2230-2330; Fax : 033-2262-8439
Email : adidavid@dataone.in, Website : www.albertdavidindia.com
- MANUFACTURING UNITS :** 5 / 11, D. Gupta Lane,
Kolkata - 700050 (W.B.)

B-12 / 13, Meerut Road, Industrial Area,
Ghaziabad - 201003 (U.P.)

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Chairman's Message

Albert David Limited is a trusted Pharmaceutical Company with over 8 decades of successful operations. It is the flagship company of prominent and highly diversified 'Kothari Group' headquartered in Kolkata with operations across India and overseas.

The Year Gone By

The Covid-19 pandemic that started globally in 2019 went full blown on India with the second wave dealing severe blow to life, liberty & livelihood over the last financial year. It left the economy in setbacks, and industries, in unprecedented uncertainties. I wish that you and your family members remain healthy and safe.

Economic trajectory of the past couple of years was dotted with transitional disruptions from policy/regulatory changes, followed by crippling Covid-19 outbreak. The Indian Pharma industry continued facing newer challenges, from announcement of demonetization (2016-17), implementation of GST (2017-18); economic slowdown (2018-19 onwards), initial outbreak of COVID-19 (2019-20) followed by its more severe second wave (2020-21) which engulfed all other national priorities, massive disruptions in supply chains; and nonetheless the current geo-political scenario which has ramifications that defy geographical boundaries. Despite the aforesaid, the Govt's prudent monetary, fiscal and policy interventions helped keep India Inc. afloat, amidst the turmoil.

However, with cautious optimism, we do believe that 2021-22 is a year of silver lining, the beginning of recovery, of opportunities, of prospects, & of better times. Notably, your company's performance during the year surpassed that of industry in general.

Structural Changes

Your Company, under dynamic leadership of Dr. T. S. Parmar, MD & CEO, the Functional Leadership Teams, all ADL Colleagues, and the enlightened Board of Directors, has been consistent in taking multi-dimensional measures to expand as a leaner, agile & efficient organization. Our new initiatives will continue to shape the future prospects of your Company.

Your Company, having its presence solely in the 'acute' segment, has successfully registered 25%+ growth in sales over the previous year, honored all its commitments towards internal and external stakeholders and also grew the bottom-line through prudent cost management practices.

Dividend

In continuation of Albert David Limited steady dividend policy, performance during the year and outlook for the future, the Albert David Limited Board has proposed Dividend of Rs.9/- (90%) per equity share of Rs.10/- each for the financial year ended on 31st March, 2022, vis-à-vis, Rs.6/- (60%) dividend paid in the previous year.

Future Outlook

The outlook for the Indian pharma industry and the ~Rs.1.69 trillion+ IPM is mixed with limitations as well as opportunities, depending inter-alia on organizational positioning, market dynamics, PLIs, regulatory & policy environment, and geopolitical factors affecting export demand.

Whilst the size of the IPM and India's comparative advantage in the global pharma arena extrapolate to a positive future outlook, respective organizational resilience, agility and adaptation to the 'new normal' is expected to play a crucial determinant of success in days to come.

I, on behalf of Albert David Limited Board, express my appreciation and gratitude to all our stakeholders and we look forward to your continued trust and support.

A K Kothari
Executive Chairman



Managing Director & CEO's Message

Dear Shareholders,

It is my pleasure to address you in my fifth year of association with Albert David Limited.

The year gone by continued to be a tough one given the remnants of the second wave of the Covid pandemic, which not only led to human casualties, but also had war-like impact on economy/industry at global and national level.

I sincerely hope you all remain healthy and safe, and do express my solidarity to those affected adversely by the pandemic. 'Albert David' congratulates all frontline warriors including all medical professionals, pharma manufacturers/distributors/retailers, police, and Govt. agencies etc. for their exemplary efforts. 'Albert David' is doing its bit by ensuring that essential medicines are available regularly across the country. My special compliments to the entire ADL team for their special efforts in these challenging times.

The Market Scenario

For decades, a defining feature of the world economy has been its ability to churn out innovative & useful goods at ever affordable prices. Transnational labour mobility, falling trade barriers and hyper-efficient logistics, produced positive results. But the last couple of years have brought an escalating series of disruptions including lockdowns, sanctions and export controls upending the supply of commodities and goods. Thus, the ties that bind the global economy together, and deliver goods in abundance across the world are unraveling at a frightening pace. Russia's invasion of Ukraine and China's Covid Zero lockdowns are disrupting supply chains, hammering growth and pushing inflation to forty-year highs with an estimated adverse impact of \$1.6 trillion on forecasted global GDP in 2022.

Going by the International Monetary Fund's World Economic Outlook (April, 2022), the war in Ukraine has triggered a costly humanitarian crisis, and economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries the hardest. Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term. War-induced commodity price increases and broadening price pressures have led to 2022 inflation projections of 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies. Multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic are essential.

The FY 2022 was marked by impact of the second wave of the pandemic during the first half and waning out of the same during the second half, with hopes of economic rebound sprouting amid high inflationary-cum-recessionary pressures.

The Indian pharma industry continues to be quickly adaptive to the emerging 'new normal' and it performed satisfactorily during the year. During the first half of the year, organizations strived to keep essential activities going, though, R&D, ANDA etc. and Marketing suffered due to restrictions. As operational normalcy came back during later part of the year, postponement of non-emergency clinic visits, elective surgeries etc., reduced OPDs and social distancing norms restrained campaign/promotional activities which form the backbone of the industry in general and pharma in particular.

Despite the aforesaid, 'Pharma' being a comparatively inelastic demand industry, continues to be one of the safest and most resilient industries playing its crucial role of enabling supply of key medicines across the globe.

Our Current Status

At 'Albert David', "Adds life to life", a simple yet profound theme, continues to define our efforts reflecting our mindset, aspiration and vision. We, as a Company, continued to take initiatives to adapt to the changing business environment and re-calibrate the Company in line with emerging operational environment. During the FY 2021-22, we have successfully achieved net sales and net profit of Rs.312.43 Cr. & Rs.35.26 Cr. against Rs.246.31 Cr. & Rs. 22.14 Cr. respectively during the previous year.

As part of new initiatives of the Company during the year, we have launched two high potential products branded as "Evacure" and "C3H". Additionally, our flagship "Placentrex" range has joined the league of co-marketed products for expanded market reach and revenue generation.

The Company believes that the quality of its employees is the key to organizational success, and thus, is committed to extend necessary support for realization of their full potential.

During the year 2021-22, we focused on recovering the lost grounds as duly reflected in the year's financials.

A few of the initiatives we are taking and areas we continue to work on are –

- (i) Ongoing review / alignment of our strategic plan(s) for prompt identification & tapping of available market potential, de-risking of performance & calibrating the Product Marketing vertical to given circumstances;
- (ii) Proactive review of operational efficiency & resource optimization with focus on rationalization of overheads / costs in line with industry best practices;
- (iii) Improving engagement with doctors, patients, employees and other stake holders both physically and through digital connect / virtual channels;
- (iv) Consequential organizational restructuring in realizing the evolving organizational plan;

The Way Forward

India's exalted position as 'Pharmacy to the world' continues to hold strong, amid disruptions and challenges driven by the pandemic or otherwise. The domestic pharma market is currently valued at ~Rs.1.69 trillion+ and according to IQVIA, the global pharma market is expected to grow at 3–6% CAGR through 2025, reaching about USD 1.6 trillion in 2025, excluding Covid-19 vaccine spending.

The GOI's policy stance to promote indigenization of API / KSMs / Drug Intermediary production, Production Linked Incentives (PLI) etc., health care reforms and economic stimulus package announced in the wake of corona outbreak, coupled with proper implementation of existing Ayushman Bharat Scheme, Jan Aushadhi Scheme, National Health Protection Scheme etc. and push towards genericisation of pharma / stand against blind patent protection, will surely provide the needed thrust to propel India's domestic pharma industry to newer heights.

Hoping for this promising outlook for the pharma industry, your company will continue to explore new initiatives to enhance its presence in the coming years – organically, as well as inorganically, both in the domestic as well, as in the international market.

I, on behalf of Albert David Limited can assure you that we are steadily navigating through the unfolding challenges albeit with due caution, and moving towards a stronger and brighter future.

I am thankful to all members of our Albert David Limited family – our customers, partners, fellow employees and above all you, our shareholders, for reposing your continued faith and support.

Do take care & stay safe..

Dr. T S Parmar

Managing Director & CEO

ALBERT DAVID LIMITED

(CIN : L51109WB1938PLC009490)

Registered Office: 'D' Block, 3rd Floor, Gillander House, Netaji Subhas Road, Kolkata – 700001

Tel: 033-2262-8436/8456/8492, 2230-2330, Fax: 033-2262-8439

Email: adidavid@dataone.in Website: www.albertdavidindia.com

NOTICE**TO THE MEMBERS**

NOTICE is hereby given that the Eighty Third Annual General Meeting ("AGM") of the Members of Albert David Limited ("the Company") will be held on **Tuesday, 9th August, 2022 at 11.00 a.m.** Indian Standard Time ("IST") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2022 and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. Arun Kumar Kothari (DIN: 00051900), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and based on the recommendation of Audit Committee and Board of Directors of the Company, M/s. L. B. Jha & Company, Chartered Accountants (ICAI Firm Registration No. 301088E), be and is hereby appointed as the Statutory Auditors of the Company, in place of the retiring Statutory Auditors, M/s. Basu Chanchani & Deb, Chartered Accountants (ICAI Firm Registration No. 304049E), to hold office for a term of five consecutive years from the conclusion of Eighty Third Annual General Meeting till the conclusion of Eighty Eighth Annual General Meeting of the Company to be held in the year 2027, on such remuneration, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time plus applicable taxes and reimbursement of out of pocket expenses incurred by them for the purpose of audit;

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, things, deeds and matters which are connected therewith or incidental thereto and take all necessary steps, as may be necessary, proper or expedient, to give effect to this resolution."

AS SPECIAL BUSINESS

5. To approve the remuneration of the Cost Auditors for the financial year ending on 31st March, 2023 and in this regard, to consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. S. Gupta & Co., Cost & Management Accountants, Kolkata (bearing Firm Registration No. 000020), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending on 31st March, 2023, be paid the remuneration as set out in the Explanatory Statement annexed to the Notice convening this AGM;

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

6. **To approve the appointment of Mr. Anand Vardhan Kothari (DIN: 02572346) as Non-Executive Non-Independent Director of the Company and in this regard to consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:**

“RESOLVED THAT pursuant to the provisions of Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), read with applicable rules made there under, (including any statutory amendment(s), modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, and relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Regulations” or “Listing Regulations”), as amended from time to time, articles of association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors, Mr. Anand Vardhan Kothari (DIN: 02572346), who was appointed as an Additional Director and is eligible for appointment holds office upto the date of this Annual General Meeting (‘AGM’) and who and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of the Director of the Company, be and is hereby appointed as a Non-Executive Non Independent Director of the Company with effect from May 11, 2022, liable to retire by rotation;

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

7. **To approve the revision in remuneration payable to Mr. Arun Kumar Kothari (DIN: 00051900), Whole-time Director designated as Executive Chairman of the Company and in this regard to consider and if thought fit, to pass the following resolutions as Special Resolutions:**

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee, Audit Committee and approval of the Board of Directors of the Company, and in accordance with the provisions of section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (“the Rules”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule V to the Act, and relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Regulations” or “Listing Regulations”), as amended from time to time, and other applicable laws, regulations, guidelines, if any, and subject to any other approvals, if applicable, the consent of members of the Company be and is hereby accorded for revision in remuneration payable to Mr. Arun Kumar Kothari (DIN: 00051900), Whole-time Director designated as Executive Chairman of the Company for the period from 1st April, 2022 to 31st March, 2023 in the manner and to the extent set out in the Explanatory Statement annexed to the Notice convening this AGM;

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorised to do all such acts, deeds and things as it may in its absolute discretion consider proper, necessary or desirable including obtaining any approvals – statutory, contractual or otherwise, in relation to the above and execute all such agreements, documents, instruments and writings as may be required in order to give effect to the foregoing resolution and to settle any question, difficulty or doubt that may arise in the said regard.”

8. **To approve the revision in remuneration of Dr. Tarminder Singh Parmar (DIN: 05118311), Managing Director & CEO of the Company, and in this regard to consider and if thought fit, to pass the following resolutions as Special Resolutions:**

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee, Audit Committee and approval of the Board of Directors of the Company, and in accordance with the provisions of section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (“the Rules”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule V to the Act, and relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Regulations” or “Listing Regulations”), as amended from time to time, and other applicable laws, regulations, guidelines, if any, and subject to any other approvals, if applicable, the consent of Members of the Company be and is hereby accorded for revision in remuneration payable to Dr. Tarminder Singh Parmar (DIN: 05118311), Managing Director & CEO of the Company for the period from 1st April, 2022 to 31st March, 2023 in the manner and to the extent set out in the Explanatory Statement annexed to the Notice convening this AGM;

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds and things as it may in its absolute discretion consider proper, necessary or desirable including obtaining any approval(s) – statutory, contractual or otherwise, in relation to the above and execute all such agreements, documents, instruments and writings as may be required in order to give effect to the foregoing resolution and to settle any question, difficulty or doubt that may arise in the said regard.”

Registered Office:

‘D’ Block, 3rd Floor, Gillander House,
Netaji Subhas Road, Kolkata - 700 001.
CIN: L51109WB1938PLC009490

Place: Mumbai

Dated: 5th July, 2022

By Order of the Board
For **Albert David Limited**

Chirag A. Vora
Company Secretary, Compliance Officer
cum Legal Manager
(ACS-28776)

NOTES

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (“Explanatory Statement”) in relation to the Special Businesses to be transacted at the Meeting is annexed hereto and forms part of this Notice convening this AGM.
2. In view of continuing social distancing norms due to Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide its MCA Circular No. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020, 02/2021 dated 13th January, 2021, 19/2021 dated 8th December, 2021, 21/2021 dated 14th December, 2021 and the latest being 02/2022 dated 5th May, 2022 (collectively referred to as “MCA Circulars”) and the Securities and Exchange Board of India (“SEBI”) vide Circular No. SEBI/HO/CFD/CMD2/CIRP/P/2022/62 dated 13th May, 2022 and any other circulars issued in this regards, have allowed the companies to conduct Annual General Meeting (“the Meeting”) through Video Conferencing / Other Audio Visual Means (“VC”/“OAVM”), till 31st December, 2022 without physical presence of Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the “Act”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), MCA Circulars and SEBI Circular, the Meeting of the Company is being held through VC / OAVM. The deemed venue for AGM shall be the Registered Office of the Company.
3. The Members can join the Meeting through VC/OAVM mode 15 minutes before and after the scheduled time of commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the Meeting through VC/OAVM will be made available to at least 1000 members on first come first served basis. However, the participation of large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholder’s Relationship/ Grievance Committee, Auditors, etc. are not restricted on first come first served basis.
4. Members attending the Meeting through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. However, pursuant to MCA Circulars and SEBI Circular, the Meeting will be held through VC/OAVM, and physical attendance of the Members in any case has been dispensed with, the facility for appointment of proxies by the Members will not be available for the said Meeting and hence Proxy Form and Attendance Slip is not annexed to this Notice.
5. Pursuant to Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the Meeting to be conducted through VC/OAVM.
6. Corporate Members intending to attend the Meeting through their authorised representatives are requested to send a certified true copy of the Board Resolution or Power of Attorney (in PDF/JPG format), authorizing its representative to attend and vote on their behalf at the Meeting. The said Resolution/Authorization should be sent to the Company Secretary by email at the designated email address cvora@adlindia.in with a copy marked to helpdesk.evoting@cdslindia.com and the RTA at mdpldc@yahoo.com.
7. In compliance with the aforesaid MCA Circulars and SEBI Circular, the Notice of AGM and the Annual Report of the Company for the Financial Year 2021-2022 are being sent only through electronic mode to the Members whose email addresses are registered with the RTA or the Depository Participant(s). Physical copy of the Notice of the

83rd AGM along with Annual Report for the financial year 2021-22 shall be sent to those Members who request for the same.

8. In line with MCA Circulars and SEBI Circular, the Notice convening the 83rd AGM and Annual Report for the FY 2021-2022 has been uploaded on the website of the Company at <https://albertdavidindia.com/annualreport.php>. The said documents can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively. The Notice of AGM is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) at www.evotingindia.com.
9. The Company has fixed **Tuesday, 2nd August, 2022** as the “Record Date” for determining entitlement of the Members to the dividend for the financial year ended March 31, 2022, if approved at the AGM. Notice is also hereby given under Section 91 of the Act read with Regulation 42 of the Listing Regulations, that the Register of Members and the Share Transfer Books of the Company shall remain closed from **Wednesday, 3rd August, 2022 to Tuesday 9th August, 2022** (both days inclusive) for the purpose of the Meeting.
10. The Board of Directors have recommended a dividend of Rs. 9/- (Rupees Nine only) per equity share (i.e. 90% of face value of Rs.10/- per share) subject to approval of the Members in the ensuing Annual General Meeting of the Company. If the dividend, as recommended by the Board, is approved at the AGM, payment of such dividend, subject to deduction of tax at source, will be made within Thirty (30) days from the date of the AGM to all the Members holding shares as on the record date. The dividend will be paid to the Members whose names appear on the Company’s Register of Members/ Beneficial Owners as on the Record Date. The payment of dividend shall be made through electronic mode to the members who has registered their bank account details with the Company/ RTA. Dividend warrants/ Bankers’ cheques/ Demand draft will be dispatched to the registered address of the Members who have not registered their bank account details with the Company/ RTA, as soon as possible.
11. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of the Members w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to its Members at the prescribed rates. For the prescribed rates applicable for various categories, the shareholders are requested to refer to the Finance Act, 2020 and any amendments thereto. Members are requested to submit their residential status, PAN and category to their respective depository participant(s) (DPs) in case of shares held in dematerialised form and with the Company/RTA in case of shares held in physical form by sending documents through e-mail at mdpldc@yahoo.com on or before Tuesday, 26th July, 2022. A communication providing information and detailed instructions with respect to tax on the Dividend for the financial year ended 31st March, 2022 is being sent separately to the Members. The aforesaid communication is also available on Company’s website at https://www.albertdavidindia.com/notice_other.php.
12. During the AGM, Members may access the scanned copy of – the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, upon Log-in to CDSL e-Voting system at www.evotingindia.com. Members desirous of such inspection are requested to write in advance to the Company Secretary at cvora@adlindia.in for inspection at the AGM.
13. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc
 - a. For shares held in electronic form: to their Depository Participants (DPs)
 - b. For shares held in physical form: to the Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. Members are requested to visit the website of company’s RTA M/s. Maheshwari Datamatics Pvt Ltd www.mdpl.in and download form ISR 1 and send duly signed form along with all documents as stated in the form to the RTA at 23, R N Mukherjee Road, 5th Floor, Kolkata 700001
14. Members may please note that Regulation 40 of Listing Regulations, as amended, and SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSDRTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4,

the format of which is available on the Company's website at www.adlindia.in. It may be noted that any service request can be processed only after the folio is KYC Compliant.

15. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization. Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or MDPL, for assistance in this regard.
16. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialised form are, accordingly, requested to submit their PAN to their respective DPs, if they have not done so already. Members holding shares in physical form are requested to submit their PAN to the Company's Registrar and Share Transfer Agent, M/s Maheshwari Datamatics Private Limited.
17. To prevent fraudulent transactions, Members are advised to exercise their due diligence and notify the Company/ RTA of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
18. Information pursuant to Section 196(4) of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Secretarial Standards – 2 with respect to Directors seeking appointment /reappointment in the forthcoming Annual General Meeting is annexed to the Notice as Annexure A.
19. Pursuant to Section 72 of the Act, Members are entitled to make a nomination in respect of the shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to visit the website of the RTA <https://mdpl.in/form/registration-of-nomination> and send their requests in Form No. SH-13 to the RTA. Further, Members desirous of cancelling/varying their earlier nomination (pursuant to the Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014), are requested to send their requests in Form No. SH-14 to the RTA. These forms will be made available on request.
20. The Company has designated an exclusive email id i.e. adidavid@dataone.in to redress Members' complaints/ grievances. In case you have any queries/ complaints or grievances, then please write to us at adidavid@dataone.in.
21. Members who would like to express their views or ask questions with regard to the financial statements or any other matter to be placed at the meeting during the meeting may register themselves as "speaker" by sending request from their registered email address mentioning their Name, DP ID and Client ID/Folio number, PAN, Mobile number to the Company Secretary at cvora@adlindia.in up to **26th July, 2022** (5.00 p.m. IST). The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Members who do not wish to speak during the AGM but have queries may send their queries up to **26th July, 2022** (5.00 p.m. IST) mentioning their name, demat account number/folio number, email id, mobile number at cvora@adlindia.in. These queries will be replied to by the company suitably by email. Those Members who have registered themselves as speakers, will only be allowed to express their views/ask questions during the meeting.
22. 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 Meeting.
23. Pursuant to Section 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ("IEPF Rules"), dividends remaining unpaid or unclaimed for a period of seven years from the date of their transfer to the Unpaid Dividend Account(s) are required to be transferred to the Investor Education and Protection Fund Authority ("IEPF Authority") constituted by the Central Government. The underlying shares in respect of which dividends have remained unclaimed/unpaid for 7 consecutive years or more are also liable to be transferred to the demat account of the IEPF Authority. The Company has already transferred the unpaid or unclaimed dividend pertaining to the financial year 2013-2014 being Rs.3,56,830/- and also the underlying 3585 equity shares of the Company to the demat account of the IEPF Authority. All subsequent unpaid dividend will be transferred to IEPF, from time to time.
24. In terms of Section 124 of the Act and the aforesaid Rules, the Company has duly published Notice in newspapers inviting attention of the Members whose dividends have remained unclaimed / unpaid for 7 or more years to claim their dividends. The Company has also sent out individual communication to the concerned Members whose shares are liable to be transferred to IEPF Account, pursuant to the IEPF Rules to take immediate action, latest by

15th September, 2022. The Company shall thereafter proceed to transfer the unpaid dividends pertaining to the financial year 2014-2015 and underlying shares to the IEPF Authority and no claim shall thereafter lie against the Company.

25. MCA on 10th May, 2012 notified the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 ("IEPF Rules"), which is applicable to the Company. The objective of the IEPF Rules is to help the Members to ascertain the status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends under "Investors Section" on the website of the Company at <https://albertdavidindia.com/undividend.php>. Members who have not encashed their dividend warrants and such unclaimed/unpaid dividend have been transferred to the designated account of IEPF, can claim the same by making an online application in the prescribed Form IEPF-5 available on the website of the IEPF Authority at <http://www.iepf.gov.in/IEPF/refund.html> and send a physical copy of the submitted Form IEPF 5 along with complete set of documents enumerated in the Form IEPF 5 to the Company. Further, unpaid/unclaimed dividend for the year ended 31st March, 2015 along with the underlying shares shall be transferred to the Investor Education and Protection Fund during the current year. Members who have not yet encashed/claimed their dividends for the financial years ending 31st March 2015, 31st March, 2016, 31st March, 2017, 31st March, 2018, 31st March, 2019, 31st March, 2020 and 31st March, 2021 are requested to claim the same from the Company immediately.
26. The Board of Directors have appointed CS Ashok Daga (Membership No. FCS 2699) of Ashok Daga & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The e-voting result, along with the consolidated Scrutinizer's Report, will be announced on or before 11th August, 2022 and placed on the website of the Company and CDSL and shall be communicated to BSE Limited and National Stock Exchange of India Limited. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting, i.e., Tuesday, 9th August, 2022.
27. The information and instructions for shareholders for remote e-voting are as under:
In compliance with the provisions of Regulation 44 of the Listing Regulations, Sections 108 and Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (as amended), MCA/SEBI Circulars and the Secretarial Standards on General Meetings, the Company is providing facility to all its Members to enable them to cast their votes on the matters listed in this Notice of AGM by electronic means (e-voting). The e-voting facility is being provided by Central Depository Services (India) Limited (CDSL).
 - i) The remote e-voting period begins on **Saturday, 6th August, 2022 at 9.00 a.m. (IST)** and ends on **Monday, 8th August, 2022 at 5.00 p.m. (IST)**. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Tuesday, 2nd August, 2022** (Record Date) only shall be entitled to avail the facility of e-voting. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member/ beneficial owner (in case of electronic shareholding) as on the cut-off date, i.e., **Tuesday, 2nd August, 2022**. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
 - ii) Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the AGM by email and holds shares as on cut-off date i.e., Tuesday, 2nd August, 2022, may obtain the User ID and password by sending a request to the Company's email address at cvora@adlindia.in. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evotingindia.com.
 - iii) Members who have already voted prior to the meeting date would not be entitled to vote during the meeting.
 - iv) During the AGM, the Chairman shall, after responding to the questions raised by the Members (in advance or as a speaker at the AGM), formally propose to the Members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the AGM, and announce the start of the casting of votes through the e-voting system. After the Members participating through VC/OAVM facility, eligible and interested to vote, have cast their votes, the e-voting module will be closed with the formal announcement of closure of the AGM.

- v) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of the Listing Regulations all 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.

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

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

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>Users 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.</p> <p>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/LINKINTIME as per information provided by Issuer/Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN Number 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>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.</p> <p>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</p>

Type of Shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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.</p> <p>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 held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on 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.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 2305-8738 and 022-2305-8542/43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

vii) Login method for e-voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on "Shareholders" module.
3. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id/folio number in the Dividend Bank details field.
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7. After entering these details appropriately, click on "SUBMIT" tab.
 8. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 9. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 10. Click on the EVSN for the relevant <Albert David Limited> on which you choose to vote.
 11. 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.
 12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 13. 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.
 14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 15. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
 16. 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 and enter the details as prompted by the system.
 17. 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.
- viii) Facility for Non – Individual Shareholders and Custodians –Remote Voting
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves 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 and to the Company at the email address mdpldc@yahoo.com and cvora@adlindia.in respectively, if they have voted from individual tab and not uploaded same in the CDSL

e-voting system for the scrutinizer to verify the same..

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can refer e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact at 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400 013 or send an email to helpdesk.evoting@cdslindia.com or contact at 1800225533.

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

- i) The procedure for attending meeting and e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- ii) 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 above for Remote e-voting.
- iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- iv) Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
- v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- vi) 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.
- vii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- viii) 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.
- ix) If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to mdpldc@yahoo.com
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhaar Card) to mdpldc@yahoo.com (RTA) or cvora@adlindia.in

Registered Office:

'D' Block, 3rd Floor, Gillander House,
Netaji Subhas Road, Kolkata - 700 001.
CIN: L51109WB1938PLC009490

Place: Mumbai
Dated: 5th July, 2022

By Order of the Board
For **Albert David Limited**

Chirag A. Vora
Company Secretary, Compliance Officer
cum Legal Manager
(ACS-28776)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**ITEM NO. 4**

In accordance with Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the existing Statutory Auditors M/s. Basu Chanchani & Deb, Chartered Accountants (ICAI Firm Registration No. 304049E), of the Company shall complete their term at the conclusion of the 83rd Annual General Meeting of the Company.

The Board of Directors of the Company at their meeting held on Tuesday, 5th July, 2022, on the recommendation of the Audit Committee, have recommended the appointment of M/s. L. B. Jha & Company, Chartered Accountants (ICAI Firm Registration No. 301088E), as the Statutory Auditors of the Company, by the members at the 83rd Annual General Meeting of the Company for a term of five consecutive years from the conclusion of 83rd Annual General Meeting till the conclusion of 88th Annual General Meeting of the Company to be held in the year 2027, at an annual remuneration of Rs. 6,00,000/- (Rupees Six Lakhs only) as agreed between Company and Statutory Auditor for the year ending 31st March, 2022, plus out of pocket expenses and applicable taxes. The remuneration of Rs. 6,00,000/- (Rupees Six Lakhs only) for the subsequent year(s) of their term shall be determined based on the recommendation of the Audit Committee and as mutually agreed between the Board of Directors of the Company and the Statutory Auditors. There is no material change in the remuneration paid to the retiring Statutory Auditors and the new appointee.

After evaluating all proposals and considering various factors such as independence, industry experience, technical skills, geographical presence, audit team, audit quality reports, etc., M/s. L. B. Jha & Company, Chartered Accountants has been recommended to be appointed as the Statutory Auditors of the Company.

M/s. L. B. Jha & Company is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. M/s. L. B. Jha & Company was established in the year 1934. It has its office at F2/2, Gillander House, 8, Netaji Subhas Road, Kolkata - 700 001. They have extensive experience in international audits, audits of banks and institutions as well as blue chip public companies and large private sector companies.

Pursuant to Section 139 of the Companies Act, 2013 and the rules framed thereunder, the Company has received written consent from M/s. L. B. Jha & Company, Chartered Accountants and a certificate that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. L. B. Jha & Company, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice convening the 83rd Annual General Meeting. Accordingly, the Board of Directors recommend the aforesaid appointment to the members for their approval by way of an Ordinary Resolution as set out at Item No. 4 of the accompanying Notice of the 83rd Annual General Meeting.

ITEM NO. 5

The Board of Directors at their meeting held on 11th May 2022, on the recommendation of the Audit Committee, has approved the appointment of M/s. S. Gupta & Co., Cost & Management Accountants (Firm Registration No.000020), as Cost Auditors of the Company, to conduct audit of the cost records of the Company for the financial year ending 31st March, 2023 at a remuneration of Rs.40,000/- (Rupees Forty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors needs ratification by the Members of the Company.

Accordingly, consent of the Members is sought for passing the Ordinary Resolutions as set out at Item No. 5 of the Notice convening this AGM for ratifying the remuneration payable to the Cost Auditors for the financial year ending on 31st March, 2023.

None of the Directors/ Key Managerial Personnel of the Company and/or their relatives, are in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 5 of the Notice convening this AGM.

The Board recommends the Ordinary Resolutions set out at Item No. 5 of the Notice of AGM for approval by the members.

ITEM NO. 6

In pursuance to the provisions of Section 152, 161, and other applicable provisions, if any, of the Companies Act, 2013, read with applicable rules made thereunder, and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, vide their resolution dated May 11, 2022, appointed Mr. Anand Vardhan Kothari, as an Additional (Non-Executive Non Independent) Director of the Company with effect from May 11, 2022 to hold office up to the date of the ensuing Annual General Meeting. In terms of Section 161 of the Act, Mr. Anand Vardhan Kothari, holds office up to the date of the Annual General Meeting and is eligible for appointment as a Non-Executive Non-Independent Director whose office shall be liable to retire by rotation. A notice under Section 160 of the Act has been received from a member proposing the candidature of Mr. Anand Vardhan Kothari for the office of a Director of the Company.

The Company has also received:- (i) the consent in writing to act as Director pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and (ii) an intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014, that he is not disqualified to act as a Director under Section 164(2) of the Companies Act, 2013; (iii) a declaration to the effect that he is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI).

After taking into consideration the recommendation of the Nomination and Remuneration Committee, the Board is of the opinion that Mr. Anand Vardhan Kothari's knowledge and varied experience will be of great value to the Company and would be beneficial to the overall functioning of the Company.

Pursuant to provisions of Section 102(1) of the Act the extent of shareholding of Mr. A. V. Kothari and his relatives are provided below:

Name of Director/KMP/Relatives	Extent of shareholding in the Company (%)
Mr. Arun Kumar Kothari	1,11,000 (1.94%)
Mrs. Prabhawati Devi Kothari	17,527 (0.31%)
Mr. Anand Vardhan Kothari	5,65,500 (9.91%)
Mrs. Vedika Kothari	1500 (0.03%)

Apart from Mr. A. V. Kothari, Mrs. Prabhawati Devi Kothari, Mr. A. K. Kothari and Mrs. Vedika Kothari, none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the aforesaid resolutions except to the extent of their shareholding in the Company.

A brief profile of Mr. Anand Vardhan Kothari including the nature of his expertise and other details in terms of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2, is annexed in Annexure-A to the Notice convening the AGM.

The Board of Directors recommend the passing of the Ordinary Resolutions as set out in Item No. 6 of the accompanying notice relating to the appointment of Mr. Anand Vardhan Kothari as a Non Executive Non Independent Director of the Company for the approval of the members.

ITEM NO. 7

Mr. Arun Kumar Kothari (DIN: 00051900) was re-appointed as a Whole-time Director designated as 'Executive Chairman' of the Company for a period of 3 years from 1st April, 2021 to 31st March, 2024, which was approved by the Members of the Company at the 82nd Annual General Meeting of the Company held on 14th September, 2021.

Mr. A. K. Kothari's remuneration was fixed for the period from 1st April, 2021 to 31st March, 2022 and the Board of Directors was authorised to award annual increment to Mr. A. K. Kothari for the residual period.

During the financial year 2021-2022, Mr. A. K. Kothari, Executive Chairman has attended all the meetings of the Board and Committees, wherein he is a member and actively participated in the meetings bringing his vast knowledge, experience and insight into the Board decision making. Mr. A. K. Kothari is very proactive in all areas of operations of

the Company. Under his guidance and leadership, several initiatives and structural changes were taken by the Company to improve its performance and market standing in the highly competitive scenario. In view of valuable contribution made by Mr. Arun Kumar Kothari towards the growth of the Company, the Board of Directors, at its meeting held on 14th February, 2022, as per the recommendation of the Nomination and Remuneration Committee and the Audit Committee, have considered revising the remuneration of Mr. A. K. Kothari for the period from 1st April, 2022 to 31st March, 2023, subject to the approval of members of the Company at the ensuing Annual General Meeting of the Company. The revised remuneration of Mr. A. K. Kothari is set out in the supplemental agreement dated 10th April, 2022 executed by and between the Company and Mr. A. K. Kothari. The terms of remuneration are in accordance with Schedule V of the Companies Act, 2013.

An abstract of the remuneration payable to Mr. A. K. Kothari as Executive Chairman of the Company under the Agreement is given below:--

REMUNERATION:

Salary: Rs. 11,77,500/- (Rupees Eleven Lakh Seventy-Seven Thousand Five Hundred only) per month for the period from 1st April, 2022 to 31st March, 2023.

All other terms and conditions including other allowances and benefits stipulated in the agreement dated 25th April, 2021 shall remain unchanged.

The remunerations and perquisites payable to Mr. A. K. Kothari shall be paid in accordance with the provisions prescribed under Schedule V of the Companies Act, 2013. This approval will also be considered in terms of Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

The Executive Chairman, so long as he functions as such, shall not be paid any sitting fees for attending meetings of the Board of Directors and Committees thereof.

Details of Mr. Arun Kumar Kothari is provided in Annexure-A to the Notice pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India

Copies of the Agreements as mentioned above will be available for inspection by the Members. This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act.

Pursuant to provisions of Section 102(1) of the Act the extent of shareholding of Mr. A. K. Kothari and his relatives as on 31st March, 2022 are provided below:

Name of Director/KMP/Relatives	Extent of shareholding in the Company (%)
Mr. Arun Kumar Kothari	1,11,000 (1.94%)
Mrs. Prabhawati Devi Kothari	17,527 (0.31%)
Mr. Anand Vardhan Kothari	5,65,500 (9.91%)
Mrs. Vedika Kothari	1500 (0.03%)

Apart from Mr. A. K. Kothari, Mrs. Prabhawati Devi Kothari, Mr. A. V. Kothari and Mrs. Vedika Kothari, none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the aforesaid resolutions except to the extent of their shareholding in the Company.

Considering the valuable contribution of Mr. A. K. Kothari in the growth of the Company, the Board recommends passing of the special resolutions as set out in Item No. 7 of the Notice of AGM for approval by the Members.

ITEM NO. 8

Dr. Tarminder Singh Parmar (DIN: 05118311) was appointed as the Managing Director & CEO of the Company for a period of 5 years from 1st April, 2018 up to 31st March, 2023, which was approved by the Members of the Company at the 79th Annual General Meeting of the Company held on 3rd September, 2018.

Dr. Tarminder Singh Parmar's remuneration was fixed for the period from 1st April, 2018 to 31st March, 2019 and the Board of Directors were authorised to award annual increment to Dr. Tarminder Singh Parmar for the residual period, i.e. from 1st April, 2019 to 31st March, 2023. The Board of Directors based on the recommendation of the Nomination and Remuneration Committee and the Audit Committee had revised the remuneration payable to Dr. Tarminder Singh

Parmar for the period from 1st April 2019 to 31st March, 2020, which was approved by the Members at the 80th Annual General Meeting of the Company held on 9th August 2019 and for the period from 1st April 2020 to 31st March, 2021, was approved by the Members at the 81st Annual General Meeting of the Company held on 25th September 2020 and for the period from 1st April 2021 to 31st March, 2022, was approved by the Members at the 82nd Annual General Meeting of the Company held on 14th September 2021.

Dr. T. S. Parmar brings with him vast knowledge, experience and insight into Pharma Industry. During the financial year 2021-22, Dr. T. S. Parmar as Managing Director & CEO has attended all the meetings of the Board and Committees. Dr. T. S. Parmar as Managing Director & CEO, took various steps to improvise the performance of the Company, which has been reflected in the financial performance of the company for the FY2021-22. Under his guidance, the Company has also entered into the generic drugs segment through contract manufacturing and its performance is expected to be impressive in reasonably short span of time. In view of valuable contribution made by Dr. Tarminder Singh Parmar towards the growth of the Company, the Board of Directors, at its meeting held on 14th February, 2022, as per the recommendation of the Nomination and Remuneration Committee and the Audit Committee, have considered revising the remuneration of Dr. Parmar for the period from 1st April, 2022 to 31st March, 2023, subject to the approval of Members of the Company at the ensuing Annual General Meeting of the Company. The revised remuneration of Dr. Tarminder Singh Parmar is set out in the supplemental agreement dated 10th April, 2022 executed by and between the Company and Dr. T. S. Parmar. The terms of remuneration are in accordance with Schedule V of the Companies Act, 2013.

An abstract of the remuneration payable to Dr. T. S. Parmar as Managing Director & CEO of the Company under the Agreement is given below:-

REMUNERATION:

A. Salary: 12,42,200/- (Rupees Twelve Lakh Forty-Two Thousand Two Hundred only) per month for the period from 1st April, 2022 to 31st March, 2023.

B. Allowances / Benefits :

1. **Special Allowance:** Rs.6,72,280/- (Rupees Six Lakh Seventy-Two Thousand Two Hundred Eighty only) per month.
2. **Variable Incentive:** Rs.57,75,000/- (Rupees Fifty-Seven Lakh Seventy-Five Thousand only) per annum.
3. **Housing:** The Company shall provide rent-free furnished accommodation. In case no accommodation is provided by the company, the Managing Director & CEO shall be entitled to House Rent Allowance limited to 8% of his salary.
4. **Medical Reimbursement and Leave Travel Assistance:** The Managing Director & CEO shall be reimbursed to the extent of 10% of his salary towards expenses incurred for self and family for Medical Expenses and Leave Travel anywhere in India.
5. **Fee of Clubs:** Up to a maximum of two clubs. This will not include any admission or life membership fees.
6. **Personal Accident Insurance/Life Insurance/Mediclaim Insurance:** As per Rules of the Company.
7. **Ex-Gratia/Bonus:** In accordance with the Rules of the Company.
8. **Company's contribution to Provident Fund:** As per the Rules of the Company.
9. **Gratuity:** Gratuity on retirement at the rate of half month's salary for each completed year of service without applicability of any monthly ceiling limits and the service period.
10. **Leave with full pay:** Encashment of leave will be permitted as per the Rules of the Company.
11. **Use of Car for Company's business:** One Car facility with chauffeur will be provided as per the Rules of the Company.
12. Use of mobile and telephone.

All other terms and conditions stipulated in the agreement dated 28th April, 2021 shall remain unchanged.

The remuneration and perquisites payable to him shall be in accordance with the provisions prescribed under Schedule V of the Companies Act, 2013.

The Managing Director & CEO, so long as he functions as such, shall not be paid any sitting fees for attending meetings of the Board of Directors and Committees thereof.

Details of Dr. Tarminder Singh Parmar is provided in Annexure-A to the Notice pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Copies of the Agreements as above will be available for inspection by the Members. This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act.

Pursuant to provisions of Section 102(1) of the Act, it is stated that Dr. T. S. Parmar and his relatives do not hold any shares in the Company.

Apart from Dr. T. S. Parmar, none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the aforesaid resolutions.

Considering the valuable contribution of Dr. T. S. Parmar in the growth of the Company, the Board recommends passing of the special resolutions as set out in Item No.8 of the Notice convening this AGM.

GENERAL INFORMATION:

- 1) Nature of Industry: Pharmaceuticals
- 2) Date of Commencement of commercial operation: 16-11-1938
- 3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: N.A.
- 4) Financial Performance [Rs. in Lakhs]

Financial Parameters	2017-2018*	2018-2019*	2019-2020*	2020-2021*	2021-2022*
Turnover	28710.87	31270.41	31843.20	24631.38	31242.68
Net Profit as per Profit & Loss Account (after extra-ordinary items)	984.08	2663.99	1916.86	2214.30	3525.83
Amount of Dividend paid (including Corporate Dividend Tax)	378.44	412.82	481.62	342.43	513.64
Rate of Dividend declared	55%	60%	70%	60%	90%

* Figures for 2017-2018, 2018-2019, 2019-2020, 2020-21 and 2021-22 are as per revised Schedule III under Indian Accounting Standards (IND-AS) of the Companies Act, 2013.

- 5) Export performance and net foreign exchange earned: F.O.B. value of Export excluding Freight & Insurance during the year 2021-2022 is Rs.1644.05 Lakhs.
- 6) Foreign investments or collaborations, if any: None.

Basic Information:

	<u>Mr. Arun Kumar Kothari</u> Executive Chairman	<u>Dr. Tarminder Singh Parmar</u> Managing Director & CEO
1. Background details	Mr. Arun Kumar Kothari is associated with the Company since 1988 and possesses vast experience in managing the business of the Company.	Dr. Tarminder Singh Parmar joined the Company as CEO effective 24 th January, 2017 and was appointed as the Managing Director & CEO of the Company effective 1 st April, 2018. He possesses experience of over 32 years in Pharma industry.
2. Past remuneration	Rs. 1,78,34,779/-for the year 2021-2022 Rs. 1,58,59,120/-for the year 2020-2021 Rs. 1,32,30,342/-for the year 2019-2020	Rs. 2,95,60,933/-for the year 2021-2022 Rs. 2,61,72,178/-for the year 2020-2021 Rs. 2,20,86,501/- for the year 2019-2020
3. Recognition or Awards	-	-

- | | | |
|--|---|--|
| 4. Job profile and suitability | Mr. A. K. Kothari heads Kothari Group of Companies which includes Albert David Ltd., a trusted and flagship pharmaceutical company. Mr. A. K. Kothari, son of Late G. D. Kothari, aged about 69 years has been involved in the business for three decades. He is a well known industrialist having considerable experience in businesses of Tea, Pharmaceuticals, Chemicals, Engineering & Textile industry. Mr. Kothari looks after the overall management of the Company. | Dr. T. S. Parmar aged about 57 years joined the Company in January, 2017. Mr. Parmar possesses vast experience of over 32 years in pharmaceutical industry with leading Indian and MNC companies. Prior to his appointment as Managing Director & CEO effective 1st April, 2018, he was functioning as CEO of the Company. |
| 5. Remuneration proposed | As set out in the Explanatory Statement. The remuneration has the approval of the Nomination and Remuneration Committee and Audit Committee of the Company. | |
| 6. Comparative remuneration profile with respect to industry size of the Company, profile of the position and person | Taking into consideration, the size of the Company and the responsibilities shouldered by Mr. A. K. Kothari and Dr. T. S. Parmar, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial persons in other companies. | |
| 7. Pecuniary relationship : directly or indirectly with the company or relationship with managerial person, if any | Besides the remuneration and dividend on shares held in the Company, Mr. A. K. Kothari does not have any other pecuniary relationship with the Company. Mr. A. K. Kothari is husband of Mrs. P.D. Kothari, Director of the Company. | Besides the remuneration Dr. T. S. Parmar does not have any other pecuniary relationship with the Company. Dr. T. S. Parmar is not related to any Director or managerial person of the Company. |

OTHER INFORMATION:

1. Reason of loss or inadequate profit: The Company is passing Special Resolution pursuant to the proviso to Sub-section (1) of Section 197 of the Companies Act, 2013 as a matter of abundant precaution, as the profitability of the Company may be impacted in future due to business environment during the period for which remuneration is payable.
2. Steps taken or proposed to be taken for improvement: The Company has embarked on a series of strategic and operational measures that is expected to result in improvement in the performance of the Company.
3. Expected increase in productivity and profits in measurable terms: The Company has taken various initiatives to maintain and improve its market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.

Registered Office:

'D' Block, 3rd Floor, Gillander House,
Netaji Subhas Road, Kolkata - 700 001.
CIN: L51109WB1938PLC009490

Place: Mumbai
Dated: 5th July, 2022

By Order of the Board
For **Albert David Limited**

Chirag A. Vora
Company Secretary, Compliance Officer
cum Legal Manager
(ACS-28776)

Annexure - A

Disclosure under Section 196(4) of the Companies Act, 2013, Regulation 36(3) of Listing Regulations and Secretarial Standards - 2

Name of Director and DIN@	Date of Birth & Age	Date of first appointment on the Board	Expertise in specific functional areas	Qualification	Meetings of the Board attended during the year	Terms and Conditions of appointment / reappointment	Details of remuneration sought to be paid	Last drawn remuneration	List of other Companies in which Directorships held as on 31st March 2022*	Chairman / Member of the Committee of the Board of other Companies on which he/ she is a Director as on 31st March 2022	Share-holding in the Company
#Mr. A. K. Kothari (DIN: 00051900)	10-07-1953 (Age - 69 years)	20-06-1988	Rich experience in the field of pharmaceuticals, chemicals, tea, textiles, machine tools etc.	B. Com	4	Re-appointment and Revision in remuneration of Executive Chairman as stated in the explanatory statement.	Remuneration of Rs. 2,02,41,540/- (includes salary, allowances, Company's contribution to Provident Fund and taxable perquisites).	Remuneration of Rs. 1,78,84,779/- for the FY. 2021-22 (includes salary, allowances, Company's contribution to Provident Fund and taxable perquisites).	<ul style="list-style-type: none"> Gillanders Arbuthnot & Co. Ltd. Bharat Fritz Werner Ltd. Arvind Engineering Works Ltd. Pilani Investments and Industries Corporation Ltd. 	<ul style="list-style-type: none"> Gillanders Arbuthnot (Member-Audit Committee, Stakeholder Relationship Committee) Pilani Investment and Industries Corporation Ltd. (Member - Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee) 	1,11,000 (1.94%) equity shares
Dr. T. S. Parmar (DIN: 05118311)	12-05-1965 (Age - 57 years)	01-04-2018	Vast experience in pharmaceutical industry	B.Sc, MBA, Ph.D.	5	Revision in remuneration of Managing Director & CEO as stated in the explanatory statement.	Remuneration of Rs. 3,27,60,480/- (includes salary, allowances, Company's contribution to Provident Fund and taxable perquisites).	Remuneration of Rs. 2,95,60,933/- for the FY. 2021-22 (includes salary, allowances, Company's contribution to Provident Fund and taxable perquisites).	Nil	Nil	Nil
\$Mr. A. V. Kothari (DIN: 02572346)	17-10-1990 (Age-32 Years)	11-05-2022	Total experience of over a decade with Kothari Group with focus on fields like Finance, Operations & Strategy development	Business Administration from the University of Kent, U.K.	-	Appointment	Sitting Fees	-	<ul style="list-style-type: none"> M D Kothari & Company Ltd Kothari Phytochemicals & Industries Ltd Bharat Fritz Werner Ltd 	Nil	5,65,500 (9.91%) equity shares

* Excluding Private Limited Companies and Companies registered under Section 8 of the Companies Act, 2013.

Mr. A. K. Kothari, Executive Chairman is husband of Mrs. P. D. Kothari, Non-Executive Director.

\$ Mr. A. V. Kothari, Non-Executive Director is son of Mr. A. K. Kothari, Executive Chairman & Mrs. P. D. Kothari, Non-Executive Director.

@ They have not resigned from the Board of any listed entity during last 5 years

Registered Office:

'D' Block, 3rd Floor, Gillander House,
Netaji Subhas Road, Kolkata - 700 001.
CIN: L51109WB1938PLC009490

Place: Mumbai

Dated: 5th July, 2022

By Order of the Board
For **Albert David Limited**

Chirag A. Vora
Company Secretary, Compliance Officer
cum Legal Manager
(ACS-28776)

ALBERT DAVID LIMITED

(CIN : L51109WB1938PLC009490)

Registered Office: 'D' Block, 3rd Floor, Gillander House, Netaji Subhas Road, Kolkata – 700001

Tel: 033-2262-8436/8456/8492, 2230-2330, Fax: 033-2262-8439

Email: adidavid@dataone.in Website: www.albertdavidindia.com

DIRECTORS' REPORT

TO THE MEMBERS

Ladies & Gentlemen,

Your directors have the pleasure in presenting their 83rd Annual Report on the business and operations of Albert David Limited (the "Company") which includes the financial statements for the financial year ended on March 31, 2022.

FINANCIAL HIGHLIGHTS/PERFORMANCE OF THE COMPANY:

(Rs. in Lakhs)

Particulars	2021-2022	2020-2021
Revenue from operations	31351.14	24744.99
Other Income	1584.14	1717.99
Total income from operations	32935.28	26462.98
Earnings before Interest, Depreciation, Tax & Amortization	5663.56	3632.83
Finance Costs	53.23	65.32
Gross Profit (EBDTA)	5610.33	3567.51
Depreciation and Amortization	880.57	823.15
Profit before Tax (PBT)	4729.76	2744.36
Tax expense	1203.93	530.06
Profit for the period	3525.83	2214.30
Other Comprehensive Income	325.51	-55.89
Total Comprehensive Income for the period	3851.34	2158.41
Retained Earnings – Opening Balance	10145.54	7956.58
Add : Profit for the year	3525.83	2214.30
Less : Dividend paid on Equity Shares during the year	342.43	-
Less : Re-measurement of defined benefit obligation transferred	(55.44)	25.34
Total Retained Earnings	13384.38	10145.54

BRIEF DESCRIPTION OF THE COMPANY'S PERFORMANCE DURING THE YEAR/ STATE OF COMPANY'S AFFAIRS:

During the year, your Company achieved Net Sales of Rs.31242.68 Lakhs and recorded a Gross Profit of Rs.5610.33 Lakhs compared to previous year's Net Sales of Rs. 24,631.38 Lakhs and Gross Profit of Rs. 3567.51 Lakhs.

The Financial Year 2021-22 started with COVID-19 related lockdowns in India and several parts of our major markets. It had a significant impact on lives, livelihoods, and business and your Company was no exception. All the verticals of business operations were impacted - be it manufacturing, marketing or the supply chain and logistics. Your Company has been able to honor its commitments towards its stakeholders and employees and also safeguard the bottom-line via aggressive cost streamlining measures.

During the year, your Company introduced two products i.e., Evacure and C3H in the market, and it is expected that these two products will augment the revenue and profits of the Company. Your Company also entered into strategic alliance by entering into co-marketing agreement to expand its sales.

Your Directors are also striving to achieve further growth in sales and better financial performance in the forthcoming year.

DIVIDEND:

During the year, the Board of Directors (the "Board") have recommended a dividend of Rs.9/- per share on the paid-up equity shares of the Company for the Financial Year ended March 31, 2022, which, if approved at the ensuing Annual

General Meeting of the Company, will be paid to all those equity shareholders of the Company whose names appear in the Register of Members and/or Register of Beneficial Owners as on the record date.

The said dividend on equity shares, if approved by the Members, would involve a cash outflow of Rs.513.64 Lakhs, subject to TDS as applicable.

RESERVES:

Your Directors have proposed not to transfer any amount to General Reserves of the Company for the financial year 2021-22.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the year, there has been no change in the nature of business of the Company.

MATERIAL CHANGES AFFECTING THE COMPANY:

There have been no material changes and commitments in the business operations of the Company affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report, except for fallout COVID-19 pandemic affecting the economy as a whole, we being no exception to it.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

- The Company has a system of Internal Audit to take care of the Internal Control systems, effectiveness of its functioning and the workflow of the organization in terms of the approved policies of the Company. Every quarter, the Internal Auditors present their Internal Audit Report along with management's comments thereon before the Audit Committee of the Company;
- Your Board has adopted various policies, related to Related Party Transactions, Whistle Blower Mechanism and other procedures for ensuring the orderly and efficient conduct of business. The Company's system of Internal Control has been designed to provide a reasonable assurance with regard to maintenance of proper accounting controls, monitoring of operations, safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and timely preparation of reliable financial information.
- The Company has ERP suite for a reliable, high end, comprehensive, disciplined and integrated business solution.
- The Company is complying with all the applicable Indian Accounting Standards (Ind AS). The accounting records are maintained in accordance with generally accepted accounting principles in India. This ensures that the financial statements reflect true and fair financial position of the Company.

DEPOSITS:

Your Company has not accepted/ invited any fixed deposit under Chapter V of the Companies Act, 2013 during the financial year under review and as such, no amount on account of principal or interest on deposits from public was outstanding as on March 31, 2022.

STATUTORY AUDITORS:

M/s. Basu Chanchani & Deb, Chartered Accountants (ICAI Firm Registration No. 304049E), Kolkata, were appointed as Statutory Auditor of the Company at the 78th Annual General Meeting held on September 12, 2017 to hold office from the conclusion of the said meeting till the conclusion of the 83rd Annual General Meeting to be held in the year 2022. The term of office of M/s. Basu Chanchani & Deb, as Statutory Auditors of the Company will conclude from the close of the forthcoming Annual General Meeting of the Company.

The Board of Directors of the Company at its meeting held on 5th July, 2022 appointed M/s. L. B. Jha & Company, Chartered Accountants (ICAI Firm Registration No. 301088E), as the Statutory Auditor of the Company to hold office from the conclusion of the 83rd Annual General Meeting till the conclusion of the 88th Annual General Meeting to be held in the year 2027 based on the recommendation of the Audit Committee and subject to the approval of the shareholders at the ensuing 83rd Annual General Meeting. The Statutory Auditors have confirmed their independent status and eligibility for the said appointment. The Shareholders' attention is drawn to a Resolution proposing the appointment of M/s. L. B. Jha & Company as Statutory Auditors of the Company which is included at Item No. 4 of the Notice convening the 83rd Annual General Meeting.

The Statutory Auditors had not reported any fraud under Section 143(12) of the Companies Act, 2013, therefore no detail in the said regard is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and does not call for any further comment. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

Your Company does not have any subsidiary/ joint ventures/ associate companies.

SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 & 134(3) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed thereunder, the Board had appointed M/s. MKB & Associates, Practicing Company Secretaries (FRN: P2010WB042700), Kolkata, to undertake Secretarial Audit of the Company for the financial year ended March 31, 2022 and their Report in the prescribed Form MR - 3 is attached as "Annexure - 1" to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. The Company is in compliance with the Secretarial Standards, specified by the Institute of Company Secretaries of India.

COST AUDIT:

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records relating to the business of manufacturing of Bulk Drugs and Formulations business of the Company. Accordingly, the Board on the recommendation of the Audit Committee had approved the appointment of M/s. S. Gupta & Co., Kolkata, Cost & Management Accountants (Firm Registration No. 000020) as Cost Auditors for auditing the cost records of the Company for the financial year ended March 31, 2022.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditor) Rules, 2014 framed thereunder, the remuneration payable to M/s. S. Gupta & Co. as Cost Auditors for the financial year 2022-23 is required to be ratified by the Members of the Company, and accordingly, a resolution for the same is being placed before the Members at the ensuing Annual General Meeting of the Company for their approval.

Cost records required to be maintained by the company pursuant to the order of the central government are maintained by the Company.

No fraud has been reported by the Cost Auditors of the Company.

SHARE CAPITAL:

During the year under review, the Company has not issued shares with differential voting rights or bought back any share or issued sweat equity shares. During the year under review, there is no change in the share capital of the Company. It does not have any scheme to fund its employees to purchase the shares of the Company.

EXTRACT OF THE ANNUAL RETURN:

The annual return of the company as on March 31, 2022, in terms of the provisions of Section 134(3)(a) of the Act, will be made available on the company's website https://www.albertdavidindia.com/notice_agm.php

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

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 framed thereunder, is attached as “Annexure - 2” to this Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITY:

As per Section 135 of the Act, the Company has a Board-level CSR Committee comprising Mr. A. K. Kothari (Chairman), Dr. T. S. Parmar, Mr. A. Sarkar and Mr. S. G. Belapure. During the year under review, the Committee has monitored the Company’s spending on CSR activities, implementation of and adherence to the CSR policy. The CSR policy is available on the Company’s website: <https://www.albertdavidindia.com/policies.php>. The report on CSR activities is attached as “Annexure – 3” to the Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The constitution of the Board of the Company is in accordance with Section 149 of the Company Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

➤ Declaration by Independent Directors

In terms of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the Independent Directors are appointed for a term of five years and are not liable to retire by rotation.

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, as well as under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has received declarations from all the Independent Directors that they have complied with the Code for Independent Directors as prescribed in Schedule IV to the Companies Act, 2013 and Code of Conduct for Directors and Senior Management Personnel framed by the Company. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

➤ Familiarization Program undertaken for Independent Directors

The Independent Directors are familiarized with the Company, enlightening them of their role, responsibilities and rights, nature of the industry in which the Company operates, business model of the Company etc. as required under Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. On appointment, the Independent Director is issued a formal Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director undergoes a formal induction program covering the Company’s operations, marketing, finance and other important aspects. The Company Secretary briefs the Independent Director about their legal and regulatory responsibilities as such Director. They are also explained in detail, the various compliances required from them under the various provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Code(s) of Conduct framed by the Company and other relevant/applicable regulations. The details of familiarization program imparted to Independent Directors of the Company are available on the Company’s website at <https://www.albertdavidindia.com/policies.php>

➤ Directors

In accordance with the Articles of Association of the Company, Mr. A. K. Kothari (DIN: 00051900), Director of the Company, is liable to retire by rotation and who, being eligible, offers himself for reappointment. The Board recommends his reappointment with a view to avail his leadership, valuable advice and wise counsel.

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee and the Audit Committee, in their respective meetings held on 11th May, 2022, appointed Mr. Anand Vardhan Kothari (DIN: 02572346) as an Additional Director (Non-Executive, Non-Independent) of the Company, subject to approval of the Members of the Company at the ensuing Annual General Meeting. The resolution(s) seeking his appointment along with his brief

profile, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards form part of the Notice convening this Annual General Meeting

Brief profile of the Director(s) seeking appointment/reappointment, and other information as required under Section 196(4) of the Companies Act, 2013 and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards form part of the Notice convening the Annual General Meeting.

On the basis of the written representation received from the Directors, none of the Directors of the Company are disqualified / debarred to act as Director under the provisions of Section 164(2) of the Companies Act, 2013, Rule 14(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and by virtue of any Order of the Ministry of Corporate Affairs, the SEBI or any other Authority.

➤ **Key Managerial Personnel**

Mr. Arun Kumar Kothari, Executive Chairman, Dr. Tarminder Singh Parmar, Managing Director & CEO, Mr. Ranadeep Bhattacharya, Chief Financial Officer and Mr. Chirag A. Vora, Company Secretary & Compliance Officer-cum-Legal Manager of the Company are the whole-time Key Managerial Personnel of the Company in terms of section 2(51) and Section 203 of the Companies Act, 2013.

ANNUAL EVALUATION OF BOARD'S PERFORMANCE:

Pursuant to the requirement of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, performance of each member of the Board/ Committees of the Board is evaluated on an annual basis. The evaluation is done by the Board, the Nomination and Remuneration Committee and the Independent Directors laying specific focus on the performance and effective functioning of the Board / Committees and individual Directors, the member under evaluation not being present or participant in evaluation process. Structured questionnaire are prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, etc.

a) Criteria for evaluation of the Board of Directors as a whole

- i. Frequency of meetings;
- ii. Length of meetings;
- iii. Administration of meetings;
- iv. Number of Committees and their roles;
- v. Flow of information to Board members and between Board and the management;
- vi. The quality and quantity of information; and
- vii. Disclosure of Information to the stakeholders.

b) Criteria for evaluation of the individual Directors

- i. Commitment to the fulfillment of director's obligations and fiduciary responsibilities;
- ii. Attendance and contribution at Board/Committee meetings;
- iii. Ability to contribute by introducing best practices to address top management issues;
- iv. Monitoring management performance and development;
- v. Participation in long term & short term strategic planning;
- vi. Ability to contribute and monitor corporate governance practices;
- vii. Statutory compliance & Corporate governance;
- viii. Time spent by each of the members;
- ix. Core competencies; and
- x. Guiding strategy;

The Directors expressed their satisfaction over the evaluation process and the results thereof.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the year, 5 (Five) Board of directors' meetings were held on May 28, 2021, June 17, 2021, August 12, 2021, November 13, 2021 and February 14, 2022. Details of the Board meetings held during the financial year have been furnished in the Corporate Governance Report forming part of the Annual Report.

MEETING OF INDEPENDENT DIRECTORS:

During the year under review, a separate meeting of the Independent Directors of the Company was held on February 14, 2022, wherein the performance of the Non-Independent Directors and the Board as a whole was evaluated. The Independent Directors at their meeting also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board of Directors.

COMMITTEES OF THE BOARD:

The Company has constituted various Board level committees in accordance with the requirements of Companies Act 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, viz.:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship/Grievance Committee
- Corporate Social Responsibility Committee

Details of all the above Committees along with their composition, terms of reference and meetings, etc., held during the year under review etc. are provided in the Report on Corporate Governance forming part of Annual Report.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company has a Nomination and Remuneration Policy pursuant to Section 178 of the Companies Act, 2013 envisaging therein, inter-alia, the Company's policy on appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. The said Policy is attached as "Annexure-4" to this Report and may also be accessed at the Company's website at <https://www.albertdavidindia.com/policies.php>

WHISTLE BLOWER POLICY/VIGIL MECHANISM:

The Company has established an effective Whistle Blower Policy pursuant to the Companies Act, 2013. The said policy may be referred to at the Company's website at <https://www.albertdavidindia.com/policies.php>

The Whistle Blower Policy aims at ensuring conduct of the affairs of the Company in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. All permanent employees of the Company are covered under the Whistle Blower Policy.

A mechanism has been established for employees to report unethical behavior, actual or suspected fraud or violation of the Code of Conduct and ethics directly to the forum. It also provides for adequate safeguards against victimization of employees who avail the mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases.

DISCLOSURE UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company as an organization is committed to provide a healthy environment to all its employees and thus does not tolerate any discrimination and/or harassment in any form. The Company has in place a Prevention of Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013. The Company has set up Internal Complaint Committee which is chaired by a female employee of the Company. No complaints of sexual harassment were received during the financial year 2021-2022.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

Details of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 are disclosed in Note No.62 to the Financial Statements forming part of the Annual Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

A Related Party Transaction Policy as formulated by the Board of Directors may be accessed at the Company's website at <https://www.albertdavidindia.com/policies.php>.

The Audit Committee reviews all related party transactions on quarterly basis.

All contracts or arrangements with related parties, entered into or modified during the financial year were in the ordinary course of business and on arm's length basis and the same were in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no material contract or arrangement entered into by the Company during the year with related parties and there was no materially significant related party transaction entered into by the Company with its promoters, directors, key managerial personnel or other designated persons or any other related party which may have a potential conflict with the interest of the Company at large. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable.

Your Directors draw attention of the Members to Note No.53 to the financial statements forming part of the Annual Report which sets out the disclosure on related party transactions during the year.

PARTICULARS OF EMPLOYEES:

Details of the ratio of the remuneration of each Director to the median remuneration of employees of the Company and other details pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended) is attached as "Annexure-5" to this Report.

Disclosures pertaining to remuneration and a statement showing the names of top ten employees in term of remuneration drawn during the year, as required under Section 197(12) of the Act read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014 is attached as "Annexure - 6" to this Report.

CORPORATE GOVERNANCE, BUSINESS RESPONSIBILITY REPORT AND MANAGEMENT DISCUSSION & ANALYSIS:

A separate Report on Corporate Governance, Business Responsibility Report and Management Discussion and Analysis is forms part of the Annual Report along with the Auditor's Certificate in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RISKS & MITIGATING STEPS:

The Company has adopted and implemented a Risk Management Policy after identifying various risk factors which the Company encounters in the course of its business. Appropriate structures are present so that risks are inherently monitored and controlled inter-alia through strict risk mitigating measures. In the opinion of the Board, none of the risks faced by the Company threaten the existence of the Company. Financial risks, the Company is exposed to, are described in the appropriate notes to the financial statements.

The Company has adequate internal control system and procedures for minimization of risks. The risk management procedure is reviewed by the Audit Committee and Board of Directors on a quarterly basis at the time of review of quarterly financial results of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to clause (c) of sub-section (3) and sub-section (5) of Section 134, of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

- i) in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on March 31, 2022 and of the profit of the Company for that period ;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records for the year ended March 31, 2022 in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors had prepared the annual accounts on a 'going concern basis';
- v) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to applicable provisions of the Companies Act, 2013 ("the Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund Authority ("the IEPF Authority") established by the Central Government, after completion of seven years. Further, according to the IEPF Rules, the underlying shares in respect of which dividend has not been paid or claimed by the Members for seven consecutive years or more, shall also be transferred to the demat account of the IEPF Authority.

Your Company had sent individual notices and also advertised in the newspapers seeking action from the Members who have not claimed their dividends for seven consecutive years. Thereafter, the Company has transferred such unpaid or unclaimed dividends amounting to Rs. 3,56,830/- and corresponding 3585 equity shares of the Company for the financial year ended on March 31, 2014, to the IEPF Authority.

Members/claimants whose shares or unclaimed dividends have been transferred to the IEPF Authority's Demat Account or the Fund, as the case may be, may claim such shares or apply for refund of such dividends, by making an application to the IEPF Authority in Form IEPF-5 available at <http://www.iepf.gov.in> along with requisite fee, if any, as may decided by the IEPF Authority from time to time. The Member/claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

The Company will be transferring the unpaid/unclaimed dividends and corresponding underlying shares for the financial year ended on 31st March, 2015 to the IEPF Authority after September, 2022. Members, therefore, are requested to immediately claim their dividends (and shares referred above), before they are transferred by the Company to the IEPF Authority. Details of shares/shareholders in respect of which dividend has not been claimed are available on the Company's website at <http://albertdavidindia.com/undividend.php>. Members are hereby advised to verify their records and claim their dividends in respect of all the earlier seven years, if not already claimed.

The Company has appointed Mr. Chirag A. Vora, Company Secretary, Compliance Officer Cum Legal Manager as the Nodal Officer for the purpose of IEPF.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS:

During the year under review, your Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

LISTING WITH STOCK EXCHANGES:

Your Company is listed with BSE Limited and National Stock Exchange of India Limited and the Company has paid Listing Fees to the said Stock Exchanges on time.

GENERAL DISCLOSURES:

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

1. Issue of Equity Shares with differential rights as to dividend, voting or otherwise;
2. Issue of Equity Shares (including Sweat Equity Shares) to employees of your Company, under any scheme;
3. Your Company has not resorted to any buy back of its Equity Shares during the year under review
4. Your Company does not have any subsidiaries;
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the 'going concern' status and your Company's operations in future.
6. No proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016.
7. There has been no instance where the board has not accepted any of the recommendations of the Audit Committee.

INDUSTRIAL RELATIONSHIP:

Emphasis has been laid on cultivation of healthy human relationship in and outside the Company with prevalence of excellent industrial relationship in all units of the Company, branches, depots and corporate office.

ACKNOWLEDGMENT:

The Board sincerely places on record the support given by Medical Profession, Trade, Shareholders, Company's Bankers and Stockists, Central and State Government Authorities, Stock Exchanges, CDSL, NSDL and all other Business Associates for the growth of the organization. The Board further expresses its appreciation for the services rendered by the Executives, Officers, Staffs and Workers of the Company at all levels.

Registered Office :

'D' Block, 3rd Floor,
Gillander House,
Netaji Subhas Road,
Kolkata - 700 001.

CIN: L51109WB1938PLC009490

Dated: 5th July, 2022

For and on behalf of the
Board of Directors

A.K. Kothari
Executive Chairman
(DIN: 00051900)

Annexure - 1

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

*[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,
ALBERT DAVID LIMITED

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

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India due to COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) The 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 Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:
 - 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;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021;
 - 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;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - 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

vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, inter alia, applicable to the Company:

- a) The Drugs And Cosmetics Act, 1940 and Rules made there under
- b) The Narcotic Drugs And Psychotropic Substances Act, 1985
- c) The Food Safety And Standards Act, 2006
- d) The Patents Act, 1970
- e) The Trade Marks Act, 1999

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There has been no change in the composition of the Board of Directors during the period under review.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has passed special resolutions for

- i. re-appointment of Mr. Arun Kumar Kothari, Executive Chairman of the Company for a further period of three years with effect from 01.04.2021;
- ii. revision in remuneration of Dr. Tarminder Singh Parmar, Managing Director & CEO of the Company for the period from 1st April, 2021 to 31st March, 2022.

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

For **MKB & Associates**
Company Secretaries
Firm Reg No: P2010WB042700

Manoj Kumar Banthia
(Partner)
ACS No. 11470
COP No. 7596
UDIN:A011470D000607989
Date: 5th July 2022
Place: Kolkata

Annexure – I

To
The Members
ALBERT DAVID LIMITED

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **MKB & Associates**
Company Secretaries
Firm Reg No: P2010WB042700
Manoj Kumar Banthia
(Partner)
ACS No. 11470
COP No. 7596
UDIN: A011470D000607989
Place: Kolkata

ANNEXURE – 2

Information under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY & ELECTRICITY:

Your Company continues its policy of giving high priority to energy conservation measures including regular review of energy generating and consumption points with effective control on utilization of energy. Some of the measures taken by the company are as under:

i) Steps taken or impact on conservation of energy

1. The Company has competent energy conservation methods, whereby it is monitoring and maintaining maximum power factor with automatic power factor system, resulting in availing rebates from electricity board.
2. Based on the Rolling sales plan, we have optimized and planned to run only two machines ie BP II and BP III and not operated BP V machine, where in we have saved energy, power and fuel.
3. Converting existing CFL to LED resulting in saving of electricity cost and now we have partially completed the system for turn ON / OFF the light by providing separate MCB system, so that lights can be kept ON only at required areas where work is going on and other areas are kept Off. Installation of MCB 's at other places is underway.

ii) Steps taken by the company for utilizing alternate sources of energy

Discussion with parties for solar energy supply through third parties is underway. Also we are seeing an option to convert current DG set from HSD to Gas operation.

iii) Capital investment on energy conservation equipments

None

B. TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption

The company always keeps track of the latest development in the field of technology and remains in continuous touch with foreign manufacturers/machine suppliers for updation of latest development in the pharmaceutical industry. Efforts are being made to adopt latest technology to upgrade its units for effective cost control and meet market demand.

(a) Research & Development

R&D Center of Albert David Limited is located at 5/11, D. Gupta Lane, Kolkata-700050 (WB). R&D's work plan is aligned with Company's vision and policy in today's highly dynamic Pharmaceutical industry environment, keeping both, national and global perspectives in mind. The R&D facility mainly consists of capabilities to work in areas of formulation & API development, process development, enhancing quality standards and troubleshooting issues. Emphasis is laid on expanding our product line in Placenta Extract based products and its possible combination with other potential therapeutic compounds which find synergy in action. Department of Scientific and Industrial Research (under the Ministry of Science and Technology) has recognized our R&D Center from 2013 onwards.

(b) Specific areas in which R&D was carried out

Our R&D designs and develops manufacturing processes from product development stage to finished product keeping pre-defined quality, which enables development of quality pharmaceutical products.

The focused area of research and development remains human Placenta Extract research and its combination products. Our submitted application for bio-constituents present in Placentrex Injection has been approved by Drug Controller General of India (DCGI) to include in our label claim. ADL expects that this effort will help strengthen and expand the marketing efforts in taking it to medical professionals in more informed and evidence-based manner.

The collaborative research work with National Research Institutes and Universities of repute is under finalization to further expand its therapeutic principles and application. ADL's application for provisional patent for 'Therapeutic Components of human placental extract and process of preparation thereof is under evaluation' along with other combination formulation for better effectiveness of indication.

Anti-leishmaniasis drug, Miltefosine manufacturing process has been developed and optimized for manufacturing. This drug will be able to provide sustainable treatment option for leishmaniasis (PKDL, ML & CL) worldwide. Miltefosine development work has been done to meet international standard (like WHO) to establish efficacy of our product comparable with international innovator branded product. Dossier document under finalization.

R&D works for analytical method development and method validation are based on approved project plans. Review of formulations and processes for existing formulations are undertaken for possible cost saving measures, whenever possible. Besides process trouble shooting, process improvements, quality improvements, reduction in quality complaints, improving product shelf life are routine work under our R&D.

(ii) Benefits derived as a result of R&D

- Enhancing product range.
- Improvement of product quality & enhancement of product life.
- Robust processes with productivity improvement.
- Improvement in Regulatory Compliance and Standards.
- Submission of technical documents for export registration, leading to export business opportunities.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable.

(iv) Expenditure incurred on Research & Development

Sl. No.	Particulars	(Rs. in Lakhs)	
		Financial Year 2021-2022	Financial Year 2020-2021
1.	Capital Expenditure	—	—
2.	Revenue Expenditure	160.12	152.58
	Total	160.12	152.58
3.	Total R&D Expenditure as a percent of total turnover	0.51%	0.62%

C. FOREIGN EXCHANGE EARNINGS & OUTGO:

(a) Activity relating to Export

At present, the Company's products are being exported to Latin American countries, South East Asia and few African countries. The business continues to grow and the potential to grow is enormous. We have initiated increased regulatory activities to register more products in existing markets. Efforts are also on to collaborate with interested established partners to hasten our export business in South East Asia, CIS countries etc.

(b) Total foreign exchange used and earned

Earning in foreign currency – Rs.1772.99 Lakhs (*Previous Year Rs. 1270.63 Lakhs*).

Outgo in foreign currency – Rs.2068.59 Lakhs (*Previous Year Rs. 1156.44 Lakhs*).

For and on behalf of the
Board of Directors

A. K. Kothari
Executive Chairman
(DIN: 00051900)

Place : Kolkata
Date : 5th July, 2022

ANNEXURE - 3**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

[Pursuant to clause (o) of sub-Section (3) of Section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline on CSR policy of the Company:

Albert David Limited (ADL) believes that growth, success and progress of a Company are reflected not only by the strength of its financial statements, but also by its ability to make a positive difference in the lives of the people, environment and the society at large. ADL tries to address the needs of people by taking sustainable initiatives in the area of health, education, environmental conservation, infrastructure & community development, protection of national heritage and contribution to developmental / relief funds set up by the Government.

2. Composition of the CSR Committee:

Sl. No.	Name of the Director	Designation/Nature of Directorship	Number of Meetings of CSR committee held during the Year	Number of meetings of CSR committee attended during the year
1	Mr. A. K. Kothari	Executive Chairman, Chairman of CSR committee	2	2
2	Dr. T. S. Parmar	Managing Director & CEO, Member of CSR committee	2	2
3	Mr. A. Sarkar	Independent Director, Member of CSR committee	2	2
4	Mr. S. G. Belapure	Independent Director, Member of CSR committee	2	2

3. 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:

- a) Composition of the CSR Committee - <https://www.albertdavidindia.com/cod.php>
- b) CSR Policy - <https://www.albertdavidindia.com/policies.php>
- c) CSR Projects - <https://www.albertdavidindia.com/csr.php>

4. Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

The Company is not required to carry out the Impact Assessment as required as per sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

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:

Sl. No.	Financial Year	Amount available for set-off from preceding financial year (in. Rs.)	Amount required to be set-off for the financial year, if any. (in. Rs.)
Not Applicable			

6. Average net profit of the Company as per Section 135(5) of the Companies Act, 2013 for spending during the Financial Year 2021-2022:

The average net profit of the Company as per Section 135 (5) of the Companies Act, 2013 for the Financial Year 2021-2022 was Rs. 2815.44 Lakhs.

7. (a) Two percent of the average net profits of the Company as per Section 135(5) of the Companies Act, 2013 for spending during the Financial Year 2021-2022:

Two percent of average net profit of the Company as per Section 135 (5) of the Companies Act, 2013 to be spent during the Financial Year 2021-2022 is Rs. 56.30 Lakhs.

(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: Not Applicable

(d) Total CSR obligation for the Financial year (7a+7b-7c).

The Total CSR Obligation for the Financial Year 2021-2022 was Rs. 56.30 Lakhs

8. (a) CSR amount spent or unspent for the financial year 2021-2022:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	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) of the Companies Act, 2013		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
34,22,588/-	*22,23,000/-	28.04.2022	Nil	Nil	Nil

*Ongoing Project

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project Duration	Amount allocated for the project (Amount in Rs.)	Amount spent in the current financial Year (Amount in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (Amount in Rs.)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR registration number
1	Undertaking steps and measures to prevent soil erosion by River Ganga	Ensuring environmental sustainability and ecological balance	Yes	Hooghly District,	West Bengal	3 years	27,23,000/-	5,00,000/-	22,23,000/-	No	Kothari Group CSR Trust	CSR00012315

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (Amount in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1	Rehabilitation and Empowerment of persons with disabilities (Divyangjan)	Promoting Education & Livelihood	No	Mumbai, Maharashtra		15,00,000/-	No	Vatsalya Trust	CSR00003134
2	Project E- Vidya	Promoting Education	No	Mumbai, Maharashtra		2,36,200/-	No	Vatsalya Trust	CSR00003134
3	Construction of Basketball Court at Dakshineswar Ramkrishna Sangha Adyapeth.	Promoting Education	Yes	Kolkata, West Bengal		7,31,220/-	Direct	-	-
4	Slitlamp for Nabajalak Sanskriti Parisad Hospital	Promoting Livelihood	Yes	Kolkata, West Bengal		1,28,800/-	Direct	-	-
5	Installation of Chair & Tables at Nabajalak Vidvapith	Promoting Livelihood	Yes	Kolkata, West Bengal		90,368/-	Direct	-	-

(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 (Amount in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
6	Illumination of Basketball court at Dakshineswar Ramkrishna Sangha Adyapeth.	Promoting Livelihood	Yes	Kolkata, West Bengal		2,36,000/-	Direct	-	-
	Total					29,22,588/-			

(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 2021-2022 (8b+8c+8d+8e): Rs.56.45 Lakhs.

(g) Excess amount for set off, if any: Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. no.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. in Lakhs)	Amount spent in the reporting Financial Year (Rs. in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (Rs. in Lakhs)
				Name of the Fund	Amount (Rs. in Lakhs)	Date of transfer	
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 spending during the financial year:

Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of CSR assets (Amount in Rs.)	Details of the entity or public authority or beneficiary under whose name such capital assets is registered, their address etc.	Details of the capital assets created or acquired (including complete address and location of the capital asset)
Nil	Nil	Nil	Nil

11. Specify the reason(s), if the Company has failed to spend two per cent of the average Net Profit as per section 135(5): Not Applicable

For and on behalf of the
Corporate Social Responsibility Committee

Place : Kolkata
Date: 5th July, 2022

A. K. Kothari
(DIN: 00051900)
Chairman of the Committee

T. S. Parmar
(DIN: 05118311)
Member

A. Sarkar
(DIN: 06938957)
Member

S. G. Belapure
(DIN: 02219458)
Member

ANNEXURE - 4**NOMINATION AND REMUNERATION POLICY****I. PREAMBLE**

Pursuant to Section 178 of the Companies Act, 2013 and the Rules framed thereunder (as amended from time to time) (the “Act”) and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) (the “Listing Regulations”), the Board of Directors of Albert David Ltd. (“the Company”) has constituted the Nomination and Remuneration Committee and framed the Nomination and Remuneration Policy.

II. OBJECTIVE

This Nomination and Remuneration Policy (the “Policy”) has been formulated by the Nomination and Remuneration Committee (the “Committee”) and approved by the Board of Directors of the Company (the “Board”) in compliance with the requirements of the Act and the Listing Regulations.

The key objectives of the Policy are as follows:

- a. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board, remuneration payable to the Directors, Key Managerial Personnel and other senior employees.
- b. To formulate criteria for evaluation of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- c. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- d. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- e. To devise a Policy on Board Diversity.
- f. To develop a succession plan for the Board and to regularly review the plan.
- g. To determine whether to extend or continue the term of appointment of the Independent Director(s), on the basis of the report of performance evaluation of Independent Directors.

III. DEFINITIONS

- a. “Act” means the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time.
- b. “Listing Regulations” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- c. “Board” means the Board of Directors of the Company.
- d. “Directors” shall mean Directors of the Company.
- e. “Key Managerial Personnel” or “KMP” means:

in relation to a Company as defined sub-section 51 of Section 2 of the Companies Act, 2013, means and includes:

- (i) the Chief Executive Officer or the Managing Director or the manager;
- (ii) the Whole-Time Director;
- (iii) the Chief Financial Officer;
- (iv) the Company Secretary;
- (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and

- (vi) Such other officer as may be prescribed.
- f. "Senior Management" shall mean officers/personnel of the Company who are members of its core management team excluding the Board of Directors and normally this shall comprise all members of management team one level below the Managing Director & CEO / Wholetime Director / Manager. Senior Management shall include the CEO / Manager, in case they are not part of the Board and shall specifically include Company Secretary and Chief Financial Officer and any other officials as may be decided by the Board.
- g. "Independent Director" means a Director referred to in Section 149(6) of the Act and Regulation 16 of the Listing Regulations.

IV. APPOINTMENT AND REMOVAL OF DIRECTORS, KMPs AND SENIOR MANAGEMENT

a. Appointment

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or Senior Management and recommend to the Board his / her appointment.
- ii. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has the discretion to decide whether qualifications, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- iii. The Company shall not recommend or appoint or continue the employment of any person as the Managing Director, Whole-time director or Manager within the meaning of the Act, who has attained the age of 70 (seventy) years. Provided that the appointment of such a person who has attained the age of 70 (seventy) years shall be made with the approval of the Shareholders by passing a special resolution, based on the explanatory statement annexed to the notice for the Meeting of the Shareholders for such motion indicating the justification for appointment or extension of appointment beyond the age of 70 (seventy) years.
- iv. The Company shall take a prior approval of the Members by way of a Special Resolution for appointment / continuation of appointment of any Non-Executive Director who has attained the age of 75 (Seventy Five) years.

b. Term / Tenure

i. Managing Director / Whole-time Director

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding 5 (five) years at a time. No re- appointment shall be made earlier than 1 (one) year before the expiry of term.

ii. Independent Director

a) An Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.

b) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment only after expiry of 3 (three) years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of 3 (three) years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

c) At the time of appointment of an Independent Director(s) it should be ensured that the number of Boards on which such Director serves as an Independent Director is restricted to 7 (seven) listed companies. In case such Director is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act or the Listing Regulations, then such Director shall act as Independent Director of maximum three listed companies.

c. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management on yearly basis. The evaluation of performance of the Board, its Committees and Individual Directors will be carried out by the Board and by the Committee or by an independent external agency, if the Committee / Board decide so. The Board / Committee shall also review implementation and compliance of outcome of evaluation. Evaluation of Independent Directors shall be done by the entire Board of Directors provided that in the above evaluation, the Directors who are subject to evaluation shall not participate.

Performance evaluation shall include the following broad criteria:

- Accomplishment of the organization's mission, objectives and strategic results for which the Executive Director is responsible.
- Ensuring that the board is well informed on issues affecting the continuing relevance of the mission and the performance and reputation of the Company.
- Adequacy of processes which monitor business performance, Board member interaction with management, adequacy of Board knowledge, adequacy of business strategy, Board being informed, evaluation process for executives and Directors.
- Appropriateness of balance and mix of skills, size of Board, contribution of individual Board members, adequacy of performance feedback to Board members, adequacy of procedures dealing with inadequate performance by a Board member.
- Board's effectiveness in use of time, whether Board allowed sufficient opportunity to adequately assess management performance, Board's ability to keep abreast of developments in the wider environment which may affect adequacy of meeting, frequency and duration.
- Working relationship between Executive Chairman and Managing Director & CEO, segregation of duties between the Board and management, ability of Directors to express views to each other and to management in a constructive manner, adequacy of Board discussions and management of divergent views.

The evaluation will take place annually as per the requirement of the Act and the Listing Regulations. The Board may undertake more frequent evaluations, if warranted. The performance evaluation will typically address activities, events and accomplishments that took place during the most recently completed fiscal year.

d. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable law, rules and regulations, the Committee may recommend, to the Board with reasons to be recorded in writing, removal of a Director, KMP or Senior Management, subject to the provisions and compliance of the said Act, such other applicable law, rules and regulations.

e. Retirement

The Directors, KMP and Senior Management shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

f. Resignation

Resignation shall be governed as per the terms and conditions of appointment of such Director / KMP or Senior management person.

V. POLICY RELATING TO THE REMUNERATION

The remuneration / compensation / commission etc. to the Managing Director & CEO / Whole-time Director/ Executive Director, KMPs and Senior Management will be determined by the Committee and recommended to the Board for its approval.

The remuneration and commission to be paid to the Managing Director & CEO and / or Whole-time Director /Executive Director shall be in accordance with the provisions of the Act and the Listing Regulations and any other laws, as may be applicable. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board for its approval.

The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the Shareholders of the Company wherever necessary.

a. Remuneration to Managing Director/ Whole-time / Executive Director, KMP and Senior Management

i. Fixed pay:

The Managing Director & CEO / Whole-time Director / Executive Chairman, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including but not limited to, employer's contribution to Provident Fund (PF), Superannuation Fund, Pension Scheme, Medical expenses, Club fees, Leave Travel Allowance, etc. shall be recommended by the Committee and approved by the Board; Shareholders approval, wherever required, shall be taken.

ii. Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director / Whole-time / Executive Director in accordance with the provisions of Schedule V to the Act and obtain such approvals as may be necessary.

iii. Provisions for excess remuneration

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

b. Remuneration to Non-Executive Director / Independent Director:

i. Remuneration

The remuneration / commission shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force.

ii. Sitting Fees

The Non-Executive Directors and Independent Directors shall receive remuneration by way of fees for attending meetings of the Board or Committees thereof at such rate as may be determined by the Board from time to time subject to maximum amount as provided in the Act. They shall be entitled to reimbursement of expenses for attending meetings of the Company.

iii. Commission

Commission may be paid within the monetary limit approved by Shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

iv. Stock Options

An Independent Director shall not be entitled to any stock option of the Company.

VI. MEMBERSHIP

- a. The Committee shall comprise of at least (3) three non-executive Directors, out of which majority shall be Independent Directors.
- b. The Board shall reconstitute the Committee as and when required and to comply with the provisions of the Act and the Listing Regulations.
- c. The quorum for the Meeting of the Committee shall be two members or one third of the total strength of the Committee, whichever is higher (including at least one independent director in attendance).

- d. Membership of the Committee shall be disclosed in the Annual Report.
- e. Term of the Committee shall be continued unless terminated by the Board of Directors.

VII. CHAIRPERSON

- a. The Chairperson of the Committee shall be an Independent Director.
- b. The Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- d. Chairman of the Nomination and Remuneration Committee meeting can be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

VIII. FREQUENCY OF MEETINGS

The Nomination and Remuneration Committee shall meet at least once a year.

IX. COMMITTEE MEMBERS' INTERESTS

- a. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b. The Committee may invite such executives, as it considers appropriate, to be present at meetings of the Committee.

X. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

XI. VOTING

- a. Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

XII. DUTIES OF THE COMMITTEE

a. Duties with respect to Nomination

- i. Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- ii. Ensuring that on appointment to the Board, Independent Directors receive a formal letter of appointment in accordance with the guidelines provided under the Act;
- iii. Identifying and recommending Directors who are to be put forward for retirement by rotation.
- iv. Determining the appropriate size, diversity and composition of the Board;
- v. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- vi. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- vii. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- viii. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of the Managing Director / Whole Time Director / Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- ix. Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- x. Recommend any necessary changes to the Board; and

- xi. Considering any other matters, as may be requested by the Board.

b. Duties with respect to Remuneration

- i. To consider and determine the remuneration based on performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board, and such other factors as the Committee shall deem appropriate. The Committee shall fix all elements of the remuneration of the Members of the Board;
- ii. To recommend and approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and variable pay reflecting short and long term performance objectives appropriate to the working of the Company;
- iii. To delegate any of its powers to one or more of its Members of the Committee;
- iv. Matters relating to professional indemnity and liability insurance;
- v. To consider any other matters as may be requested by the Board.

XIII. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings of the Committee must be minuted and signed by the Chairman of meeting or of the subsequent meeting of the Committee. Minutes of the Committee meetings will be tabled at subsequent Board and Committee meeting.

XIV. DEVIATIONS FROM THIS POLICY

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

XV. AMENDMENT

The Nomination and Remuneration Committee and Board will review and may amend / modify this Policy from time to time. Any subsequent amendment to the Act or the Listing Regulations or any other law in this regard shall automatically apply to this Policy.

ANNEXURE - 5**Statement of particulars as per Rule 5(1) of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014****i) Ratio of remuneration of each director to median remuneration of the employees of the Company for the financial year ended on 31st March, 2022:**

Sl. No.	Name of the Director	Designation	Ratio of the remuneration to the median remuneration of the employees
1	Mr. Arun Kumar Kothari	Executive Chairman	38.87
2	Dr. Tarminder Singh Parmar	Managing Director & CEO	64.42
3	Mrs. Prabhawati Devi Kothari	Non-Executive Director	0.35
4	Mr. Rajiv Singhi	Independent Director	0.63
5	Mr. Hemal Kampani	Independent Director	0.75
6	Mr. Arindam Sarkar	Independent Director	0.39
7	Mr. Shirish G. Belapure	Independent Director	0.57
8	Dr. Monjori Mitra	Independent Director	0.26

Note: Mrs. P. D. Kothari, Mr. R. Singhi, Mr. H. Kampani, Mr. A. Sarkar, Mr. S. G. Belapure, Directors & Dr. M. Mitra, received only sitting fees for attending Board and Committee meetings held during the financial year ended on 31st March, 2022.

ii) Percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager for the financial year ended on 31st March, 2022:

Sl. No.	Name of the Director / KMP	Designation	Percentage increase in remuneration
1	Mr. Arun Kumar Kothari	Executive Chairman	12.46%
2	Dr. Tarminder Singh Parmar	Managing Director & CEO	12.95%
3	Mrs. Prabhawati Devi Kothari	Non-Executive Director	-38.46%
4	Mr. Rajiv Singhi	Independent Director	-3.33%
5	Mr. Hemal Kampani	Independent Director	-9.21%
6	Mr. Arindam Sarkar	Independent Director	-25.00%
7	Mr. Shirish G. Belapure	Independent Director	0.00%
8	Dr. Monjori Mitra*	Independent Director	26.32%
9	Mr. Ranadeep Bhattacharya*	Chief Financial Officer	214.59%
10	Mr. Chirag A. Vora*	Company Secretary, Compliance Officer cum Legal Manager	48.20%

Note: *Dr. Monjori Mitra, Mr. Ranadeep Bhattacharya, Mr. Chirag A. Vora were employed for part of the Financial Year 2020-2021

iii) The percentage of increase in the median remuneration of employees in the financial year: 5.15%**iv) The number of permanent employees on the rolls of Company:**

There were 1326 permanent employees on the rolls of the Company as on 31st March, 2022

v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average salary increase of non-managerial employees is 6.47% in the financial year 2021-2022 and average salary increase of managerial employees is 12.76%. There is no exceptional circumstance in increase in managerial remuneration.

vi) Affirmation that the remuneration is as per the remuneration policy of the Company:

Remuneration paid during the year ended 31st March, 2022 is as per the remuneration policy of the Company.

For and on behalf of the
Board of Directors

Place: Kolkata
Dated: 5th July, 2022

A. K. Kothari
Executive Chairman
(DIN: 00051900)

ANNEXURE - 6

Statement showing particulars of top ten employees pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended):

Sl. No.	Name	Designation / Nature of Employment	Remuneration received during the year (Rs.)	Qualification(s)	Experience (in years)	Age (in years)	Date of commencement of employment	Last employment held before joining the Company
1	Dr. T. S. Parmar	Managing Director & CEO	29,560,933/-	B.Sc., MBA, PhD.	35	57	24.01.2017	President, Jubilant Life Sciences Ltd.
2	Mr. A. K. Kothari	Executive Chairman	17,834,779/-	B.Com	43	70	01.07.2008	None
3	Mr. H T Nazare	Plant Head - Ghaziabad	5,870,670/-	M. Pharm	32	55	08.03.2019	VP – Operation, Exa Parenteral Ltd
4	Mr. T. Neogi	Associate Vice President (Quality Assurance)	5,448,539/-	M. Pharm	36	60	06.05.2003	DGM – Validation, Nicholas Piramal India Ltd.
5	Mr. A Ghosh	Head (Sales & Marketing) – ADL Div - I	4,363,166/-	BSC & MSC (P1)	28	51	18.09.2019	Director (SBU Head) – Sales and Marketing, Samarth Life Science Pvt. Ltd
6	Dr. I. Dhar	Associate Vice President (Accounts & Taxation)	4,362,154/-	M.Com, Phd., ACA, ACS	32	58	11.11.1996	Finance Controller & Company Secretary, Tata Precision (India) Pvt. Ltd.
7	Mr. Md. Zubair	Sales Manager - Lucknow	3,946,474/-	B.Sc	42	64	13.11.1979	None
8	Mr. A J Chattopadhyay	Corporate Head – HR	3,791,746/-	B.Sc. MBA & PGDSW	37	60	01.08.2013	G4S Secure Solutions India Pvt. Limited
9	Mr. R Bhattacharya	CFO	3,615,199/-	B.com, ACA	23	52	21.09.2020	Anmol Feeds Ltd
10	Dr. S. Bandyopadhyay	Sr. Medical Advisor	3,289,013/-	MBBS, MD (PHARMACOLOGY)	26	59	04.03.1996	None

Notes:

- The persons named above at Sl. No.1 & 2 are on contractual basis.
- The above remuneration includes Salary, H.R.A., Ex-gratia, Company's contribution to Provident Fund, Leave Encashment availed and taxable allowances & perquisites.
- None of the above employees are related to any of the Directors of the company except Mr. A. K. Kothari, who is husband of Mrs. Prabhawati Devi Kothari, Non-Executive Director of the Company.
- Out of the above named persons, only Mr. A. K. Kothari holds 111,000 (1.94%) equity shares of the Company.
- There was no employee in the Company, whether employed throughout or part of the financial year 2021-22, who has drawn remuneration in excess of that drawn by the Managing Director & CEO or Wholetime Director and holds along with spouse and dependent children not less than two percent of the equity share capital of the Company; or was in receipt of remuneration which, in the aggregate, was not less than one crore and two lakh rupees; or if employed for a part of the financial year 2021-22, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month.

For and on behalf of the
Board of Directors
A. K. Kothari
Executive Chairman
(DIN: 00051900)

Place: Kolkata
Date: 5th July, 2022

ALBERT DAVID LIMITED

(CIN : L51109WB1938PLC009490)

Registered Office: 'D' Block, 3rd Floor, Gillander House, Netaji Subhas Road, Kolkata – 700001

Tel: 033-2262-8436/8456/8492, 2230-2330, Fax: 033-2262-8439

Email: adidavid@dataone.in Website: www.albertdavidindia.com

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE

The details of the financial performance of the company are appearing in the Balance Sheet and the Statement of Profit & Loss along with notes to financial statements forming part of the Annual Report. Salient features of financial performance during the Financial Year 2021-2022 vis-à-vis Financial Year 2020-2021 are undernoted:

(Rs. in Lakhs)

Continuing Operations	2021-22	2020-21
Revenue from Operations	31351.14	24744.99
Other Income	1584.14	1717.99
Earnings before interest, tax, depreciation & amortization	5663.56	3632.83
Gross Profit (EBDTA)	5610.33	3567.51
Profit before exceptional item & tax	4729.76	2744.36
Exceptional Item	-	-
Profit after tax	3525.83	2214.30

INDUSTRY STRUCTURE & DEVELOPMENTS

India, known as the 'Pharmacy to the World' is the largest provider of generic drugs globally catering over 50% of global demand for various vaccines, over 40% of generic demand in the US and over 25% of all medicines in the UK. Globally, India ranks 3rd in terms of pharmaceutical production by volume and 10th by value. India is the No.1 country outside USA, with the largest number of FDA-compliant pharma (including APIs) plants, 1400+WHO-GMP certified plants, 250+ European Directorate of Quality Medicines (EDQM) approved plants with modern state of the art technology. Notably, India is the source of 60,000+ generic brands across 60+ therapeutic areas and manufacturers as well 500+ different APIs. The country also has a large pool of scientists and engineers with a potential to steer the industry ahead to greater heights.

There are over 3000 pharma companies in the domestic pharma manufacturing industry with strong network of manufacturing facilities with heterogeneous mix of large, medium and small players, both organized and unorganized, under domestic or multinational brand name. The industry is highly fragmented with nearly 15,000 small manufacturing units mostly in the unorganized sector and 300-400 units in the medium-large organized sector with the organized players dominating the formulations market. Branded Generic drugs account for ~70%+ market share forming largest segment of Indian pharmaceutical industry and is set to grow as exports to US rise as on account of continuing patent expiries.

OUTLOOK

The IPM has long term strong growth drivers, primarily, the rising global demography which is expected to reach 10.6 billion by 2050, in high growth scenario (as per UN Projections), with 20%+ of the population skewed towards 60+ years age group, prevalence of lifestyle diseases affordable generics, improved access to healthcare, expanding health insurance coverage and innovation/emerging pipeline products which will continue to drive volume and value of the industry. However, a rider in the form of increased health & hygiene consciousness cannot be ignored on the back drop of the pandemic.

OPPORTUNITIES AND THREATS

As per the Indian Economic Survey (2021), the domestic market is expected to grow 3x in the next decade. India's domestic pharmaceutical market is estimated at US\$ 42 billion in 2021 and likely to reach US\$ 65 billion by 2024 and further expand to reach ~US\$ 120-130 billion by 2030.

The domestic pharma market is currently valued at ~Rs.1.69 trillion+ and according to IQVIA, the global pharma market is expected to grow at 3–6% CAGR through 2025, reaching about USD 1.6 trillion in 2025, excluding Covid-19 vaccine spending. India's drugs and pharmaceuticals exports reached Rs.1.8 trillion in FY22.

The key sensitivities to growth and profitability will be strict regulatory overview, restrictive price controls, FDC bans, cross-border dependency for APIs, resource constrain for R&D, compulsory genericisation of the domestic market, China's presence in bio-pharma, increased freight costs for exports and global events.

RISK & CONCERN

The Indian pharmaceutical industry faces multitude of laws right from manufacture of drugs to marketing thereof. Further strengthening of applicable regulations and occasional ban on certain products/FDCs remain areas of concern, apart from general business risks and uncertainties from broader socio-economic parameters. Further, the unpredictability of national / global pandemics, may generate macro or micro impacts on market dynamics, unpredictable as the pandemic itself.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has set up internal control procedures commensurate with its size and nature of the business. These control mechanisms ensure optimum use and protection of the resources and compliances with the policies, procedure and statutes. The internal control system provides for all defined policies, guidelines and authorizations and approval procedures. Reputed firms of Chartered Accountants carry out audit throughout the year and Internal Audit Reports and action taken reports are periodically reviewed by the Audit Committee of the Board of Directors.

HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

At 'Albert David', "Adds life to life" is a simple yet profound theme that defines our efforts and reflects our mindset, aspiration and vision. The Company believes that the quality of its employees is the key to organizational success, and thus, is committed to extend necessary development and training opportunities for enhancement of faculties and skill sets.

The Company is committed to maintain good industrial relations through effective communication, meetings and negotiations with unionized factory staff, field forces, as well as non-unionized employees, keeping the overall interest of the organization as paramount. The Company is also committed to ensure expected discipline and protocol in its operations.

Total employee strength of the Company as on 31st March, 2022 stood at 1326.

SEGMENT-WISE PERFORMANCE

The Company operates in a single segment and hence cannot be segregated in terms of business verticals or geographical presence, in terms of Note No. 3.17 & 64 to the financial statements.

During the year under review, your Company achieved Net Sales and Gross Profit of Rs.312.43 Cr. & Rs.56.10 Cr. against Rs.246.31 Cr. & Rs.35.68 Cr. respectively during the previous year.

CHANGE IN KEY FINANCIAL RATIOS:

The following ratios have undergone material changes, i.e. change of 25% or more, over the previous year –

Ratio	2021-22	2020-21	Reason for change
Debt-Equity Ratio	0.01	0.00	Due to higher utilization of cash credit facility.
Interest Coverage Ratio	34.18	19.68	Due to higher earnings from operations on account of decline of impact of pandemic.
Inventory Turnover Ratio	17.81	12.05	Due to higher revenue on account of decline of impact of pandemic and inventory optimization.
Debtors Turnover Ratio	14.02	9.93	Due to higher revenue on account of decline of impact of pandemic and early realization from customers.
Trade Payables Turnover Ratio	6.17	3.89	Due to higher cash generation resulting in early discharge of payment obligations.
Net Profit Ratio	11.29	8.99	Increase is due to higher earnings from operation on account of decline in impact of pandemic

Return on Net worth for the financial year 2021-2022 is 13.46% vis-à-vis. 9.48% for the previous year and the change is attributable to increase in sales during the year over the previous year.

CAUTIONARY STATEMENT

The Management Discussion and Analysis Report may contain certain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed in the statement with crystallization of unforeseen predicaments in the sphere of Government policies, local, political and economic developments, risks inherent to the Company and other factors.

For and on behalf of the
Board of Directors

A. K. Kothari
Executive Chairman
(DIN: 00051900)

Place : Kolkata
Date : 5th July, 2022

ALBERT DAVID LIMITED

(CIN : L51109WB1938PLC009490)

Registered Office: 'D' Block, 3rd Floor, Gillander House, Netaji Subhas Road, Kolkata – 700001

Tel: 033-2262-8436/8456/8492, 2230-2330, Fax: 033-2262-8439

Email: adidavid@dataone.in Website: www.albertdavidindia.com

CORPORATE GOVERNANCE

The Report on Corporate Governance is prepared pursuant to Regulation 34(3) read with Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Regulations"/ "Listing Regulations").

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Albert David Limited ("the Company") stands by its commitment to best governance practices in letter and spirit laying emphasis on transparency, accountability and compliances. This inter-alia includes timely and accurate disclosure of financial results and other important information mandated by statute or otherwise. The Board of Directors of your Company is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays pivotal role in ensuring how the management serves the short and long term interests of shareholders and other stakeholders like employees, consumers, vendors, bankers and public at large in the face of rapid changes in socio-economic scenario under influence of both domestic and international forces. This philosophy is reflected in our composition of a very diverse, effective, informed and independent Board to oversee and advise the management to adopt the best governance practices. We keep our governance practices under continuous review and benchmark ourselves to the best practices across the globe.

2. THE BOARD OF DIRECTORS

Composition of the Board

The composition of the Board of Directors of the Company (the "Board") is in conformity with Regulation 17 of the Listing Regulations, Section 149 of the Companies Act, 2013 (the "Act") read with Rules framed thereunder and the Article of Association of the Company. As on 31st March, 2022, the Board comprised of 8 (Eight) Directors with optimum combination of Executive Directors, Non-Executive Directors and Non-Executive (Independent) Directors (including Two Woman Directors). More than fifty percent of the Board comprised of Non-Executive (Independent) Directors.

The Board composition represents an optimal mix of professionalism, knowledge, expertise and experience which enables the Board to discharge its responsibilities and provide effective leadership to the business.

As on 31st March, 2022, your Company's Board comprised of 8 (Eight) Directors, categorised as under:

Sl. No.	Name	Designation	Category	Relationship with other Director(s)	Shareholding in the Company
1.	Mr. Arun Kumar Kothari (DIN:00051900)	Executive Chairman	Promoter & Executive Director	Spouse of Mrs. Prabhawati Devi Kothari	96,000
2.	Mrs. Prabhawati Devi Kothari (DIN:00051860)	Director	Promoter & Non-Executive Director	Spouse of Mr. Arun Kumar Kothari	17,527
3.	Dr. Tarminder Singh Parmar (DIN:05118311)	Managing Director & CEO	Executive Director	-	-
4.	Mr. Rajiv Singhi (DIN:00071285)	Director	Non-Executive (Independent) Director	-	-
5.	Mr. Hemal Kampani (DIN:00057715)	Director	Non-Executive (Independent) Director	-	-
6.	Mr. Arindam Sarkar (DIN:06938957)	Director	Non-Executive (Independent) Director	-	-

Sl. No.	Name	Designation	Category	Relationship with other Director(s)	Shareholding in the Company
7.	Mr. Shirish Gundopant Belapure (DIN:02219458)	Director	Non-Executive (Independent) Director	-	-
8.	Dr. Monjori Mitra (DIN: 02761691)	Director	Non-Executive (Independent) Director	-	-

Board Meetings & Procedure

The functioning of the executive management is under the overall superintendence of the Board of Directors, the latter providing strategic direction to cater to core corporate objectives and practices of governance by way of formulating/ approving policies and procedures and ensuring compliances thereof in periodical meetings of the Board.

The Agenda of the Board meetings are circulated well in advance to all the Directors backed by comprehensive background information to enable them to take appropriate and informed decisions. In addition to the information required under the Listing Regulations, the Board is also kept informed about major events / items and its approval is sought, wherever necessary.

Information placed before the Board of Directors

Your Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulations to the Board/ Committees, to the extent it is applicable and relevant. Such information is either circulated in advance as part of the agenda papers of the respective meetings or is presented/ discussed at the meetings.

Board Meetings held during the financial year 2021-22 and attendance of the Directors

The Board of Directors met 5 (Five) times during the financial year 2021-22 as follows, and the maximum gap between any two consecutive meetings was less than 120 days (except as permitted by relaxations granted by the SEBI/ the MCA, due to Covid-19 Pandemic), as stipulated under Section 173(1) of the Companies Act, 2013 and Regulation 17(2) of the Listing Regulations. Also, the necessary quorum was present in all the meetings.

Sl. No.	Date of Board Meeting	Total strength of the Board	No. of Directors present
1.	28th May, 2021	8	4
2.	17th June, 2021	8	8
3.	12th August, 2021	8	8
4.	13th November, 2021	8	6
5.	14th February, 2022	8	8

Other particulars pertaining to each Director

The following table provides all other particulars related to each Director. In terms of the applicable provisions of the Companies Act, 2013 and the SEBI Regulations, total number of directorships consist of directorship in all public limited companies (including deemed public companies), whether listed or not, but do not include directorship in private limited companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013. Further, none of the directors of the Company is a member of more than 10 (ten) committees or chairman of more than five committees across all the public companies in which he/ she is a Director. As per Regulation 26(1)(b) of the Listing Regulations, for the purpose of determination of the limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship/Grievances Committee are considered.

Name of Directors & their identification numbers	Board meetings attended during the year	Attendance at the last AGM	Number of other Directorship(s) and Committee Membership(s) / Chairmanship(s) as on 31 st March, 2022			Name of other listed entity	Category of Directorship
			Other Directorship	Committee Membership	Committee Chairmanship		
Mr. Arun Kumar Kothari (DIN:00051900)	4	Yes	4	4	1	1) Gillanders Arbuthnot & Company Ltd. 2) Pilani Investment and Industries Corporation Ltd.	1) Chairman & Non-executive Director 2) Non-executive (Independent) Director
Mrs. Prabhawati Devi Kothari (DIN:00051860)	4	Yes	3	1	-	1) Gillanders Arbuthnot & Company Ltd.	1) Non-executive Director
Dr. Tarminder Singh Parmar (DIN:05118311)	5	Yes	-	-	-	-	-
Mr. Rajiv Singhi (DIN:00071285)	5	Yes	1	1	-	1) New India Retailing & Investment Ltd.	1) Non-executive (Independent) Director
Mr. Hemal Kampani (DIN:00057715)	4	Yes	-	-	-	-	-
Mr. Arindam Sarkar (DIN:06938957)	4	Yes	1	-	-	1) Saregama India Ltd.	1) Non-executive (Independent) Director
Mr. Shirish Gundopant Belapure (DIN:02219458)	4	Yes	-	-	-	-	-
Dr. Monjori Mitra (DIN: 02761691)	4	Yes	-	-	-	-	-

None of the Directors on the Board hold directorship in more than 20 (Twenty) companies and in more than 10 (Ten) public limited companies. No Director holds directorship in more than 8 (Eight) listed companies. None of the Independent Directors serve as Independent Director in more than 7 (Seven) listed companies. None of the Wholtime Directors are acting as Independent Director in more than 3 (Three) listed companies. Necessary disclosures in this regard have been made by the Directors. The Managing Director did not serve as an Independent Director in any listed Company.

Independent Directors

All Independent Directors on the Board are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Regulations read with Section 149(6) of the Companies Act, 2013. All the Independent Directors have confirmed that they meet the requisite criteria under Regulation 16(1)(b) of the SEBI Regulations read with Section 149(6) of the Companies Act, 2013. Further, pursuant to a notification dated 22nd October, 2019 issued by the Ministry of Corporate Affairs, all the Independent Directors have registered themselves with the Independent Directors' Databank. Requisite disclosures have been received from the Directors in this regard.

The Board is of the opinion that the Independent Directors fulfill the conditions specified under the Act and the Listing Regulations (as amended), and are independent of the executive management of the Company. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website at <https://www.albertdavidindia.com/idal.php>

Besides, Independent Directors have been familiarized with their roles, rights and responsibilities through programs undertaken in this regard. Details of familiarization programs imparted to the Independent Directors of the Company have been disclosed on the Company's website in adherence to Regulation 46(2)(i) of the Listing Regulations at <https://www.albertdavidindia.com/policies.php>

Meeting of Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations, a separate meeting of Independent Directors of the Company was held on 14th February, 2022, attended by Mr. Rajiv Singhi,

Mr. Hemal Kampani, Mr. S. G. Belapure, Mr. Arindam Sarkar and Dr. Monjori Mitra to deliberate on the following agenda:

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

The performance evaluation was carried out, inter-alia, in due spirit of the "Guidance Note on Board Evaluation" issued by the SEBI vide its Circular dated 5th January, 2017.

Resignation of Independent Directors and reasons thereof:

During the financial year 2021-22, none of the Independent Directors resigned from the Company's Board.

Skills, expertise and competencies of the Board

The ADL Board is comprised of duly qualified members having the required skills, competencies, experience, and expertise with proven track record and are effectively contributing to the Board and Committee proceedings. They are committed to show-casing the company as standard bearer of excellent governance in the corporate world.

The individual members of Board have been identified with the key skills, expertise, competencies and attributes in various functional spheres which are required in the context of the Company's business including effective functioning of the Company under overall superintendence of relevant collective body.

Sl. No.	Director	Skills, Attributes & Competencies				
		Domain expertise in Pharmaceuticals and drugs	Sound knowledge and expertise in Financial matters	Expertise in Legal, Governance and Risk Management	Business Development, Sales and Marketing	Leadership qualities and Management expertise
1.	Mr. Arun Kumar Kothari	✓	✓	✓	✓	✓
2.	Mrs. Prabhawati Devi Kothari	✓	✓	✓	-	✓
3.	Dr. Tarminder Singh Parmar	✓	✓	✓	✓	✓
4.	Mr. Rajiv Singhi	-	✓	✓	-	✓
5.	Mr. Hemal Kampani	-	✓	✓	-	✓
6.	Mr. Arindam Sarkar	-	✓	✓	-	✓
7.	Mr. Shirish Gundopant Belapure	✓	✓	-	✓	✓
8.	*Dr. Monjori Mitra	✓	-	-	✓	✓

Appointment / Re-appointment of Director:

As required under Regulations 36(3) of the SEBI Regulations and Secretarial Standard - 2, particulars of the Directors seeking appointment / re-appointment are given in the Explanatory Statement to the Notice of the AGM.

During the year, the Company has re-appointed Mrs. P. D. Kothari at Annual General Meeting dated 29th July, 2021 as she was retiring by rotation and being eligible, offered herself for re-appointment.

3. COMMITTEE(S) OF THE BOARD

In compliance with the requirements of the Companies Act, 2013 and the Listing Regulations, the Board has constituted various Committee(s). They are set up under the formal approval of the Board to discharge clearly defined responsibilities including those mandated under the SEBI Regulations as part of good governance practices. The minutes of the meetings of all the Committee(s) are placed before the Board for their review. The Company Secretary acts as the Secretary of all the Committee(s) of the Board formed under statutory obligation or otherwise.

A) Audit Committee

Your Company has a qualified and independent Audit Committee, which acts as an interface between the statutory and internal auditors, the management and the Board. The Audit Committee is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The committee is governed by a Charter, which is in line with the Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Regulations.

Composition

As on 31st March, 2022, the Audit Committee comprised of 4 (four) directors as its members, all endowed with years of experience in the field of operations, finance and accounts, as under:

Sl. No.	Name	Category	Designation
1	Mr. Rajiv Singhi	Non-Executive (Independent) Director	Chairman
2	Mr. Hemal Kampani	Non-Executive (Independent) Director	Member
3	Mr. Arun Kumar Kothari	Executive Director (Executive Chairman)	Member
4.	Mr. Shirish Gundopant Belapure	Non-Executive (Independent) Director	Member

The Chairman of the Audit Committee is a Non-Executive (Independent) Director.

The executives from Finance Department, Secretarial Department and Representatives of the Statutory Auditors / Internal Auditors / Cost Auditor are invited to attend the Audit Committee meetings, wherein their Reports are placed for discussion.

The Audit Committee's composition, quorum, powers, role and its terms of reference meet, inter alia, the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The Audit Committee is empowered, inter alia, pursuant to its terms of reference to:

- investigate any activity within its terms of reference;
- seek information from any employee;
- obtain outside legal or other professional advice;
- secure attendance of outsiders with relevant expertise, if it considers necessary; and
- have full access to information contained in the records of the Company.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. In this regard, its functions include:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, reappointment, remuneration, terms of appointment and, if required, the replacement or removal of the auditors and fixation of audit fees;
3. Approval of payment to statutory auditors for any other services rendered by them;
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement in the Board's Report in terms of clause(c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of related party transactions;
 - g) Qualifications in the draft audit report.

5. Examination of financial statements and the Auditors' report thereon;
6. Approval or any subsequent modification of transactions with related parties;
7. Scrutiny of inter-corporate loans and investments;
8. Valuation of undertaking or assets of the Company, wherever necessary;
9. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
10. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
11. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Evaluation of internal financial controls and risk management systems;
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. To look into the reasons for substantial defaults, if any, in the payment to the depositors, shareholders (in case of non-payment of declared dividends) and creditors, if any;
19. To review the functioning of the Whistle Blower mechanism;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate;
21. Review of compliances under the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended) at least once in a year;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Meetings held and attendance during the financial year 2021-22

During the financial year ended on 31st March, 2022, the Audit Committee met 5 (five) times, i.e., on 28th May, 2021, 17th June, 2021, 12th August, 2021, 13th November, 2021 and 14th February, 2022.

The gap between any two meetings did not exceed 120 days in compliance with the SEBI Regulations (except permitted by relaxations granted by the SEBI / the MCA, due to Covid-19 Pandemic).

The attendance of the Members at the above-mentioned Audit Committee meetings were as follows:

Sl. No.	Name of the Member	No. of meetings held	No. of meetings attended
1.	Mr. Rajiv Singhi	5	5
2.	Mr. Arun Kumar Kothari	5	4
3.	Mr. Hemal Kampani	5	5
4.	Mr. Shirish Gundopant Belapure	5	4

The Chairman of the Audit Committee was present at the 82nd Annual General Meeting of the Company held on 14th September, 2021.

B) Stakeholders' Relationship / Grievance Committee

The Stakeholders' Relationship / Grievance Committee of the Board of the Company is constituted in line with the provisions of Regulation 20 of the SEBI Regulations and Section 178 of the Companies Act, 2013.

Composition of the Committee

As on 31st March 2022, the Stakeholders' Relationship/Grievance Committee comprised of 4 (four) Directors as its members as under:

Sl. No.	Name	Category	Designation
1.	Mr. Hemal Kampani	Non-Executive (Independent) Director	Chairman
2.	Mr. Arun Kumar Kothari	Executive Director (Executive Chairman)	Member
3.	Dr. Tarminder Singh Parmar	Managing Director & CEO	Member
4.	Mrs. Prabhawati Devi Kothari	Non-Executive Director	Member

Terms of Reference of the Committee

The composition and the terms of reference of the Stakeholders' Relationship/Grievance Committee, inter-alia, meet the requirements of the SEBI Regulations and provisions of the Companies Act, 2013. The Committee looks into various aspects of interest of security holders of the Company including contemplation of remedial measures for redressal of Investor grievances, transfer/transmission of shares, issue of duplicate share certificates, non-receipt of Annual Reports, non-receipt of Dividends, exercise of shareholder rights and other allied issues.

Meetings held and attendance during the financial year 2021-22

During the financial year ended on 31st March, 2022, the Stakeholders' Relationship / Grievance Committee met 4 (four) times, i.e., on 17th June, 2021, 12th August, 2021, 13th November, 2021 and 14th February, 2022.

The attendance of the Members of the Stakeholders' Relationship / Grievance Committee were as follows:

Sl. No.	Name of the Member	No. of meetings held	No. of meetings attended
1.	Mr. Hemal Kampani	4	4
2.	Mr. Arun Kumar Kothari	4	3
3.	Dr. Tarminder Singh Parmar	4	4
4.	Mrs. Prabhawati Devi Kothari	4	3

The Chairman of the Stakeholders' Relationship / Grievance Committee was present at the 82nd Annual General Meeting of the Company held on 14th September, 2021.

Status of Investor complaints for the financial year ended 31st March, 2022:

Nature of complaint related to	Opening Balance	Received	Resolved	Closing Balance
Annual Reports	0	1	1	0
Dividends	0	0	0	0
Share certificates	0	0	0	0

Name, designation and address of Compliance Officer of the Company:

Name and Designation	Mr. Chirag Arvind Vora Company Secretary, Compliance Officer Cum Legal Manager
Address	'D' Block, 3rd Floor, Gillander House, Netaji Subhas Road, Kolkata – 700001.
Contacts	Ph.: 033-2262-8436 / 8456 / 8492, 2230-2330 Fax: 033-2262-8439
E-mail	cvora@adlindia.in

C) Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee is constituted by the Board in accordance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Composition of the Committee

As on 31st March, 2022, the CSR Committee comprised of 4 (four) Directors as its Members as under:

Sl. No.	Name	Category	Designation
1.	Mr. Arun Kumar Kothari	Executive Director (Executive Chairman)	Chairman
2.	Dr. Tarminder Singh Parmar	Managing Director & CEO	Member
3.	Mr. Shirish Gundopant Belapure	Non-Executive (Independent) Director	Member
4.	Mr. Arindam Sarkar	Non-Executive (Independent) Director	Member

Your Company has a Corporate Social Responsibility Policy in place, duly approved by the Board on the recommendation of the CSR committee. The said policy is available on the Company's website at https://www.albertdavidindia.com/investor/sh_information/policy/csr-09022021.pdf

The composition, scope, functions and terms of reference of the CSR Committee meet, inter-alia, the requirements of Section 135 read with Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Terms of Reference of the Committee, inter alia, include the following:

1. To formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy ("CSR Policy") indicating the activities to be undertaken by the Company within the purview of Schedule VII of the Companies Act, 2013;
2. To recommend the amount of expenditure to be incurred on CSR activities in a financial year;
3. To monitor the CSR Policy of the Company from time to time;
4. To monitor implementation of the CSR projects or programs or activities undertaken by the Company;
5. To look into any other matter/thing as may be considered expedient by the members of the committee in furtherance of and to comply with the CSR Policy of the Company;
6. To carry any other function mandated by Board, any statutory notification (including amendment or modification thereof) from time to time, as may be necessary or appropriate for performance of its duties;
7. To invite any of Executives, Advisors, Representatives of Social Organizations and Auditors of the Company as it considers necessary to attend the meeting;
8. To ensure that CSR activities undertaken belong to the categories prescribed under Schedule VII of the Companies Act, 2013.

Meetings held and attendance during the financial year 2021-22

During the financial year ended on 31st March, 2022, 2 (Two) meetings of the Corporate Social Responsibility Committee were held, i.e., on 17th June, 2021 and 14th February, 2022. The attendance of the members were as follows:

Sl. No.	Name of the Member	No. of meetings held	No. of meetings attended
1.	Mr. Arun Kumar Kothari	2	2
2.	Dr. Tarminder Singh Parmar	2	2
3.	Mr. Shirish Gundopant Belapure	2	2
4.	Mr. Arindam Sarkar	2	2

The Chairman of the CSR Committee was present at the 82nd Annual General Meeting of the Company held on 14th September, 2021.

D) Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board is constituted in compliance with the requirements of Regulation 19 of the Listing Regulations read with the provisions of Section 178 of the Companies Act, 2013.

Composition of the Committee

As on 31st March, 2022, the Committee comprised of 4 (four) Directors as its Members, as under:

Sl. No.	Name	Category	Designation
1.	Mr. Rajiv Singhi	Non-Executive (Independent) Director	Chairman
2.	Mr. Hemal Kampani	Non-Executive (Independent) Director	Member
3.	Mr. Arun Kumar Kothari	Executive Director (Executive Chairman)	Member
4.	Mr. Arindam Sarkar	Non-Executive (Independent) Director	Member

Mrs. Prabhawati Devi Kothari, Non-Executive Director of the Company ceased to be member of the Committee with effect from 1st January, 2022.

The composition and terms of reference of the Committee meet, inter-alia, the requirements of the SEBI Regulations and provisions of Section 178 of the Companies Act, 2013 and the Rules framed there under.

Terms of Reference of the Committee, inter alia, include the following:

1. To lay down criteria for determination of qualification, positive attributes and independence of Directors;
2. To recommend to the Board, the policy of remunerating directors, key management personnel and other senior management personnel;
3. To identify persons who are qualified for office of directors and senior management in accordance with the criteria laid down and evaluating every director's performance;
4. To formulate remuneration structure conducive to attract, retain and motivate directors, key management personnel and senior management personnel for discharge of quality service by way of maintaining a balance between fixed and variable pay for accomplishment of short and long term objectives;
5. To formulate criteria for evaluation of the members of the Board and provide necessary report to the Board for further evaluation of the Board and devise a policy on Board diversity;
6. To carry out any other function mandated by the Board from time to time and / or enforced by any statutory notification or modification thereon as may be applicable to the Company.

Meetings held and attendance during the financial year 2021-22

During the financial year ended on 31st March, 2022, 1 (One) meeting of the Nomination and Remuneration Committee were held, i.e., on 14th February, 2022.

The attendance of the Members of the Committee was as follows:

Sl. No.	Name of the Member	No. of meetings held	No. of meetings attended
1.	Mr. Rajiv Singhi	1	1
2.	Mr. Hemal Kampani	1	1
3.	Mr. Arun Kumar Kothari	1	1
4.	Mr. Arindam Sarkar	1	1

The Chairman of the Nomination and Remuneration Committee was present at the 82nd Annual General Meeting of the Company held on 14th September, 2021.

Nomination and Remuneration Policy

The Company believes that the quality of its employees is the key to organizational success. The success of the organization in achieving good performance and good governance practices significantly depend on its ability to

attract and retain individuals having requisite knowledge and excellence with proven track record in discharging executive obligations.

The Nomination and Remuneration Policy of the Company is attached as “Annexure–4” to the Board’s Report. The said policy is also available on the Company’s website at <https://www.albertdavidindia.com/policies.php>

Details of remuneration paid to the Directors during the financial year 2021-22:

Details of remuneration paid to the Directors of the Company within the meaning of Section 197 of Companies Act, 2013 for the financial year ended 31st March, 2022 are as under:

(Figures in Rs.)

Name of Director	Designation	Salary	Perquisites / Other Benefits	Sitting Fees	Total
Mr. Arun Kumar Kothari	Executive Chairman	1,26,72,000/-	51,62,779/-	-	1,78,34,779/-
Dr. Tarminder Singh Parmar	Managing Director & CEO	1,29,05,220/-	1,66,55,713/-	-	2,95,60,933/-
Mrs. Prabhawati Devi Kothari	Non-Executive Director	-	-	1,60,000/-	1,60,000/-
Mr. Rajiv Singhi	Non-Executive (Independent) Director	-	-	2,90,000/-	2,90,000/-
Mr. Hemal Kampani	Non-Executive (Independent) Director	-	-	3,45,000/-	3,45,000/-
Mr. Arindam Sarkar	Non-Executive (Independent) Director	-	-	1,80,000/-	1,80,000/-
Mr. Shirish Gundopant Belapure	Non-Executive (Independent) Director	-	-	2,60,000/-	2,60,000/-
Dr. Monjori Mitra	Non-Executive (Independent) Director	-	-	1,20,000/-	1,20,000/-

Perquisites include only taxable perquisites.

Disclosure pursuant to Section 196 and 197 read with Part-II, Section-II, Third Provision, Point No. IV of Schedule-V of the Companies Act, 2013

- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the Directors

(Figures in Rs.)

(a) Mr. Arun Kumar Kothari	Salary	1,26,72,000/-
	Company's Contribution to PF	15,20,640/-
	House Rent Allowance	10,13,760/-
	Leave Encashment	10,56,000/-
	Medical reimbursement	6,98,433/-
	Ex-gratia	16,800/-
	Other perquisites	8,57,146/-

(b) Dr. Tarminder Singh Parmar	Salary	1,29,05,220/-
	Company's Contribution to PF	15,48,624/-
	Rent for furnished accommodation	6,24,750/-
	Special Allowance	69,83,424/-
	Variable Incentive	50,00,000/-
	Ex-gratia	16,800/-
	Car Expenses (taxable)	2,32,111/-
	Leave travel assistant	12,90,522/-
	Other perquisites (misc.)	9,49,481/-
(c) Other Directors	Only sitting fees have been paid for attending Board and Committee Meetings as mentioned above.	

- (ii) Details of fixed component and performance linked incentives along with performance criteria – as mentioned above.
- (iii) Service contract and notice period of Mr. Arun Kumar Kothari & Dr. Tarminder Singh Parmar as under:
 Period of Contract: Mr. Arun Kumar Kothari: From 1.4.2021 to 31.3.2024
 Dr. Tarminder Singh Parmar: From 1.4.2018 to 31.3.2023
- (iv) Notice Period: Three months' notice period for both.
- (v) Severance fee: Apart from salary in lieu of notice period, there is no separate provision for payment of severance fee.
- (vi) Criteria of making payment to Non-Executive Directors: Non-Executive Directors are entitled to sitting fees only.
- (vii) Stock Options: The Company has not issued any stock options to its Directors.

Shares held by Non-Executive Directors

The table below provides details of shares held by the Non-Executive Directors as on 31st March 2022:

Sl. No.	Name of the Director	Category	No. of shares held
1	Mrs. Prabhawati Devi Kothari	Non-Executive Director	17,527
2	Mr. Rajiv Singhi	Non-Executive (Independent) Director	-
3	Mr. Hemal Kampani	Non-Executive (Independent) Director	-
4	Mr. Arindam Sarkar	Non-Executive (Independent) Director	-
5	Mr. Shirish Gundopant Belapure	Non-Executive (Independent) Director	-
6	Dr. Monjori Mitra	Non-Executive (Independent) Director	-

Mrs. Prabhawati Devi Kothari is spouse of Mr. Arun Kumar Kothari, Executive Chairman of the Company. The Non-Executive Directors are receiving only sitting fees and reimbursement of expenses for attending Board and Committee meetings and dividend on the shares held by them in the Company. Other than the aforesaid, there is no pecuniary relationship or transaction between the Non-Executive Directors and the Company.

Performance Evaluation criteria for Independent Directors

In compliance with the provisions of the SEBI Regulations and on the basis of the Board Evaluation Policy of the Company, the Nomination and Remuneration Committee has laid down the evaluation process of the Independent Directors which has been adopted by the Board. Evaluation criteria formulated for the Independent Directors are broadly based on the following attributes:

- Leadership & stewardship abilities;
- Contributing to clearly defined corporate objectives and plans;
- Performance of duties and level of insight;
- Professional conduct and independence; and
- Qualification, experience and past track record.

4. GENERAL BODY MEETINGS

A) Location, date and time of last three Annual General Meetings (AGM):

Financial Year	Date of AGM	Venue	Time
2020-2021 (82nd AGM)	14th September, 2021	Held through video conferencing & other audio visual means. Registered office being deemed venue of the meeting.	11.00 A.M.
2019-2020 (81st AGM)	25th September, 2020	Held through video conferencing & other audio visual means. Registered office being deemed venue of the meeting.	11.00 A.M.
2018-2019 (80th AGM)	9th August, 2019	Science City, Seminar Hall S-18 (A&B), J B S Haldane Avenue, Kolkata – 700046.	4.00 P.M.

B) Particulars of Special Resolution(s) passed in the previous 3 (Three) AGMs:

- I) Two special resolutions were passed at the 82nd Annual General Meeting held on 14th September, 2021 to:
 - i. Reappoint Mr. A. K. Kothari as a Wholtime Director designated as Executive Chairman of the Company from 1st April, 2021 to 31st March, 2024 and fix his remuneration for the period from 1st April, 2021 to 31st March, 2022; and
 - ii. Increase the remuneration of Dr. T. S. Parmar, Managing Director & CEO of the Company, for the period from 1st April, 2021 to 31st March, 2022;
 - II) Two special resolutions were passed at the 81st Annual General Meeting held on 25th September, 2020 to:
 - i. Increase the remuneration of Mr. A. K. Kothari, Executive Chairman of the Company, for the period from 1st April, 2020 to 31st March, 2021; and
 - ii. Increase the remuneration of Dr. T. S. Parmar, Managing Director & CEO of the Company, for the period from 1st April, 2020 to 31st March, 2021;
 - III) Two special resolutions were passed at the 80th Annual General Meeting held on 9th August, 2019 to:
 - i. Increase the remuneration of Mr. A. K. Kothari, Executive Chairman of the Company, for the period from 1st April, 2019 to 31st March, 2020; and
 - ii. Increase the remuneration of Dr. T. S. Parmar, Managing Director & CEO of the Company, for the period from 1st April, 2019 to 31st March, 2020;
- C) During the year, no Extra Ordinary General Meeting was convened nor was any approval of the shareholders obtained through Postal Ballot. None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing of resolution through Postal Ballot.

5. MEANS OF COMMUNICATION

The quarterly financial results as well as the official press releases are generally communicated to the stock exchanges immediately and usually published in “Financial Express/Business Standard” (English) and “Aajkaal” (Bengali) newspapers and are also hosted on the website of the Company, i.e. www.albertdavidindia.com. During the year under review, the Company has not made any presentation to institutional investors or analysts.

6. DISCLOSURES

Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large:

The Company has not entered into any materially significant related party transaction during the year. None of the transactions, with any of the related parties, were in conflict with the interests of the Company at large. All related party transactions as defined under the Companies Act, 2013 were in the ordinary course of business and at arm's length basis. Details of related party relationships and transactions are disclosed in Note No.52 to the financial statements for the year ended 31st March, 2022 forming part of the Annual Report. Details of related party transactions were periodically placed before the Audit Committee. The Company has a “Policy on

materiality of related party transactions and dealing with related party transactions” for identification of related parties in due cognizance of Regulation 23 of the Listing Regulations & otherwise, setting out the materiality thresholds and the proper conduct and documentation of all related party transactions within the framework of applicable laws and regulations. The said policy can be accessed on the website of the Company at <https://www.albertdavidindia.com/policies.php>

Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to the capital markets, during the last three years:

There has been no non-compliance and no penalties or strictures have been imposed by Stock Exchanges or SEBI or any Regulatory Authority on any matter related to capital markets during the last three years except due to serious hindrance to normal conduct of the business and operations of the Company due to COVID-19 pandemic, the Company could not complete the processes involved in the search, selection and appointment of an Independent Woman Director on its Board. However, the Company has duly appointed Independent Woman Director on the Board on August 24, 2020 in compliance with Regulation 17(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the fine imposed to the effect by the National Stock Exchange of India Limited (NSE) on account of the interim delay in the said appointment has been waived off by NSE on the request, representation and clarification furnished by the Company.

Whistle Blower Policy

The Company has implemented Whistle Blower Policy by way of adopting Vigil Mechanism, headed by the Chairman of the Audit Committee, as required under Section 177 of the Companies Act, 2013 and the Listing Regulations, which provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Code(s) of conduct or policies. The said policy may be referred to at the Company’s website at <https://www.albertdavidindia.com/policies.php>

None of the officials/personnel of the Company have been denied access to Chairman of the Audit Committee during the financial year ended 31st March, 2022.

No complaint has been received under the vigil mechanism / whistle blower policy during the financial year ended 31st March, 2022.

Policy for determining “Material” subsidiaries

Your Company does not have any subsidiary company; hence, Regulation 24 of the Listing Regulations is not applicable to the Company.

Policy on materiality and dealing with related party transactions

The Company has adopted a Policy for Determining Materiality of Events / Information in line with the requirements of Section 177(4)(iv) and 188 of the Act, read with Rules framed thereunder and as defined under Regulation 30 of the Listing Regulations. This Policy has been hosted on the website of the Company at <https://www.albertdavidindia.com/policies.php>

Disclosure of Adoption / non-adoption of mandatory/non-mandatory requirements

The Company has complied with the mandatory requirements stipulated under Regulations 17 to 27 and Regulations 46 of the SEBI Regulations. In addition to the same, your Company also strives to adhere and comply with the following discretionary requirements as specified under SEBI Regulations, to the extent applicable:

- i. Clause C of Schedule II Part E – Relating to movement towards a regime of financial statements with unmodified audit opinion;
- ii. Clause D of Schedule II Part E – Relating to separate post of Chairperson and CEO.

Disclosure of Accounting Treatment

In the preparation of the financial statement, the Company has followed the Indian Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

The Company has no subsidiary and hence there is no need to frame any policy for determining “Material” subsidiary.

Certificate from Practicing Company Secretary

The Company has received declaration from all the Directors on the Board of the Company that they are not debarred or disqualified from being appointed or continuing as directors of companies by SEBI/MCA or any other such statutory authority. A certificate received from a company secretary in practice in this regard forms part of this report

Qualification-free Audit Report

The Company has been enjoying the status of qualification-free report from the Statutory Auditor.

Commodity price risk, foreign exchange risk and hedging activities

The Company is not indulging in commodity risks and hence no question arises of disclosure relating to such risks and hedging thereof. During the year under review, the Company has managed foreign exchange risks against MTM forward contract(s) of the nature of derivative contract(s) and hedged to the extent considered necessary. Further, net open exposures are reviewed regularly. The details of foreign currency exposure are disclosed in Note No. 57.3.1 to the financial statements. Hedging of export debtors and import creditors have been dispensed with due to short term nature of credit involvement therein.

Disclosures under SEBI Circular dated 15th November, 2018:

1. Risk management policy with respect to commodities including through hedging: Not applicable.
2. Exposure to commodity and commodity risks faced by the entity throughout the year:
 - a. Total exposure to commodities in INR: Not applicable.
 - b. Exposure to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
-----NIL-----							

- c. Commodity risk faced during the year and how they have been managed: Not applicable

Management Discussion and Analysis Report

The Annual Report has a separate section on detailed Management Discussion and Analysis.

Fees paid to the Statutory Auditors and network firms for all services

During the year ended 31st March, 2022, the Company has availed the services of the Statutory Auditors and made the following payments:

Services availed	Payment (Rs.)
Statutory Audit for the FY 2021-22	5,00,000/-
Tax Audit for the FY 2021-22	37,000/-
Certifications and other fees	2,40,000/-

Except as provided above, no other services were availed and / or payments made by the Company to Statutory Auditors and/or to their network firms.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the financial year ended on 31st March, 2022

The details of complaints related to sexual harassment are provided below: -

No. of complaints filed during the financial year	Nil
No. of complaints disposed of during the financial year	Nil
No. of complaints pending as on end of the financial year	Nil

Disclosure on proceeds from public issues, right issues, preferential Issues, etc.

During the year, your Company has not raised any proceeds from public issue, rights issue, preferential issues etc. and hence, there are no unutilised issue proceeds during the year under review.

Details of recommendation of any committee of the Board not accepted by the Board and reasons thereof:

During the year under review, the Board of your Company has accepted all the recommendations made by its Committee(s), from time to time.

Conflict of Interest

On an annual basis, each Director informs the Company about the Board and the Committee positions he/she occupies in other Companies including Chairmanship(s) and notifies changes during the year. Members of the Board while discharging their duties avoid conflict of interest in the decision-making process. The members of the Board restrict themselves from participating in any proceeding / decision / voting in transaction in which they may have any concern or interest.

Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount': - Nil

7. PARTICULARS OF APPOINTMENT / REAPPOINTMENT OF DIRECTORS FORM PART OF THE NOTICE CONVENING THE 83rd ANNUAL GENERAL MEETING**8. PREVENTION OF INSIDER TRADING**

The Board has in place the following policies and codes in terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended. In view of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 & 2019 the Company has already revised and/or adopted the following Codes/Policies effective 1st April, 2019:

- Code of Conduct to Regulate, Monitor and Report Trading by Insiders ("the Code")
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Policy for procedure of Inquiry in case of Leak of Unpublished Price Sensitive Information

The Code of Conduct to Regulate, Monitor and Report Trading by Insiders, besides other relevant matters, prohibits an insider from dealing in the shares of the Company while in possession of unpublished price sensitive information (UPSI) in relation to the Company or its securities. All Directors, Senior Management Personnel, Key Managerial Personnel and other employees having access to price sensitive information are governed by this Code. The above Codes/Policy are available on the Company's website at <http://albertdavidindia.com/codes.php>

During the time of declaration of Quarterly Financial Results, Dividends and other material events, the trading window is closed as per the Code. There has been no violation on this front.

9. GENERAL SHAREHOLDER INFORMATION

Date, time and venue of the Annual General Meeting	The 83rd Annual General Meeting of the Company will be held at Tuesday on 9th August, 2022 at 11.00 AM (IST)
Financial Calendar 2022 – 2023 (tentative and subject to change)	Financial Year: April to March <ul style="list-style-type: none"> • Results for the quarter ending June 30, 2022:- July/ August, 2022. • Results for the quarter and six months ending September 30, 2022:- October/ November, 2022. • Results for the quarter and nine months ending December 31, 2022:- January/ February, 2023. • Results for the quarter and year ending March 31, 2023:- April/ May, 2023
Date of Book Closure	3rd August, 2022 to 9th August, 2022 (both days inclusive).
Dividend payment date	The Board has recommended dividend at Rs. 9/- per equity share of Rs.10/- each subject to approval of Member at the ensuing AGM. If approved, dividend shall be paid within 30 days from the date of declaration.
Listing on Stock Exchanges	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001. National Stock Exchange of India Ltd (NSE) Bandra Kurla Complex, Bandra (East), Mumbai-400051. The Company has paid the Annual Listing fees for the FY 2021-22 to BSE and NSE on time.

ISIN	INE155C01010		
Stock Code	BSE: 524075	NSE: ALBERTDAVD	

10. MARKET PRICE DATA

Month	Stock Price at BSE		BSE SENSEX		Stock Price at NSE		NSE NIFTY	
	High (Rs.)	Low (Rs.)	High	Low	High (Rs.)	Low (Rs.)	High	Low
April, 2021	479.55	380.05	50375.77	47204.50	479.45	378.90	15044.35	14151.40
May, 2021	511.90	430.65	52013.22	48028.07	513.00	432.00	15606.35	14416.25
June, 2021	549.90	445.00	53126.73	51450.58	549.80	448.00	15915.65	15450.90
July, 2021	622.00	478.75	53290.81	51802.73	622.90	479.05	15962.25	15513.45
August, 2021	673.00	522.35	57625.26	52804.08	673.80	521.00	17153.50	15834.65
September, 2021	627.85	563.50	60412.32	57263.90	629.00	563.00	17947.65	17055.05
October, 2021	642.50	559.95	62245.43	58551.14	644.00	560.35	18604.45	17452.90
November, 2021	658.75	568.60	61036.56	56382.93	658.60	568.00	18210.15	16782.40
December, 2021	620.00	557.00	59203.37	55132.68	624.95	556.40	17639.50	16410.20
January, 2022	738.40	604.00	61475.15	56409.63	739.00	602.00	18350.95	16836.80
February, 2022	719.35	495.00	59618.51	54383.20	727.40	495.00	17794.60	16203.25
March, 2022	574.80	508.90	58890.92	52260.82	564.25	508.00	17559.80	15671.45

Note: The Company's shares are listed in BSE and NSE. Performance of the Company's shares has been compared with broad based BSE SENSEX and NSE NIFTY.

11. REGISTRAR AND SHARE TRANSFER AGENT

M/s. Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700001.
Tel. No.: (033) 2248-2248 / 2243-5029, Fax No.: 2248-4787
Email: mdpldc@yahoo.com

12. SHARE TRANSFER SYSTEM

In terms of the Listing Regulations, effective from 1st April, 2019, securities of listed companies can only be transferred in dematerialized form, except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was lodged prior to 1st April, 2019 and returned due to deficiency in documentation. Shareholders are therefore, advised to dematerialize the shares held by them in physical form, if any. Requests for dematerialisation of shares are processed and confirmation thereof is given by the RTA to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within the statutory time limit from the date of receipt of share certificates, provided the documents are complete in all respects.

13. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2022

Category-wise shareholding pattern of the Company as on 31st March, 2022:

Sl. No.	Category of Shareholder	No. of shares held	Percentage of shareholding
A	Shareholding of Indian Promoters / Directors	3535952	61.96%
B	Public Shareholding	2171210	38.04%

1. Mutual Funds / UTI	800	0.01%
2. Banks, Financial Institutions, Insurance Companies (Central / State Government Institutions / Non-Government Institutions)	180550	3.16%
3. Foreign Portfolio Investors	43044	0.75%
4. Indian Bodies Corporate	164530	2.88%
5. Indian Public	1686322	29.55%
6. NRI	54634	0.96%
7. Clearing Members	7017	0.12%
8. IEPF Account	34313	0.60%
9. NBFC registered with RBI	-	-
TOTAL (A+B)	5707162	100.00%

Distribution of shareholding as on 31st March, 2022:

Equity shares held	No. of Shareholders	% of Shareholders	Number of Shares held	% of Shares held
Up to 500	10009	94.03%	780669	13.69%
501 to 1000	353	3.32%	277081	4.86%
1001 to 2000	150	1.41%	220186	3.86%
2001 to 3000	63	0.59%	153957	2.68%
3001 to 4000	19	0.18%	68211	1.20%
4001 to 5000	9	0.08%	42432	0.74%
5001 to 10000	19	0.18%	127660	2.24%
Above 10000	23	0.22%	4036966	70.73%
TOTAL	12011	100%	5707162	100%

14. DEMATERIALISATION OF SHARES AND LIQUIDITY

The International Securities Identification Number (ISIN) of the equity shares of the Company is INE155C01010. The Company has agreement with both the Depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) to facilitate holding and trading in the shares of the Company in dematerialized form.

As per guidelines of the Securities and Exchange Board of India (SEBI), equity shares of the Company are compulsorily traded in dematerialized form for all the investors with effect from 1st October, 2000. As on 31st March, 2022, 56,39,585 equity shares representing 98.82% of the total equity share capital of the Company were held in dematerialized form.

15. OUTSTANDING GDRs / ADRs / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS

Not applicable.

16. PLANT LOCATIONS

- a) Kolkata : 5/11, D. Gupta Lane, Kolkata-700 050 (W.B.)
- b) Ghaziabad : B-12/13, Meerut Road, Industrial Area, Ghaziabad –201 003 (U.P.)

17. ADDRESS FOR INVESTORS CORRESPONDENCE

Albert David Limited, Share Department
 'D' Block, 3rd Floor, Gillander House, Netaji Subhas Road, Kolkata - 700001.
 Phones: 033-2262-8436/8456/3492, 2230-2330; Fax: 033-2262-8439
 Email: adidavid@dataone.in; Website: www.albertdavidindia.com

18. CODE OF BUSINESS CONDUCT AND ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT

In accordance with the requirement of SEBI Regulations, the Board of Directors has a Code of Conduct for all its Board Members, Key Managerial Personnel and Senior Management Personnel of the Company. The Code is available on Company's website at <http://albertdavidindia.com/codes.php> . A confirmation of compliance with

the Code of Conduct by the Board Members, Key Managerial Personnel and Senior Management Personnel of the Company, duly signed by the Managing Director & CEO of the Company forms part of the Corporate Governance Report.

19. CREDIT RATING

The Company has been awarded CRISIL A-/Stable (A Minus/Outlook: Stable) credit rating for its long-term bank credit facilities & CRISIL A1 credit rating for its short-term bank credit facilities by CRISIL. The details of the Credit Rating are available on the Company's website at https://www.albertdavidindia.com/investor/announcement/notice_others/2022/reaffirmation-cr-rating-30042022.pdf

20. CEO & CFO CERTIFICATION

Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that —

- a) We have reviewed financial statements and the cash flow statement of the Company for the year ended 31st March, 2022 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee that:
 - i. There were no significant changes in internal control over financial reporting have taken place during the year;
 - ii. Treatments of mandatorily laid change in accounting policies during the year has been disclosed in the notes to the financial statements; and
 - iii. There were no instances of significant fraud of which we have become aware and there were no involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

R. Bhattacharya
CFO

Sd/-

T. S. Parmar
Managing Director & CEO
(DIN-05118311)

Place : Kolkata
Date : 5th July, 2022

For and on behalf of the Board of Directors
A. K. Kothari
Executive Chairman
(DIN : 00051900)

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director & CEO, Whole-time Directors, Non-Executive Directors and Independent Directors. The Code is available on the Company's website.

I confirm that the Company has in respect of the year ended on 31st March, 2022, received from the Senior Management team of the Company and members of the Board, annual declaration/affirmation of compliance with the Code of Conduct as are applicable to them.

For **Albert David Limited**

T. S. Parmar

Managing Director & CEO
(DIN:05118311)

Place: Kolkata

Date: 5th July, 2022

INDEPENDENT AUDITORS' COMPLIANCE CERTIFICATE

To

The Members of Albert David Limited,

We have examined the compliance of conditions of Corporate Governance by Albert David Limited, for the year ended 31st March 2022, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination is limited to procedures, and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

We state that all investor grievances were redressed within 30 days of lodgment of grievance and as on 31st March, 2022 no investor complaint is pending against the company as per the records maintained by the Stakeholders Relationship/ Grievance Committee.

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

For **Basu Chanchani & Deb**

Chartered Accountants

Firm Registration No. 304049E

Biswanath Chattopadhyay

Partner

Membership No. 051800

Place: Kolkata

Date : 5th July, 2022

UDIN: 22051800AMSDFJ8981

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members,
Albert David Limited
'D' Block, 3rd Floor, Gillander House,
Netaji Subhas Road,
Kolkata – 700001,
West Bengal.

We have examined the relevant disclosures received from the Directors and registers, records, forms, returns maintained by Albert David Limited (CIN: L51109WB1938PLC009490) having its Registered office at 'D' Block, 3rd Floor, Gillander House, Netaji Subhas Road, Kolkata - 700001, West Bengal (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status] at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company and its officers, we certify that following are the Directors on the Board of the Company as on 31 March 2022:

Sl. No.	DIN	Name	Designation	Date of appointment
1	00051900	Mr. Arun Kumar Kothari	Executive Chairman	20.06.1988
2	05118311	Dr. Tarminder Singh Parmar	Managing Director & CEO	01.04.2018
3	00051860	Mrs. Prabhawati Devi Kothari	Non-Executive Director	31.03.2014
4	00057715	Mr. Hemal Kampani	Independent Director	11.03.1993
5	00071285	Mr. Rajiv Singhi	Independent Director	30.06.1998
6	06938957	Mr. Arindam Sarkar	Independent Director	07.08.2014
7	02219458	Mr. Shirish G Belapure	Independent Director	14.02.2019
8	02761691	Dr. Monjori Mitra	Independent Director	24.08.2020

We further certify that none of the aforesaid Directors on the Board of the Company for the financial year ended on 31 March 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Manoj Kumar Banthia
(Partner)
Membership No. 11470
COP No. 7596
UDIN: A011470D000607991
Place: Kolkata

ALBERT DAVID LIMITED

(CIN : L51109WB1938PLC009490)

Registered Office: 'D' Block, 3rd Floor, Gillander House, Netaji Subhas Road, Kolkata – 700001

Tel: 033-2262-8436/8456/8492, 2230-2330, Fax: 033-2262-8439

Email: adidavid@dataone.in Website: www.albertdavidindia.com

BUSINESS RESPONSIBILITY REPORT

[As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: General Information about the Company

Sr. No.	Particulars	Information
1	Corporate Identity Number (CIN) of the Company	L51109WB1938PLC009490
2	Name of the Company	Albert David Limited
3	Registered Office	Block -D, 3rd Floor, Gillander House, Netaji Subhas Road, Kolkata - 700 001, W.B., India.
4	Website	www.albertdavidindia.com
5	Email-id	adidavid@dataone.in; cvora@adlindia.in
6	Financial Year Reported	2021-2022
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	210 - Manufacture of Pharmaceutical Products 46497 - Wholesale of Pharmaceuticals & Medical Goods
8	List three key products/services that the Company manufactures/provides (as in balance sheet):	Placentrex, IV Fluids & Evict
9	Total number of locations where business activity is undertaken by the Company	Registered office: Kolkata Sales & Marketing office: Mumbai Factory(ies): Kolkata & Ghaziabad Regional Office: Kolkata, Lucknow and Patna
10	Markets served by the Company - Local/State/ National/International	India, Myanmar, Philippines, Nepal, Vietnam, Kazakhstan, Uzbekistan, Madagascar, Zambia, Ethiopia, Tanzania, Peru, Austria, Guyana, Yemen, Russia, Ivory Coast, Uganda, Nigeria and Jamaica

SECTION B: Financial details of the Company

Sr. No.	Particulars	Information
1	Paid up Capital (Rs. In Lakhs)	570.72
2	Total Turnover (Revenue from operations) (Rs. In Lakhs)	31351.14
3	Total profit after taxes (Rs. In Lakhs)	3525.83
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company has spent 56.45 Lakhs during the FY 21-22, which is around 1.60% of the profit after tax.
5	List of activities in which expenditure in 4 above has been incurred.	The details forms part of CSR Report appended as Annexure 3 to Board's Report

SECTION C: Other Details

1. Does the Company have any Subsidiary Company/Companies?

No

2. Do the Subsidiary Company/Companies participate in the BR initiatives of the parent company?

No

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%].

No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

- a. Details of the Director/Director responsible for implementation of the BR policy/policies

- i. DIN : 05118311
- ii. Name : Dr. T S Parmar
- iii. Designation : Managing Director & CEO

- b. Details of the BR head

Sr. No.	Particulars	Details
1	DIN	05118311
2	Name	Dr. T S Parmar
3	Designation	Managing Director & CEO
4	Telephone Number	(022) 4924 0463 / 64
5	E-mail id	adidavid@dataone.in

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

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Business should promote the well-being of all employees.
P4	Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Business should respect and promote human rights.
P6	Business should respect, protect and make efforts to restore the environment.
P7	Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Business should support inclusive growth and equitable development (CSR).
P9	Business 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	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Y	The Company continuously focusses on the optimal utilisation of resources from its product design to disposal	Y	Y	Y	Y	N.A.	Y	The Company, in its operations, ensures the customers value
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y		Y	Y	Y	Y		Y	
3	Does the policy conform to any national / international standards? If yes, specify?	Y		Y	Y	Y	Y		Y	
4	Has the policy being approved by the Board? Is yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y		Y	Y	Y	Y		Y	
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	
6	Indicate the link for the policy to be viewed online?	Y*		Y*	Y*	Y*	Y*		Y*	
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y		Y	Y	Y	Y		Y	
8	Does the company have in-house structure to implement the policy/ policies.	Y		Y	Y	Y	Y		Y	
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	
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y		Y	Y	Y	Y		Y	

*Note: Policies are available on the website of the Company <https://www.albertdavidindia.com> and the policies which are internal to the Company are available on the intranet of the Company

b. If answer to the question at serial number 2 against any principle, is 'No', please explain why:

N.A.

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.

The business responsibility performance of the Company is reviewed annually by the Management.

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

The Company has published Business Responsibility Report. It is part of Annual Report for the FY 2021-22. The link of Annual Report - <https://www.albertdavidindia.com/annualreport.php>

SECTION E: PRINCIPLE – WISE PERFORMANCE

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

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes /No.

Yes

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

No

3. 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.

In the year ending 31 March 2022, the Company has received and resolved 1 complaint from an investor. The complaint was resolved to the satisfaction of the shareholder and there was no pending complaint at the year end.

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.

Amino Acids group of products in Infusion form and capsules (with minerals and vitamins) used for Hypoproteinaemia, malnutrition, pre-post operative support. Sodium Stibogluconate Injection & Miltefosine Capsule - Anti-Leishmaniasis Drugs is used to combat the deadly Kalazar disease and Placentrex for wound care. Albert David is a pioneer of the above products in the Indian as well as international market and sole supplier for SSG and Placentrex worldwide.

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 throughout the value chain?

ADL procures raw placenta from approved Govt. hospitals. Constant monitoring of resources, cold chain transportation and increase in number of Govt. hospitals for sustainable resources. For SSG Injection and Evict syrup, input materials are regularly monitored and assured for steady supply.

b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company strives to improve its energy and water by reducing the power and water consumption through implementation of various projects. The Company has installed new water-cooled chillers and air compressor resulting in reduction in power consumption and have implemented various water recyclable measures so as to optimize the usage of raw water. Your Company is under discussion with several vendors to get solar power supply from third party so as to reduce the power cost.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

Yes, the organization has in place, standard operating procedure through which the organization has strengthened its procurement process of energy, water consumption, raw materials, packing materials, consumables items and finished goods in line with applicable regulatory requirements. The company is following sustainable sourcing, production and distribution practices to ensure quality and safety of raw materials and packing materials procured from vendors to promote local suppliers especially for packing materials and miscellaneous materials without compromising on quality. It provides priority to safe transportation, lowering of transportation cost and optimization of logistics.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company first emphasize on the local vendors development for manufacturing. The Company operates in Domestic as well as regulated market and therefore, it is important to have quality assurance of materials produced from vendors for which company is having standard operating procedure to conduct initial and regular periodic audit for qualification and requalification. The Company has in place, Vendor rating standard operating procedure to check the status of each vendors every year. Though the Company has continuing business relationship with approved vendors, the company believes in having alternate vendors in areas where having single vendors would impact Company's business adversely. The Company also meet with the vendors including local vendors, discussing needs of further improvement in the quality standards of the products.

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 <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Company ensures that no waste/rejected/expired batch materials are returned to the manufacturing process considering the kind of industry in which it operates. The Company is having standard operating procedure to ensure that the waste generated is sent through proper channels for incineration and as per appropriate disposal mechanisms. The Company has in place, proper systems to re-cycle the waste water generated at the manufacturing

facilities. After treating the waste water so generated, it is re-used for multiple purposes like gardening and cleaning within factory premises which help in reducing the consumption of water.

Principle 3 - Business should promote the well-being of all employees.

1. Please indicate the total number of employees.

The Company has 1326 employees as on March 31, 2022.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis.

The Company has 224 contractual employees as on March 31, 2022.

3. Please indicate the number of permanent women employees.

The Company has 136 permanent women employees as on March 31, 2022.

4. Please indicate the number of permanent employees with disabilities.

The Company has 3 permanent employees with disabilities as on March 31, 2022.

5. Do you have an employee association that is recognized by management?

Yes

6. What percentage of your permanent employees is member of this recognized employee association?

58%

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.

Sr. No.	Category	No. of complaints filed during the Financial Year	No. of complaints pending as on March 31, 2022
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (only safety training)

- a. Permanent Employees : 100%
- b. Permanent Women Employees : 100%
- c. Casual/Temporary/Contractual Employees : 100%
- d. Employees with Disabilities : 100%

Principle 4 - Business should respect the interests 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

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders?

Yes, the Company has taken initiatives to engage with the disadvantaged, vulnerable and marginalized stakeholders by providing sustainable livelihood & education through its Corporate Social Responsibility projects.

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?**

The policy covers only the Company.

- 2. How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management?**

None

Principle 6 - Business should respect, protect and make efforts 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.**

Albert David's EHS policy is applicable to all locations of the Company. For Suppliers and contractors, we include EHS requirements. We also impart training on safety to all the employees including contractors.

- 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 hyperlink for webpage etc.**

The company is proactive in addressing greenhouse gas emissions for which organization is in the process of installing solar energy system. Regular plantation initiatives are taken in its premises.

- 3. Does the Company identify and assess potential environmental risks? Y/N**

The organization is having standard operating procedure to identify and assess potential environmental risk in our manufacturing, testing and dispatch. We ensure that the risks are addressed through environmental management programme and continual improvement initiatives. The organization is having environmental management system as per ISO 14001 standard.

- 4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

The Company currently does not have any projects related to Clean Development Mechanism.

- 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 is involved in adopting clean technology and energy efficiency across its operations. Use of energy efficient equipment, focus on use of renewable energy, etc., are on the anvil and we are weighing options of adopting sustainable energy best suited to our industry.

- 6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the Financial Year being reported?**

All the emissions or waste generated by the Company are within the permissible limits given by CPCB/SPCB and we have made all the mandatory submissions in this regard.

- 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.**

None

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 chamber or association? If Yes, Name only those major ones that your business deals with:**

Yes, The Company is a member of various trade/industry associations like Federation of Indian Chambers of Commerce & Industry, Bulk Drug Manufacturers Association (India) BDMA, Indian Pharmaceuticals Alliance (IPA), Indian Drug Manufacturing Association (IDMA), Pharmaceuticals Export promotion Council of India, etc.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No. If yes specify the broad areas.**

Yes, we have advocated for the general welfare of the pharma industry and public.

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.**

The Company, through its CSR activities supports social and economic development of the under-privileged section of the society. The Company contributes to work focusing mainly on education, health, livelihood and other social and economic development programs.

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

The CSR activities are implemented through partly internally and party through external agencies.

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

The agencies that the Company supports through its CSR activities report back to the Company with a progress / evaluation report stating details of how the funds were utilized and the benefits derived therein. These qualitative feedback reports collected from the beneficiaries of projects undertaken provide a monitoring mechanism and impact assessment system and also help plan future CSR efforts.

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

The details are mentioned in Annexure 3 to the Board's Report.

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

The several initiatives that the Company supports through its CSR initiatives aim at promoting education, improving environment, and livelihood development through basic skill development thus enabling them to integrate with the mainstream in a constructive manner.

Principle 9 - Business should engage with and provide value to their customers and consumers in a responsible manner.

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

Negligible

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)**

The Company displays what is required as per regulatory requirements.

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.**

None

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

Consumer surveys are routinely carried out by the Company at the distributor/stockist level.

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF ALBERT DAVID LIMITED

Report on the Audit of the Financial Statements of Albert David Limited

I. Opinion

We have audited the accompanying financial statements of Albert David Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the statement of profit and loss (including other comprehensive income), the statement of changes in Equity and the cash flow statement for the year on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statement").

In our opinion and to the best of information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2022, the profit, comprehensive income, changes in equity and its cash flows for the year ended on that date.

II. Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of the Chartered Accountants of India (ICAI) together with independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis for our audit opinion on the financial statements.

III. Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming of 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 our audit addressed the key audit matters
A. Revenue Recognition Revenue for the company consists primarily of sale of products. Revenue from the sale of products is recognized at the moment when performance obligation of the underlying products have been completed and is measured net of discounts, incentives and rebates given to the customers. The estimation of discounts, incentives and rebates recognized, related to sales made during the year, is material and considered to be complex and judgmental. Therefore, there is a risk of revenue being misstated as a result of inaccurate estimates of discounts, incentives and rebates.	Our key procedures included the following: a) Assessed the appropriateness of the company's revenue recognition accounting policies, including those relating to discounts, incentives and rebates by comparing with the applicable accounting standards; b) Tested the operating effectiveness of the general IT control environment and key IT application controls over recognition of revenue, calculation of discounts, incentives and rebates; c) Performed test of details: i) Agreed samples of sales, discounts, incentives and rebates to supporting documentation and approvals; and

INDEPENDENT AUDITORS REPORT (Contd.)

Key audit matter	How our audit addressed the key audit matters
<p>Further, the company focuses on revenue as a key performance measure. Therefore, revenue was our area of focus included whether the accruals were misstated and appropriately valued, whether rebates and discounts was recorded in the correct period and whether the significant transactions had been accurately recorded in the Statement of Profit and Loss.</p> <p>Refer corresponding note for amounts recognized as revenue from sale of products</p>	<p>ii) Obtained supporting documents for sales transactions recorded either side of year end as well as credit notes issued after the year ended to determine whether revenue was recognized in the correct period.</p> <p>d) Performed focused analytical procedures:</p> <p>i) Compared the revenue for the current year with the prior year for variance/ trend analysis and where relevant, completed further inquiries and testing to corroborate the variances by considering both internal and external benchmarks, overlaying our understanding of industry; and</p> <p>ii) Compared the discounts, incentives and rebates of the current year with the prior year for variance/ trend analysis and where relevant, completed further inquiries and testing to corroborate the variances by considering both internal and external benchmarks, overlaying our understanding of industry</p> <p>e) Considered the appropriateness of the company's description of the accounting policy, disclosures related to revenue, discounts, incentive and rebates and whether these are adequately presented in the financial statement.</p>
<p>B. Litigations and claims-provisions and contingent liabilities</p> <p>As disclosed in Notes detailing contingent liability and provision for contingencies, the company is involved in direct, indirect tax and other litigations ('litigations') that are pending with different statutory authorities.</p> <p>Whether a liability is recognized or disclosed as a contingent liability in the financial statements is inherently judgmental and dependent on a number of significant assumptions and assessments.</p> <p>The amounts involved are potentially significant and determining the amount, if any, to be recognized or disclosed in the financial statements, is inherently subjective.</p>	<p>Our key procedures included the following:</p> <ul style="list-style-type: none"> Assessed the appropriates of the company's accounting policies, including those relating to provision and contingent liability by comparing with the applicable accounting standards; Assessed the company process for identification of the pending litigations and completeness for financial reporting and also for monitoring of significant developments in relation to such pending litigations; Engaged subject matter specialists to gain an understanding of the current status of litigations and monitored changes in the disputes, if any, through discussions with the management and by reading external advice received by the company, where relevant, to establish that the provisions had been appropriately recognized or disclosed as required; Assessed the company's assumptions and estimates in respect of litigations, including the liabilities or provisions recognized or contingent liabilities disclosed in the financial statements. This involved assessing the probability of an unfavorable outcome of a given proceeding and the reliability of estimates of related amounts;

INDEPENDENT AUDITORS REPORT (Contd.)

Key audit matter	How our audit addressed the key audit matters
	<ul style="list-style-type: none"> Performed substantive procedures on the underlying calculations supporting the provisions recorded; Assessed the management's conclusions through understanding precedents set in similar cases; and <p>Considering the appropriateness of the company's description of the disclosures related to litigations and whether these adequately presented in the financial statements.</p>
C. Valuation of investments and impairment thereof I. Non-Current Investments in Unquoted equity instruments. II. Current Investments in unquoted mutual funds. III. Fixed Deposit with Bank.	<p>Our key procedures included the following:</p> <p>Verified with reference to latest registered valuers report; Valuation report based on simple average of valuation of investee on EBIDTA concept, Revaluation concept, and Discounted cash flow concept.</p> <p>Verified with reference to duly declared NAV of the investee.</p> <p>Verified with reference to banks' confirmation and computation of interest accrued thereon.</p>
D. Evaluation of uncertain tax provisions <p>The Company has material uncertain tax provisions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer Note No.45.1 of the financial statements.</p>	<p>Principal Audit procedures</p> <p>Obtained details of completed tax assessments and demands for the year ended March 31, 2022 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2021 to evaluate whether any change was required to management's position on these uncertainties.</p>
E. Recoverability of Indirect tax receivables <p>Current assets in respect of withholding tax and others include Customs/Excise Duty/Cenvat recoverable amounting to Rs.175.19 lakhs which are pending adjudication.</p> <p>Refer Note 20 to the Financial Statements</p>	<p>Principal Audit procedures</p> <p>We have involved our internal experts to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.</p>
F. Covid-19 <p>Variability of income and expenses in different phases of the year.</p>	<p>Expense behavior with particular reference to decline in cost of sample distribution were verified having regard to intensity of the pandemic as had been prevailing in different part of the year in geographical specific context.</p>

IV. Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

INDEPENDENT AUDITORS REPORT (Contd.)

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

V. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the companies in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies are also responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the companies 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the company 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.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

VI. Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 which has companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the

INDEPENDENT AUDITORS REPORT (Contd.)

financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the financial statements.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

VII. Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept 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), Statement of Changes in Equity and the 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 financial statements.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure 1". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

INDEPENDENT AUDITORS REPORT (Contd.)

- g) With respect to the other matters to be included in Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to explanations given to us, the remuneration paid 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The financial statements disclose impact of pending litigations on the financial position of the company in note no. 45.1 of financial statement.
- ii. The company has not entered into long term contracts or derivative contracts for which there were any material forceable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
- iv. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either borrowed funds or share premium or any other sources or kind of funds) by the Company or in any other persons or entities including foreign entities (intermediaries) with the understanding, whether recorded in writing or otherwise, that the intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding parties"), with the understanding whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("ultimate beneficiaries") by or on behalf of the funding parties or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(iii) Based on the procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. The final dividend paid by the Company during the current year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act to the extent it applies to payment of dividend. The Board of Directors of the Company have proposed a final dividend for the current year which is subject to the approval of the members at the Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure 2" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

For Basu Chanchani & Deb
Chartered Accountants
Firm Registration No. 304049E

Place : Kolkata
Date : May 11, 2022
UDIN: 22051800AJMMBW7491

Biswanath Chattopadhyay
Partner
Membership No: 051800

INDEPENDENT AUDITORS REPORT (Contd.)**Annexure - 1****REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT") REFERRED TO IN PARA VII (1) (F) OF OUR REPORT OF EVEN DATE.**

We have audited the internal financial controls over financial reporting of Albert David Limited ("the Company") as of 31st March 2022 in conjunction with our audit of 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of IND AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of IND AS financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

INDEPENDENT AUDITORS REPORT (Contd.)

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Basu Chanchani & Deb**
Chartered Accountants
Firm Registration No. 304049E

Place : Kolkata
Date : May 11, 2022
UDIN: 22051800AJMMBW7491

Biswanath Chattopadhyay
Partner
Membership No: 051800

INDEPENDENT AUDITORS REPORT (Contd.)**Annexure - 2**

Report on the matters specified in Paragraphs 3 and 4 of THE COMPANIES (AUDITOR'S REPORT) ORDER, 2020, referred to in Para VII (2) of our report of even date

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company is maintaining proper records showing full particulars of intangible assets.
- (c) Property, Plant and Equipment has been physically verified by the management in reasonable intervals; As informed no material discrepancies between book records and the physical inventories have been noticed on such verification
- (d) Title deeds of immovable properties are held in the name of the Company.
- (e) The Company has not revalued its property, plant and equipment during the year.
- (f) No proceedings were been initiated or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (45 of 1988) and rules made thereunder.
- II. (a) The inventories have been physically verified at reasonable intervals during the year by the management. In our opinion, coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on physical verification between physical stock and book records were not material and have been properly dealt with in the books of accounts.
- (b) The Company has been sanctioned working capital loan limit of Rs.10.00 crores by the State Bank of India and quarterly return of statements filed by the Company with Bank are in agreement with the books of accounts of the Company.
- III. a) The Company has not made any investments or provided security to Companies, Firms, Limited Liability Partnerships or any other parties during the year. The Company has granted loans and advances in the nature of loans during the year to Companies and other parties, details of which are stated below. The Company has not provided guarantee or granted loans or advances in the nature of loans during the year to firm or limited liability partnerships.
- b) The Company has no subsidiary and granted no loans.
- c) The Company has not granted advances in the nature of loans to other parties as below.
- d) The Company has not provided any guarantee during the year. The terms and conditions of the grant of loans and advances in the nature of loan during the year are prima facie, not pre-judicial to the interest of the Company.
- IV. In our opinion and according to explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities as applicable.
- V. The Company has not accepted deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed thereunder to the extent notified. Accordingly, paragraph 3(V) of the Order is not applicable.
- VI. On the basis of records produced we are of the opinion that prima facie cost records and accounts prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 in respect of products of the company covered under the rules under said section have been made and maintained. However we are neither required to carry out nor have carried out any detailed examination of such accounts and records.
- VII. a) According to information and explanations given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, goods and services tax, cess and other statutory dues to the extent applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2022 for a period of more than six months from the date of becoming payable.

INDEPENDENT AUDITORS REPORT (Contd.)

- b) The dues on account of Sales Tax, Income Tax, Excise Duty and Cess disputed by the company and not being paid, vis-à-vis forums where such disputes are pending are mentioned below:-

Name of the Statute	Nature of dues	Amount Rs. in lacs	Period to which the amount relates	Forum where dispute is pending
Sales Tax : Central Sales Tax Act, 1956	Tax on Lease Rental	5.74	2002-2003	Calcutta High Court
Jharkhand VAT Act, 2005	Dispute of sale	0.81	2011-2012	Dy. Commissioner, Commercial Tax, Jharkhand
Income Tax : Income Tax Act, 1961	Tax on disallowance of depreciation.	25.39	2015-2016	Commissioner of Income Tax (Appeal)
Excise Duty : Central Excise Act, 1994	Valuation of Exports	2.84	08.01.2005 to 31.08.2007	CESTAT
Cess : Water (Prevention & Control of Pollution) Cess Act, 1977	Additional levy of Water Cess	52.16	05.01.1994 to 31.03.2022	Lucknow High Court

- VIII. According to information and explanations given to us, there are no transactions which are not recorded in the books of accounts but have been surrendered or disclosed as income during the year in the tax assessment under Income Tax Act, 1961 (43 of 1961).
- IX. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to the lenders as referred in note no.27 of the financial statement.
- X. (a) The Company did not raise any money by way of initial public offer or further public offer.
(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally converted) during the year.
- XI. (a) Considering the principle of materiality outlined in Standards in Auditing, we repeat that no fraud has been noticed or reported as or by the Company during the year
(b) No report under section 12 of Section 143 of the Companies Act has been filed by the Auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with Central Government.
(c) According to information and explanation given to us, whistle-blower complaints received during the year have been addressed.
- XII. The Company is not a Nidhi Company.
- XIII. All the transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details of related party transactions have been disclosed in the IND AS Financial Statements as required by the applicable Indian Accounting Standards.
- XIV. The Company has adequate internal audit system commensurate to size of the business.
- XV. The Company has not entered into any non-cash transaction with directors.
- XVI. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- XVII. The Company has not incurred cash losses during the financial year and in the immediately preceeding financial year.
- XVIII. There has not been any resignation of the statutory auditors during the year.
- XIX. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected date of realization of financial assets and payments of financial liabilities, other information accompanying

INDEPENDENT AUDITORS REPORT (Contd.)

the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, noting has come to our attention, which causes us to believe that any material uncertainty exists as on the date of audit report that Company is not capable of meeting liabilities existing at the date of balance sheet as and when they fall due within the period of one year from the balance sheet date.

Our statement, however is not an assurance as to the future viability of the Company. Further our reporting is based on the facts upto the date of audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- XX. There is no unspent amount under sub-section (5) of Section 135 of the Act to any point. Accordingly clauses 3(xx) and 3(xx)(b) of the Order are not applicable.

For **Basu Chanchani & Deb**
Chartered Accountants
Firm Registration No. 304049E

Place : Kolkata
Date : May 11, 2022
UDIN: 22051800AJMMBW7491

Biswanath Chattopadhyay
Partner
Membership No: 051800

BALANCE SHEET as at 31st March, 2022

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
1 NON-CURRENT ASSETS			
a Property, Plant and Equipment	5	8,381.04	8,248.95
b Capital Work-In-Progress	6	81.01	75.44
c Intangible Assets	7	386.79	146.99
d Financial Assets			
i Investments	8	2,656.41	2,386.35
ii Other Financial Assets	9	3,099.29	691.61
e Non-Current Tax Assets (Net)	10	21.56	177.52
f Other Non-Current Assets	11	274.91	115.18
2 CURRENT ASSETS			
a Inventories	12	3,917.92	3,574.81
b Financial Assets			
i Investments	13	15,652.62	11,382.09
ii Trade Receivables	14	2,506.64	1,948.96
iii Cash and Cash Equivalents	15	227.62	307.57
iv Bank balances (other than 2.b iii)	16	1,628.83	3,229.21
v Loans	17	512.34	1,306.14
vi Other Financial Assets	18	220.40	147.17
c Current Tax Assets (Net)	19	209.90	36.68
d Other Current Assets	20	506.86	363.83
Total Assets		25,383.13	22,296.46
		40,284.14	34,138.50
EQUITY AND LIABILITIES			
1 EQUITY			
a Equity Share Capital	21	570.72	570.72
b Other Equity	22	27,376.39	23,867.48
LIABILITIES			
2 NON-CURRENT LIABILITIES			
a Financial Liabilities			
i Lease Liabilities	23	110.94	39.47
ii Other Financial Liabilities	24	244.76	446.53
b Provisions	25	1,047.24	1,057.89
c Deferred Tax Liabilities (Net)	26	39.77	97.19
3 CURRENT LIABILITIES			
a Financial Liabilities			
i Borrowings	27	376.57	43.29
ii Lease Liabilities	28	78.67	79.11
iii Trade Payables	29		
Total outstanding dues of micro enterprises and small enterprises		30.97	9.24
Total outstanding dues of creditor other than micro enterprises and small enterprises		3,067.17	2,457.91
iv Other Financial Liabilities	30	4,441.72	3,067.27
b Other Current Liabilities	31	328.47	281.08
c Provisions	32	2,409.74	1,999.87
d Current Tax Liabilities (Net)	33	161.01	121.45
Total Equity and Liabilities		10,894.32	8,059.22
		40,284.14	34,138.50
Basis of preparation and presentation of Financial Statement	2		
Significant Accounting Policies	3		
Significant Judgement & Key Estimate	4	-	-
The Notes are an integral part of the Financial Statements			

As per our report of even date attached

For and on behalf of the Board of Directors of **Albert David Limited**
CIN No. L51109WB1938PLC009490

For **Basu Chanchani & Deb**
Chartered Accountants
Firm Registration No. 304049E
Biswanath Chattopadhyay

Partner
Membership No: 051800

RANADEEP BHATTACHARYA
Chief Financial Officer

C A VORA
Company Secretary, Compliance Officer
cum Legal Manager
(ACS-28776)

A K KOTHARI
Executive Chairman
DIN : 00051900

T S PARMAR
Managing Director & CEO
DIN : 05118311

Place: Kolkata
Date: 11th May, 2022

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2022

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1. INCOME			
a. Revenue from Operations	34	31,351.14	24,744.99
b. Other Income	35	1,584.14	1,717.99
Total Income		32,935.28	26,462.98
2. EXPENSES			
a. Cost of Materials Consumed	36	5,146.28	3,674.96
b. Purchases of Stock -in- Trade	37	6,109.87	4,611.59
c. Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	38	237.60	330.12
d. Employee Benefits Expense	39	8,537.71	8,270.05
e. Finance Costs	40	53.23	65.32
f. Depreciation and Amortisation Expense	41	880.57	823.15
g. Other Expenses	42	7,240.26	5,943.43
Total Expenses		28,205.52	23,718.62
3. Profit before Tax (1) - (2)		4,729.76	2,744.36
4. Tax Expense	43		
a. Current Tax		1,261.35	582.52
b. Tax for Earlier Year		-	(145.18)
c. Deferred Tax		(57.42)	92.72
5. Profit for the Year (3) - (4)		3,525.83	2,214.30
6. Other Comprehensive Income			
a. Items that will not be reclassified to profit or loss :			
i. Remeasurement of defined benefit plan		74.09	(33.86)
ii. Equity instrument through Other Comprehensive Income		270.07	(30.55)
b. Income tax relating to these items		(18.65)	8.52
Other Comprehensive Income for the Year (Net of Tax) (a) + (b)		325.51	(55.89)
7. Total Comprehensive Income for the year (5) + (6)		3,851.34	2,158.41
8. Earnings Per Share	44		
Earning per Equity Share			
Basic & Diluted		61.78	38.80
Basis of preparation and presentation of Financial Statement	2		
Significant Accounting Policies	3		
Significant Judgement & Key Estimate	4		
The Notes are an integral part of the Financial Statements			

As per our report of even date attached

For and on behalf of the Board of Directors of **Albert David Limited**
CIN No. L51109WB1938PLC009490

For **Basu Chanchani & Deb**
Chartered Accountants
Firm Registration No. 304049E
Biswanath Chattopadhyay

RANADEEP BHATTACHARYA
Chief Financial Officer

A K KOTHARI
Executive Chairman
DIN : 00051900

Place: Kolkata
Date: 11th May, 2022

Partner
Membership No: 051800

C A VORA
Company Secretary, Compliance Officer
cum Legal Manager
(ACS-28776)

T S PARMAR
Managing Director & CEO
DIN : 05118311

CASH FLOW STATEMENT for the year ended 31st March, 2022

(Rs. in Lakhs)

	Year ended 31st March, 2022	Year ended 31st March, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax	4,729.76	2,744.36
Adjustment for :		
Depreciation and amortisation expense	880.57	823.15
Finance Cost	53.23	65.32
Interest Income	(343.89)	(316.50)
(Gain)/Loss on Disposal of Property, Plant & Equipment(Net)	(234.87)	(3.81)
Loss/(Gain) on sale of current investments classified at FVTPL	(88.27)	(95.93)
Net fair value (Gain)/Loss on investments measured at FVTPL	(809.02)	(1,214.10)
Dividend Income	(7.70)	-
Net gain on Lease modification	-	(3.79)
Unrealised (Gain)/Loss in Foreign Currency	(2.77)	0.73
Operating Profit before Working Capital changes	4,177.04	1,999.43
Adjustment for changes in working capital:		
(Increase)/Decrease in Trade Receivables	(558.15)	1,064.24
(Increase)/Decrease in Current and non-current financial assets	(1.53)	109.31
(Increase)/Decrease in Inventories	(343.11)	697.48
(Increase)/Decrease in other Current and non-current assets	(299.12)	76.42
Increase/(Decrease) in Trade Payables	624.45	(1,355.64)
Increase/(Decrease) in Current and non-current financial liabilities	1,173.82	934.54
Increase/(Decrease) in other Current liabilities and provisions	520.77	365.41
Cash Generated from Operations	5,294.17	3,891.19
Direct Taxes Paid(net of refund)	(1,257.70)	(230.12)
Net Cash from Operating Activities (A)	4,036.47	3,661.07
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Payment against acquisition of Property, Plant & Equipment	(1,108.14)	(163.21)
Proceeds from Sale of Property & Equipment	245.26	32.64
Interest Received	258.46	273.41
Payment against acquisition/proceeds of realisation of Current Investments(Net)	(3,373.24)	(311.28)
Repayment of Inter corporate loan	800.00	-
Net investment in Fixed Deposits (maturity more than three months)	(799.77)	(3,700.00)
Dividend Received on Investments	7.70	-
Net Cash used in Investing Activities (B)	(3,969.73)	(3,868.44)

CASH FLOW STATEMENT for the year ended 31st March, 2022 (Contd.)

(Rs. in Lakhs)

	Year ended 31st March, 2022	Year ended 31st March, 2021
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of Lease Liability	(115.57)	(121.63)
Interest Paid	(28.86)	(44.85)
Dividend Paid (including Tax on dividend)	(343.58)	(4.02)
Net Cash used in Financing Activities (C)	(488.01)	(170.50)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(421.27)	(377.87)
Opening Cash and Cash Equivalents	264.28	641.69
Unrealised Gain/(Loss) in Current Account held in Foreign Currency	8.04	0.46
Closing Cash and Cash Equivalents	(148.95)	264.28
Closing Cash and Cash Equivalents consists of the following:		
	As at 31.03.2022	As at 31.03.2021
Cash in Hand	4.96	4.32
Remittance in transit	-	2.69
Bank Balance with Schedule Banks:		
In Current Account(including unrealised Foreign currency gain Rs 8.04,Previous year Rs 0.46)	222.66	300.56
Balances with Bank in Cash credit account	(376.57)	(43.29)
Cash and Cash Equivalents as per Cash Flow Statement	(148.95)	264.28

Notes:

- 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'.
- Figures in bracket indicate cash outgo.

As per our report of even date attached

For and on behalf of the Board of Directors of **Albert David Limited**
CIN No. L51109WB1938PLC009490

For **Basu Chanchani & Deb**
Chartered Accountants
Firm Registration No. 304049E
Biswanath Chattopadhyay
Partner
Membership No: 051800

RANADEEP BHATTACHARYA
Chief Financial Officer

C A VORA
Company Secretary, Compliance Officer
cum Legal Manager
(ACS-28776)

A K KOTHARI
Executive Chairman
DIN : 00051900
T S PARMAR
Managing Director & CEO
DIN : 05118311

Place: Kolkata
Date: 11th May, 2022

STATEMENT OF CHANGE IN EQUITY for the year ended 31st March, 2022

(Rs. in Lakhs)

a) Equity Share Capital

Balance as at 1st April, 2020	570.72
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2021	570.72
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2022	570.72

b) Other Equity

Particulars	Reserve & Surplus					Other Comprehensive Income		Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurement of Defined benefit obligation	Equity instrument through Other Comprehensive Income	
Balance as at 1st April, 2020	13.88	8.45	314.72	12,881.84	7,956.58	-	533.60	21,709.07
Profit for the year	-	-	-	-	2,214.30	-	-	2,214.30
Other Comprehensive Income	-	-	-	-	-	(25.34)	(30.55)	(55.89)
Total Comprehensive Income for the year	-	-	-	-	2,214.30	(25.34)	(30.55)	2,158.41
Remeasurement of Defined Benefit Obligation transferred to Retained Earning	-	-	-	-	(25.34)	25.34	-	-
Balance as at 31st March, 2021	13.88	8.45	314.72	12,881.84	10,145.54	-	503.05	23,867.48
Profit for the year	-	-	-	-	3,525.83	-	-	3,525.83
Other Comprehensive Income	-	-	-	-	-	55.44	270.07	325.51
Total Comprehensive Income for the year	-	-	-	-	3,525.83	55.44	270.07	3,851.34
Remeasurement of Defined Benefit Obligation transferred to Retained Earning	-	-	-	-	55.44	(55.44)	-	-
Dividend	-	-	-	-	(342.43)	-	-	(342.43)
Balance as at 31st March, 2022	13.88	8.45	314.72	12,881.84	13,384.38	-	773.12	27,376.39

The Notes are an integral part of the Financial Statements

As per our report of even date attached

For **Basu Chanchani & Deb**
Chartered Accountants
Firm Registration No. 304049E
Biswanath Chattopadhyay

Partner
Membership No: 051800

Place: Kolkata
Date: 11th May, 2022

For and on behalf of the Board of Directors of **Albert David Limited**
CIN No. L51109WB1938PLC009490

RANADEEP BHATTACHARYA
Chief Financial Officer

C A VORA
Company Secretary, Compliance Officer
cum Legal Manager
(ACS-28776)

A K KOTHARI
Executive Chairman
DIN : 00051900
T S PARMAR
Managing Director & CEO
DIN : 05118311

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE AND GENERAL INFORMATION

Albert David Limited ("the Company") is a public limited company incorporated in 1938 and domiciled in India and has its listing on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Company belongs to a renowned industrial house of Kolkata, the "Kothari Group". The registered office of the Company is situated in Kolkata. The Company's principal business is manufacturing and trading of Pharmaceutical Formulations, Infusion Solutions, Herbal Dosage Forms and Bulk Drugs by way of domestic sale or export.

The financial statements of the Company for the year ended 31st March 2022 has been approved by the Board of Directors in their meeting held on 11th May 2022.

2. BASIS OF PREPARATION & PRESENTATION OF FINANCIAL STATEMENT

2.1. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

2.2. Basis of Measurement

The Company maintains accounts on accrual basis following the historical cost convention, except for followings:

- Certain Financial Assets and Liabilities are measured at Fair value/ Amortised cost (refer accounting policy regarding financial instruments);
- Derivative Financial Instruments measured at fair value;
- Defined Benefit Plans – plan assets measured at fair value.

2.3. Functional and Reporting Currency

The Financial Statements are presented in Indian Rupee (INR), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All financial information presented in INR have been rounded off to the nearest lakhs up to two decimals as per the requirements of Schedule III, unless otherwise stated.

2.4. Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

2.5. Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division-II, Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Division-II, Schedule III to the Act, and various stipulations of Ind AS or any other act are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

2.6. Operating Cycle for current and non-current classification

All assets and liabilities have been classified as current or non-current depending on the Company's normal operating cycle and other criteria set out in the Division-II, Schedule III of the Companies Act, 2013 and Ind AS 1. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

2.7. Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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 input that is significant to the fair value measurement as a whole:

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and maintenance of professional standards.

3. ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

3.1. INVENTORIES

Inventories are valued at the lower of cost and net realizable value (NRV). Cost is measured by including, unless specifically mentioned below, cost of purchase and other costs incurred in bringing the inventories to their present location and condition. NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Cost formulae are as follows:

Particulars	Cost Formula
Raw Material, Consumable Stores, Spares, Packing Materials and Trading Goods	On FIFO basis.
Finished Goods & Work-in-Progress	At cost of input (on FIFO basis) plus labour and related manufacturing overhead including depreciation.
Scrap Materials	At net realizable value.

3.2. CASH AND CASH EQUIVALENTS

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand, term deposits and other short-term highly liquid investments, net of bank overdrafts/cash credit as they are considered an integral part of the Company's cash management. Bank overdrafts/cash credit are shown within short term borrowings in the Balance sheet.

3.3. INCOME TAX

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognised in the statement of profit & loss, except to the extent that it relates to items recognised in other comprehensive income or directly attributable to other equity. In these cases, the tax is also recognised in other comprehensive income or in statement of change in other equity, respectively.

3.3.1. Current Tax:

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

3.3.2. Deferred Tax

- Deferred Tax assets and liabilities is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in statement of change in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.4. PROPERTY, PLANT AND EQUIPMENT

3.4.1. Tangible Assets

3.4.1.1. Recognition and Measurement:

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet under cost model i.e., cost, less any accumulated depreciation and accumulated impairment losses (if any), except for freehold land which are carried at historical cost.
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located. Such costs includes borrowing cost if recognition criteria are met.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

3.4.1.2. Subsequent Measurement:

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred 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 derecognized when replaced.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

3.4.1.3. Depreciation and Amortization:

- Depreciation on Property, Plant & Equipment is provided on Straight Line Method in terms of life span of assets prescribed in Schedule II of the Companies Act, 2013 or as reassessed by the Company based on the technical evaluation.
- In case the cost of part of tangible asset is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation has been provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers, which the management believes that the useful lives of the component best represent the period over which it expects to use those components.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis depending on the usage period of assets since/ up to the date of installation / disposal.
- Depreciation on assets built on leasehold land, which is transferrable to the lessor on expiry of lease period, is amortized over the period of lease.
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.
- Residual value is determined considering past experience and the same has been considered between 0% to 5% of the original cost in line with the limit specified in Schedule II to the Companies Act, 2013.

3.4.1.4. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

3.4.1.5. Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

3.5 LEASES

3.5.1 Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

3.5.2 Company as lessor

➤ Finance Lease

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

➤ Operating Lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Company with expected inflationary costs.

3.5.3 Company as lessee

The Company's lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset;
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and;
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is re-measured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The re-measurement normally also adjusts the leased assets.

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

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

3.6 REVENUE RECOGNITION

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

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

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

3.6.1 Other Income:

3.6.1.1 Interest Income: For all debt instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. For other financial assets interest is accounted for in terms of fair rate.

3.6.1.2 Dividend Income: Dividend income is accounted in the period in which the right to receive the same is established.

3.6.1.3 Other Income: Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

3.7 EMPLOYEE BENEFITS

3.7.1 Short Term Benefits

- i) Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.
- ii) ESI is provided on the basis of actual liabilities accrued and paid to authority.

3.7.2 Other Long Term Employee Benefits

The liabilities for earned leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in statement of profit and loss.

3.7.3 Post-Employment Benefits

The Company operates the following post-employment schemes:

➤ Defined Contribution Plan

Defined contribution plans such as Provident Fund, Employee State Insurance etc. are charged to the statement of profit and loss as and when incurred and paid to Authority.

➤ Defined Benefit Plans (Gratuity)

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. 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. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

3.8 GOVERNMENT GRANTS

Government grants are recognised at their fair value, where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

The grant relating to the acquisition/ construction of an item of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on the same systematic basis as the respective assets are depreciated over their expected life and are presented within other operating income. Alternatively, the same can be presented by deducting the grant from the carrying amount of the asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate or NIL interest rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities. Classification of the grant is made considering the terms and condition of the grant i.e. whether grants relates to assets or otherwise.

3.9 FOREIGN CURRENCY TRANSACTIONS

- Foreign currency (other than the functional currency) transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

3.10 BORROWING COSTS

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes foreign exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale.
- Transaction costs in respect of long-term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

3.11 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.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

3.11.1 Financial Assets

➤ Recognition and Initial Measurement:

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➤ Classification and Subsequent Measurement:

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

- o Measured at Amortized Cost;
- o Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- o Measured at Fair Value Through Profit or Loss (FVTPL); and
- o Equity Instruments designated at Fair Value Through Other Comprehensive Income (FVTOCI).

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

- o **Measured at Amortized Cost:** A debt instrument is measured at the amortized cost if both the following conditions are met:
 - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
 - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the company.

- o **Measured at FVTOCI:** A debt instrument is measured at the FVTOCI if both the following conditions are met:
 - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
 - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

- o **Measured at FVTPL:** FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Equity instruments which are, held for trading are classified as at FVTPL.
- o **Equity Instruments designated at FVTOCI:** For equity instruments, which has not been classified as FVTPL as above, the company may make an irrevocable election to present in other comprehensive

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

➤ **Derecognition:**

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

➤ **Impairment of Financial Assets:**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes impairment loss for trade receivables that do not constitute a financing transaction using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

3.11.2 Financial Liabilities

➤ **Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

➤ **Subsequent Measurement:**

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

➤ **Financial Guarantee Contracts:**

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized 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 requirement of Ind AS 109 and the amount recognized less cumulative amortization.

➤ **Derecognition:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

3.11.3 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

3.11.4 Derivative financial instruments:

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, to manage its exposure to foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

3.12 Earnings Per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

3.13 Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.14 Provisions, Contingent Liabilities and Contingent Assets

3.14.1 Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

3.14.2 Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

3.14.3 Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

3.15 Intangible Assets

3.15.1 Recognition and Measurement

Software which is not an integral part of related hardware is treated as intangible asset and are stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the statement of profit and loss in the period in which the expenditure is incurred. Development cost is recognized as asset when all the recognition criteria are met. However intangible assets are capitalised subject to satisfaction of basic criteria thereon i.e., identifiability, control and future economy benefit to flow concerned asset.

3.15.2 Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

3.15.3 Amortization

- Intangible assets are amortized over a period of five years.
- The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

3.15.4 Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

3.16 Non-Current Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortised.

3.17 Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

The Company has identified one reportable segment "Pharmaceuticals" based on the information reviewed by the CODM.

3.18. Recent accounting pronouncements entailing insertion/modification of new/existing accounting standards

The Ministry of Corporate Affairs ("MCA") notifies new Accounting Standards or amendments to the existing Accounting Standards. Ministry of Corporate Affairs notified amendments to the existing standards vide notification dated 23rd March 2021 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

New Standards / Amendments applied during the year in respect of Company's Financial Statements:

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments:

Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

4 SIGNIFICANT JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING ACCOUNTING POLICIES

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Information about Significant judgments and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits.
- **Classification of Leases:** The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- **Right-of-use assets and lease liability:** The Company has exercised judgement in determining the lease term as the noncancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.
- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgment by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

- Allowances for Doubtful Debts: The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount through the assessment of impairment risk. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- 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 valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.
- Sales Return: The Company accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Company's estimate of expected sales returns. The Company deals in various products and operates in various markets. Accordingly, the estimate of sales returns is determined primarily by the Company's historical experience in the markets in which the Company operates.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

NON-CURRENT ASSETS:

5. PROPERTY, PLANT AND EQUIPMENT

Particulars	As at 31st March, 2022										
	Gross Carrying Amount					Accumulated Depreciation					Net Carrying Amount
	As at 1st April 2021	Additions	Disposals	Adjustment / Re-classification	As at 31st March 2022	As at 1st April 2021	Depreciation charged during the Year	Deductions	Adjustment / Re-classification	As at 31st March 2022	
Freehold Land	3,396.00	-	-	-	3,396.00	-	-	-	-	-	3,396.00
Right of Use (ROU) Asset	222.15	162.23	44.05	-	340.33	119.85	87.67	44.05	-	163.47	176.86
Buildings	3,873.22	487.99	1.75	-	4,359.46	1,383.40	115.68	1.75	-	1,497.33	2,862.13
R & D - Buildings	96.63	-	-	-	96.63	49.26	6.41	-	-	55.67	40.96
Plant and Equipment	11,083.26	47.65	-	-	11,130.91	9,372.92	360.64	-	-	9,733.56	1,397.35
R & D - Plant and Equipment	106.51	-	-	-	106.51	79.80	5.26	-	-	85.06	21.45
Tubewell	30.34	-	-	-	30.34	28.91	1.26	-	-	30.17	0.17
Lab. Equipments & Fittings	683.05	59.43	-	-	742.48	617.76	20.21	-	-	637.97	104.51
R & D Lab. Equipments & Fittings	89.60	-	-	-	89.60	62.10	10.75	-	-	72.85	16.75
Furniture & Fixtures	597.10	15.36	-	-	612.46	467.64	34.25	-	-	501.89	110.57
R & D - Furniture & Fixtures	62.51	-	-	-	62.51	55.49	7.02	-	-	62.51	-
Office Equipments	78.60	1.34	0.54	-	79.40	67.06	3.71	0.54	-	70.23	9.17
R & D - Office Equipments	1.02	-	-	-	1.02	1.02	-	-	-	1.02	-
Typewriter & Duplicator	1.36	-	-	-	1.36	1.35	-	-	-	1.35	0.01
Refrigerator /Air Conditioners	101.45	2.52	-	-	103.97	60.86	7.12	-	-	67.98	35.99
Vehicles	169.89	77.96	44.35	-	203.50	105.23	31.55	34.00	-	102.78	100.72
Computer	387.38	58.03	2.48	-	442.93	258.47	78.50	2.44	-	334.53	108.40
R & D - Computer	2.49	-	-	-	2.49	2.49	-	-	-	2.49	-
Total	20,982.56	912.51	93.17	-	21,801.90	12,733.61	770.03	82.78	-	13,420.86	8,381.04

Particulars	As at 31st March, 2021										
	Gross Carrying Amount					Accumulated Depreciation					Net Carrying Amount
	As at 1st April 2020	Additions	Disposals	Adjustment / Re-classification	As at 31st March 2021	As at 1st April 2020	Depreciation charged during the Year	Deductions	Adjustment / Re-classification	As at 31st March 2021	
Freehold Land	3,396.00	-	-	-	3,396.00	-	-	-	-	-	3,396.00
Right of Use (ROU) Asset	263.07	-	40.92	-	222.15	74.03	64.70	18.88	-	119.85	102.30
Buildings	3,876.41	-	3.19	-	3,873.22	1,276.25	110.34	3.19	-	1,383.40	2,489.82
R & D - Buildings	96.63	-	-	-	96.63	43.06	6.20	-	-	49.26	47.37
Plant and Equipment	10,985.21	108.87	10.82	-	11,083.26	8,998.12	385.54	10.74	-	9,372.92	1,710.34
R & D - Plant and Equipment	106.51	-	-	-	106.51	72.84	6.96	-	-	79.80	26.71
Tubewell	30.34	-	-	-	30.34	27.65	1.26	-	-	28.91	1.43
Lab. Equipments & Fittings	690.23	1.61	8.79	-	683.05	600.56	25.92	8.72	-	617.76	65.29
R & D Lab. Equipments & Fittings	89.60	-	-	-	89.60	51.67	10.43	-	-	62.10	27.50
Furniture & Fixtures	615.19	0.13	18.22	-	597.10	454.54	31.16	18.06	-	467.64	129.46
R & D - Furniture & Fixtures	62.51	-	-	-	62.51	48.45	7.04	-	-	55.49	7.02
Office Equipments	81.31	4.36	7.07	-	78.60	69.32	4.78	7.04	-	67.06	11.54
R & D - Office Equipments	1.02	-	-	-	1.02	1.02	-	-	-	1.02	-
Typewriter & Duplicator	1.52	-	0.16	-	1.36	1.51	-	0.16	-	1.35	0.01
Refrigerator /Air Conditioners	109.39	1.14	9.08	-	101.45	61.80	7.15	8.09	-	60.86	40.59
Vehicles	205.80	11.73	47.64	-	169.89	125.94	20.63	41.34	-	105.23	64.66
Computer	385.04	20.89	18.55	-	387.38	211.91	65.10	18.54	-	258.47	128.91
R & D - Computer	2.49	-	-	-	2.49	2.49	-	-	-	2.49	-
Total	20,998.27	148.73	164.44	-	20,982.56	12,121.16	747.21	134.76	-	12,733.61	8,248.95

Notes:

5.1 Refer Note no. 48 for information on property, plant and equipment pledged as securities by the Company.

5.2 ROU Assets consists of Leasehold Lands and Leasehold Buildings (Office and Godown) (Refer Note no. 50).

5.3 The amount of contractual commitment for acquisition of property, plant and equipment is disclosed in Note no. 45.2.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

6. CAPITAL WORK IN PROGRESS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Capital work in progress	81.01	75.44
Total	81.01	75.44

6.1 Capital Work in Progress (CWIP) ageing schedule

Particulars	As at 31st March, 2022					As at 31st March, 2021				
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Projects in progress	24.79	-	-	-	24.79	9.47	-	-	-	9.47
Projects temporarily suspended	-	-	-	56.22	56.22	-	-	-	65.97	65.97
Total	24.79	-	-	56.22	81.01	9.47	-	-	65.97	75.44

6.2 For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, CWIP completion schedule are as below:

Particulars	To be completed in					To be completed in				
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Projects temporarily suspended										
NUME (Cosmetic)	-	56.22	-	-	56.22	-	-	65.97	-	65.97
Total	-	56.22	-	-	56.22	-	-	65.97	-	65.97

7. INTANGIBLE ASSETS

Particulars	As at 31st March, 2022										
	Gross Carrying Amount					Accumulated Depreciation					Net Carrying Amount
	As at 1st April 2021	Additions	Disposals	Adjustment / Re-classification	As at 31st March 2022	As at 1st April 2021	Depreciation charged during the Year	Deductions	Adjustment / Re-classification	As at 31st March 2022	
Computer Software	234.43	0.14	-	-	234.57	87.44	76.58	-	-	164.02	70.55
Trademark	-	350.20	-	-	350.20	-	33.96	-	-	33.96	316.24
Total	234.43	350.34	-	-	584.77	87.44	110.54	-	-	197.98	386.79

Particulars	As at 31st March, 2021										
	Gross Carrying Amount					Accumulated Depreciation					Net Carrying Amount
	As at 1st April 2020	Additions	Disposals	Adjustment / Re-classification	As at 31st March 2021	As at 1st April 2020	Depreciation charged during the Year	Deductions	Adjustment / Re-classification	As at 31st March 2021	
Computer Software	234.29	0.14	-	-	234.43	11.50	75.94	-	-	87.44	146.99
Total	234.29	0.14	-	-	234.43	11.50	75.94	-	-	87.44	146.99

7.1 The amount of contractual commitment for acquisition of intangible assets is disclosed in Note no. 45.2.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

8. NON - CURRENT INVESTMENTS

(Fully Paid up Shares)

Particulars	Face Value (Rs.)	As at 31st March, 2022		As at 31st March, 2021	
		Qty	Amount	Qty	Amount
INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME					
Investments in Unquoted Equity Instruments					
Bharat Fritz Werner Limited	2	16,42,034	2,361.90	16,42,034	2,137.43
Kothari Phytochemicals & Industries Limited	10	1,90,000	294.50	1,90,000	248.90
Shiela Mahal Co-Operative Housing Society Limited	50	-	-	5	0.01
Mangal Karini Co-operative Society Limited	50	5	0.01	5	0.01
			2,656.41		2,386.35
Aggregate Cost of Unquoted Investments			1,869.76		1,869.76

9. OTHERS FINANCIAL ASSETS-NON-CURRENT

Particulars	As at 31st March, 2022	As at 31st March, 2021
Security Deposit (Unsecured)		
Considered good	200.29	191.61
Having significant increase in credit risk	-	-
Credit impaired	8.13	8.13
Total	208.42	199.74
Less: Allowance for doubtful security deposit	8.13	8.13
	200.29	191.61
Fixed Deposits (having the maturity beyond 12 months from the B/S dates)	2,899.00	500.00
Total Non-Current Loans	3,099.29	691.61

10. NON-CURRENT TAX ASSETS (NET)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance Income Tax & TDS	595.56	1,092.52
Less: Provision for Tax	574.00	915.00
	21.56	177.52

11. OTHER NON-CURRENT ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021
(Unsecured & considered good)		
Capital Advances	31.88	29.93
Advances other than Capital Advances		
Prepaid Expenses	11.60	15.36
Excess of plan assets against obligation towards gratuity	231.43	69.89
Total Other Non-Current Assets	274.91	115.18

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)****12. INVENTORIES**

(At lower of cost or net realisable value)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw Materials	655.23	609.73
Work-in-Progress	339.86	395.69
Finished Goods	1,394.71	1,648.92
Stock-in-Trade	268.87	196.43
Stores and Spares	337.25	329.15
Containers & Packing Materials	922.00	394.89
	3,917.92	3,574.81

12.1 The above includes goods-in-transit as under:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw Materials	135.60	240.57
Store and Spares	0.02	2.01
Containers & Packing Materials	7.59	8.14
	143.21	250.72

12.2 Refer note no. 48 for information on inventories pledged as securities by the Company.**13. CURRENT INVESTMENTS**

Particulars	Face Value (Rs.)	As at 31st March, 2022		As at 31st March, 2021	
		Qty	Amount	Qty	Amount
INVESTMENTS AT FAIR VALUE THROUGH PROFIT & LOSS- QUOTED					
Investments in Mutual Funds					
ICICI Pru Equity & Debt Fund - Growth	100	2,49,975.77	564.85	2,49,975.77	424.24
ICICI Pru Nifty Index Fund - Growth	100	6,84,073.57	1,168.95	-	-
ICiCi Focused Equity Fund - Growth	10	11,10,842.43	543.42	-	-
ICICI Pru Equity Arbitrage Fund - Growth	10	3,88,308.27	108.08	-	-
HDFC Hybrid Equity Fund - Growth	10	-	-	6,12,436.97	412.50
HDFC Index Fund - Nifty 50 Plan - Growth	100	1,87,830.71	302.52	-	-
HDFC Liquid Fund - Growth	1,000	1.22	0.05	-	-
ICICI Pru Technology Fund - Growth	100	68,285.13	111.02	68,285.13	74.51
DSP Healthcare Fund - Growth	10	-	-	2,06,364.80	39.53
DSP Equity & Bond Fund - Growth	100	2,17,157.63	495.87	2,17,157.63	439.75
IDFC Ultra Short Term Fund - Growth	10	-	-	5,09,741.04	60.76
Kotak Flexicap Fund - Growth	10	4,30,672.07	223.82	3,10,804.87	139.74
Mirae Asset Healthcare Fund - Growth	10	2,13,486.13	47.77	2,13,486.13	40.06
HDFC Floating Rate Debt Ws - Growth	10	-	-	23,35,436.38	885.41
ICICI Pru Savings Fund - Growth	100	-	-	2,23,905.72	931.45
Kotak Emerging Equity Fund - Growth	10	7,07,716.50	563.46	-	-
Mirae Asset Midcap Fund - Growth	10	11,07,412.42	227.73	8,51,028.11	136.84
Mirae Asset Large Cap Fund - Growth	10	11,94,481.27	924.70	-	-

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

Particulars	Face Value (Rs.)	As at 31st March, 2022		As at 31st March, 2021	
		Qty	Amount	Qty	Amount
IIFL Focused Equity Fund - Growth	10	27,03,505.10	867.57	-	-
Mirae Asset Focused Fund - Growth	10	17,13,739.19	327.00	17,13,739.19	269.86
HDFC Small Cap Fund - Regular - Growth	10	-	-	2,53,622.33	134.04
Inveso India Contra Fund - Growth	10	1,65,725.83	125.02	1,65,725.83	104.46
DSP Mid Cap Fund - Regular - Growth	10	-	-	1,73,377.02	132.26
Axis Midcap Fund Growth	10	3,28,309.76	221.25	2,65,871.42	145.22
Kotak Small Cap Fund - Growth	100	1,07,582.89	175.68	73,927.00	88.48
Nippon India Arbitrage Fund - Growth	10	26,83,569.04	612.61	-	-
Nippon India Small Cap Fund - Growth	10	2,62,134.24	223.47	1,96,959.08	116.51
S.B.I Liquid Fund - Daily Dividend Plan	1,000	94,676.20	1,018.29	5,67,660.21	5,901.31
SBI Blue Chip Fund - Growth	10	4,58,832.99	275.98	-	-
SBI Arbitrage Opportunities Fund - Growth	10	47,35,723.70	1,351.08	-	-
Motilal Oswal Nifty Midcap 150 Index Fund	10	36,45,841.12	722.20	-	-
Motilal Oswal Nasdaq 100 Fund of Fund	10	16,96,999.46	396.99	-	-
Motilal Oswal S and P 500 Index Fund	10	23,09,234.39	365.03	-	-
AXIS Banking & PSU Debt Fund - Growth	1,000	14,618.79	312.95	14,618.79	301.06
AXIS Focused 25 Fund - Growth	10	10,95,116.52	527.63	-	-
AXIS Liquid Fund - Growth	1,000	0.22	0.01	-	-
UTI Liquid Fund - Growth	1,000	1.46	0.05	-	-
IDFC Banking & PSU Debt Fund - Growth	10	15,89,498.09	318.15	15,89,498.09	305.74
IDFC Sterling Value Fund - Growth	10	1,61,824.35	142.91	-	-
L & T Short Term Bond Fund	10	14,31,691.47	310.11	14,31,691.47	298.36
Sub total			13,576.22		11,382.09
Investments in Bonds					
SBI Perpetual Bond	100.00	20,00,000.00	2,076.40		-
Sub total			2,076.40		-
			15,652.62		11,382.09
Aggregate amount of cost of Unquoted Investments			14,532.61		10,354.16

14. TRADE RECEIVABLES

Particulars	Current	
	As at 31st March, 2022	As at 31st March, 2021
Trade Receivables	2,506.64	1,948.96
Break Up of Trade Receivables		
Secured, considered good	59.73	120.17
Unsecured, considered good	2,446.91	1,828.79
Having significant increase in credit risk	-	-
Credit impaired (unsecured)	36.03	33.25
	2,542.67	1,982.21
Less: Allowance for Doubtful Receivables	36.03	33.25
Total Trade Receivables	2,506.64	1,948.96

14.1 Trade receivables are non-interest bearing and are generally on terms of 21 to 30 days.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

14.2 No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

14.3 Refer note no. 48 for information on trade receivables pledged as securities by the Company.

14.4 Trade Receivable Ageing Schedule

Particulars	Unbilled	Not Due	Outstanding from due date of payment as on March 31, 2022					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed								
Considered good	-	1,865.32	538.17	75.11	24.78	3.26	-	2,506.64
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	7.81	2.36	25.86	36.03
Disputed								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	7.81	2.36	25.86	36.03
Total	-	1,865.32	538.17	75.11	24.78	3.26	-	2,506.64

Particulars	Unbilled	Not Due	Outstanding from due date of payment as on March 31, 2021					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed								
Considered good	-	1,581.90	278.01	38.49	35.81	14.75	-	1,948.96
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	10.39	10.44	12.42	33.25
Disputed								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	10.39	10.44	12.42	33.25
Total	-	1,581.90	278.01	38.49	35.81	14.75	-	1,948.96

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

15. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances With Banks :		
In Current Account	222.66	300.56
Cash on Hand	4.96	4.32
Remittance in Transit	-	2.69
	227.62	307.57

16. BANK BALANCES (OTHER THAN NOTE: 15)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance in Unpaid Dividend Account	28.06	29.21
Fixed Deposit with Banks (having the maturity of less than 12 months on the B/S dates)	1,600.77	3,200.00
	1,628.83	3,229.21

17. LOAN - CURRENT

Particulars	As at 31st March, 2022	As at 31st March, 2021
(Unsecured & considered good)		
Loans to related parties	500.00	1,300.00
Loan / Advance to Employees	12.34	6.14
Total Current Loans	512.34	1,306.14

17.1 Loans or advances repayable on demand or without specifying any terms or period of repayment to specified persons

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Amount	% of Total outstanding	Amount	% of Total outstanding
Related Parties -				
Satyam Financial Services Limited	500.00	97.59%	1,300.00	99.53%
Total	500.00	97.59%	1,300.00	99.53%

18. OTHERS FINANCIAL ASSETS - CURRENT

Particulars	As at 31st March, 2022	As at 31st March, 2021
(Unsecured & considered good)		
Security Deposit	22.95	35.15
Interest accrued on Loan / Deposit	197.45	112.02
	220.40	147.17

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

19. CURRENT TAX ASSETS (NET)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance Income Tax & TDS	1,998.90	910.68
Less: Provision for Tax	1,789.00	874.00
	209.90	36.68

20. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021
(Unsecured & considered good)		
Advances to Suppliers & Service Providers	140.69	49.01
Balances with Government & Statutory Authorities	317.13	280.55
Prepaid Expenses	49.04	34.27
Total Other Current Assets	506.86	363.83

21. EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
21.1 Authorised Share Capital				
Equity Shares:				
Ordinary Shares of Rs. 10/- each	97,00,000.00	970.00	97,00,000.00	970.00
Preference Shares:				
Redeemable Cumulative Shares of Rs. 100/- each	30,000.00	30.00	30,000.00	30.00
	97,30,000.00	1,000.00	97,30,000.00	1,000.00
21.2 Issued Share Capital				
Equity Shares				
Ordinary Shares of Rs. 10/- each	57,07,162.00	570.72	57,07,162.00	570.72
	57,07,162.00	570.72	57,07,162.00	570.72
21.3 Subscribed and Paid-up Share Capital				
Equity Shares				
Ordinary Shares of Rs. 10/- each fully paid-up	57,07,162.00	570.72	57,07,162.00	570.72
	57,07,162.00	570.72	57,07,162.00	570.72

21.4 Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

21.5 Terms/ Rights attached to Equity Shares :

The Company has only one class of issued shares i.e. Ordinary Shares having par value of Rs. 10/- per share. Each holder of Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

21.6 Shareholding Pattern with respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

21.7 Details of Equity Shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	% holdings	No. of Shares	% holdings
Ordinary Shares of Rs. 10/- each fully paid				
M/S Kothari Investment & Industries Pvt.Ltd.	23,56,231	41.29%	23,56,231	41.29%
Mr. Anand Vardhan Kothari	5,65,500	9.91%	5,62,500	9.86%
M/S M D Kothari & Company Limited	3,93,694	6.90%	3,93,694	6.90%

21.8 Details of Equity Shareholders holding of Promoters

Particulars	As at March 31, 2022			As at March 31, 2021		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Mr. Anand Vardhan Kothari	5,65,500	9.91%	0.53%	5,62,500	9.86%	0.18%
Mr. Arun Kumar Kothari	96,000	1.68%	9.71%	87,500	1.53%	0.57%
Mrs. Prabhawati Devi Kothari	17,527	0.31%	0.00%	17,527	0.31%	0.00%
M/S Paramsukhdas Suganchand HUF	15,000	0.26%	0.00%	15,000	0.26%	0.00%
Mrs. Vedika Kothari	1,500	0.03%	0.00%	1,500	0.03%	0.00%
M/S Kothari Investment And Industries Private Limited	23,56,231	41.29%	0.00%	23,56,231	41.29%	0.17%
M/S M.D. Kothari & Company Ltd.	3,93,694	6.90%	0.00%	3,93,694	6.90%	0.00%
M/S Kothari Phytochemicals And Industries Ltd.	90,500	1.59%	46.94%	61,589	1.08%	0.00%

21.9 No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

21.10 No Ordinary Shares have been bought back by the Company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.

21.11 No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

21.12 No calls are unpaid by any Director or Officer of the Company during the year.

22. OTHER EQUITY

Particulars	Refer	As at	As at
	Note No.	31st March, 2022	31st March, 2021
Capital Reserve	22.1	13.88	13.88
Capital Redemption Reserve	22.2	8.45	8.45
Securities Premium	22.3	314.72	314.72
General Reserve	22.4	12,881.84	12,881.84
Retained Earnings	22.5	13,384.38	10,145.54
Other Comprehensive Income Reserve	22.6	773.12	503.05
		27,376.39	23,867.48

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)****Nature/ Purpose of each reserve**

- a) Capital Reserve: During amalgamation / merger / acquisition, the excess of net assets acquired, over the consideration paid, if any, is treated as capital reserve. The purpose of this reserve is to accommodate future merger/demerger or business combination of other nature.
- b) Capital Redemption Reserve: The Company has recognised Capital Redemption Reserve on redemption of preference shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the preference shares redeemed. The purpose of this reserve is for issuance of bonus share as and when declared.
- c) Securities Premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium . The purpose of this reserve is for issuance of bonus share as and when declared or amortisation of preliminary expenses.
- d) General Reserve: The reserve arises on transfer from retained earning / Statement of Profit & Loss. The purpose of retention of such reserve is for identification of free reserve for use of same when deemed necessary in ways the preview as authorised by Companies' Act/Rule including issuance of bonus shares.
- e) Retained Earning: Retained earnings generally represents the undistributed profit/ accumulated over the years. The balance has been retained for further distribution as dividend as and when declared.
- f) Other Comprehensive Income:
 - (i) Equity Instrument through OCI: The Company has recognised changes in the fair value of certain investments in equity instrument (net of deferred tax applicable thereon) in other comprehensive income for the purpose of utilising same at the point of disposal of relevant investment as and when done at a future date.
 - (ii) Remeasurement of Defined Benefit Plans : The Company has recognised remeasurement gain / (loss) of defined benefit plans in OCI.

Particulars	As at 31st March, 2022	As at 31st March, 2021
22.1 Capital Reserve		
Balance at the beginning and at the end of the year	13.88	13.88
22.2 Capital Redemption Reserve		
Balance at the beginning and at the end of the year	8.45	8.45
22.3 Securities Premium		
Balance at the beginning and at the end of the year	314.72	314.72
22.4 General Reserve		
Balance at the beginning and at the end of the year	12,881.84	12,881.84
22.5 Retained Earnings		
Balance at the beginning of the year	10,145.54	7,956.58
Add: Profit for the year	3,525.83	2,214.30
	13,671.37	10,170.88
Less: Other Comprehensive Income arising from remeasurement of defined benefit obligation (net of tax)	(55.44)	25.34
	(55.44)	25.34
Less: Dividend	342.43	-
Balance at the end of the year	13,384.38	10,145.54

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
22.6 Other Comprehensive Income		
Equity instrument through Other Comprehensive Income		
Balance at the beginning of the year	503.05	533.60
Add/(Less): Change in Fair Value	270.07	(30.55)
Balance at the end of the year	773.12	503.05
Total Other Comprehensive Income	773.12	503.05
Total Reserve & Surplus	27,376.39	23,867.48

23. LEASE LIABILITIES - NON-CURRENT

Particulars	As at 31st March, 2022	As at 31st March, 2021
Lease Liabilities	110.94	39.47
	110.94	39.47

24. OTHER FINANCIAL LIABILITIES-NON-CURRENT

Particulars	Refer Note No.	As at 31st March, 2022	As at 31st March, 2021
Deposit (Cover Money) Stockist	24.1	244.76	446.53
		244.76	446.53

24.1 Deposit (Cover Money) from Stockist are retained with company till continuation of principal stockist relationship.

25. PROVISIONS-NON-CURRENT

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for Employee Benefits		
Leave Encashment	1,047.24	1,057.89
	1,047.24	1,057.89

26. DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred Tax Liabilities		
Arising on account of :		
Property, Plant & Equipments & Intangible Assets	340.90	342.60
Fair value of Current Investments	148.36	173.00
Research & Development	19.92	27.34
Sub-total	509.18	542.94

NOTES TO THE FINANCIAL STATEMENTS (Contd.)
(Rs. in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Less: Deferred Tax Assets		
Arising on account of :		
Provision for Doubtful Debts (ECL Model) & Security Deposits	9.39	8.69
Provision for unencashed leave	317.19	314.52
Provision for expected sales return	138.09	110.49
Employee Benefit Payable	-	6.27
Others	4.74	5.78
Sub-total	469.41	445.75
Deferred Tax Liabilities (Net)	39.77	97.19

26.1 Movement in deferred tax asset and deferred tax liabilities during the year ended 31st March, 2021 and 31st March, 2022

Particulars	As at 1st April, 2021	Recognized in Statement of Profit & Loss	Recognized in Other Comprehensive Income	As at 31st March, 2022
Deferred Income Tax Liabilities				
Property, Plant & Equipments & Intangible Assets	342.60	1.70	-	340.90
Fair value of Current Investments	173.00	24.64	-	148.36
Research & Development	27.34	7.42	-	19.92
	<u>542.94</u>	<u>33.76</u>	<u>-</u>	<u>509.18</u>
Deferred Income Tax Assets				
Provision for Doubtful Debts (ECL Model) & Security Deposits	8.69	0.70	-	9.39
Provision for unencashed leave	314.52	2.67	-	317.19
Provision for expected sales return	110.49	27.60	-	138.09
Employee Benefit Payable	6.27	(6.27)	-	-
Others	5.78	(1.04)	-	4.74
	<u>445.75</u>	<u>23.66</u>	<u>-</u>	<u>469.41</u>
Total	97.19	57.42	-	39.77

Particulars	As at 1st April, 2020	Recognized in Statement of Profit & Loss	Recognized in Other Comprehensive Income	As at 31st March, 2021
Deferred Income Tax Liabilities				
Property, Plant & Equipments & Intangible Assets	454.58	111.98	-	342.60
Fair value of Current Investments	18.42	(154.58)	-	173.00
Research & Development	40.55	13.21	-	27.34
	<u>513.55</u>	<u>(29.39)</u>	<u>-</u>	<u>542.94</u>

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

Particulars	As at 1st April, 2020	Recognized in Statement of Profit & Loss	Recognized in Other Comprehensive Income	As at 31st March, 2021
Deferred Income Tax Assets				
Provision for Doubtful Debts (ECL Model) & Loans	8.83	(0.14)	-	8.69
Provision for unencashed leave	382.69	(68.17)	-	314.52
Provision for expected sales return	96.03	14.46	-	110.49
Employee Benefit Payable	14.52	(8.25)	-	6.27
Others	7.01	(1.23)	-	5.78
	509.08	(63.33)	-	445.75
Total	4.47	(92.72)	-	97.19

27. BORROWINGS - CURRENT

Particulars	As at 31st March, 2022	As at 31st March, 2021
Secured		
Loan from Banks		
Working Capital loans repayable on demand	376.57	43.29
	376.57	43.29

27.1 Details of Security Given for Loan

Borrowings from State Bank of India are secured by hypothecation of Inventories, Book Debts and first charge on part of PPE of the company.

27.2 Refer note no. 48 for information on the carrying amounts of financial and non-financial assets pledged as security for current borrowings.

27.3 Refer note no. 66.2 for information on Borrowings in relation to quarterly returns of current assets filed by the company with Bank that are in agreement with the Books of Accounts.

28. LEASE LIABILITIES - CURRENT

Particulars	As at 31st March, 2022	As at 31st March, 2021
Lease Liabilities	78.67	79.11
	78.67	79.11

29. TRADE PAYABLES

Particulars	As at 31st March, 2022	As at 31st March, 2021
Secured		
Trade Payables for goods and services		
Total outstanding dues of micro, small and medium enterprises	30.97	9.24
Total outstanding dues of creditor other than micro enterprises and small enterprises	3,067.17	2,457.91
	3,098.14	2,467.15

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

29.1 Trade Payable Ageing Schedule

Particulars	Outstanding as on March 31, 2022 from due date of payment						Total
	Unbilled	Not Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	-	30.97	-	-	-	-	30.97
Others	398.93	-	2,666.63	1.61	-	-	3,067.17
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	398.93	30.97	2,666.63	1.61	-	-	3,098.14

Particulars	Outstanding as on March 31, 2021 from due date of payment						Total
	Unbilled	Not Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	-	9.24	-	-	-	-	9.24
Others	301.76	518.74	1,635.42	1.74	0.02	0.23	2,457.91
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	301.76	527.98	1,635.42	1.74	0.02	0.23	2,467.15

30. OTHER FINANCIAL LIABILITIES-CURRENT

Particulars	Refer Note No.	As at 31st March, 2022	As at 31st March, 2021
Amount payable for Capital Goods		1.04	-
Refundable Security Deposit		10.32	17.16
Unpaid dividends	30.1	28.06	29.21
Employees related dues		4,402.30	3,020.90
		4,441.72	3,067.27

30.1 There is no amount due for payment to the Investor Education and Protection Fund at the end of the year.

31. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2022	As at 31st March, 2021
Statutory Dues Payable	184.78	220.15
Advances Received from Customers	143.69	60.93
	328.47	281.08

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

32. PROVISIONS - CURRENT

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for Employee Benefits		
Gratuity	-	-
Bonus	204.78	217.60
Leave Encashment	206.23	184.95
Other Provision		
Provision for expected sales return (Refer Note No. 47)	548.67	439.01
Other Provision	1,450.06	1,158.31
	2,409.74	1,999.87

33. CURRENT TAX LIABILITY (NET)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for tax	5,020.05	4,715.79
Less: Advance Income Tax & TDS	4,859.04	4,594.34
	161.01	121.45

34. REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Revenue From Operations		
Sale of Finished Goods	31,242.68	24,631.38
	31,242.68	24,631.38
Other Operating Revenues		
Manufacturing & Other Scrap	87.76	57.42
Export Incentive	20.70	56.19
	108.46	113.61
	31,351.14	24,744.99

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)****35. OTHER INCOME**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Income at amortised cost		
On Bank Deposits	201.52	113.72
On Inter Corporate Deposits and Others	142.37	202.78
Dividend Income		
On equity investment designated at FVOCI	7.70	-
Other Non Operating Income		
Net Gain on Fair Valuation of Investment classified at FVTPL	809.02	1,214.10
Net Gain on Sale of Investment classified at FVTPL	88.27	95.93
Profit on Sale of Fixed Assets (Net)	234.87	3.81
Exchange Gain (Net)	2.45	1.83
Excess Provision on Doubtful Loan written back	-	1.91
Liabilities no longer required written back	8.63	17.43
Net Gain on Lease Modification	-	3.79
Claim Receipts	56.93	47.27
Miscellaneous Receipts	32.38	15.42
	1,584.14	1,717.99

36. COST OF MATERIALS CONSUMED

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Raw Material	2,372.70	2,024.62
Packing Material	2,773.58	1,650.34
	5,146.28	3,674.96

37. PURCHASE OF STOCK-IN-TRADE

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Purchases of Stock -in-Trade	6,109.87	4,611.59
	6,109.87	4,611.59

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)****38. (INCREASE)/ DECREASE IN INVENTORIES OF FINISHED GOODS,
WORK-IN-PROGRESS AND STOCK-IN-TRADE**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Inventories at the beginning of the year		
Finished Goods	1,648.92	1,915.43
Stock-in-Trade	196.43	326.27
Work in progress	395.69	329.46
	2,241.04	2,571.16
Inventories at the end of the year		
Finished Goods	1,394.71	1,648.92
Stock-in-Trade	268.87	196.43
Work in progress	339.86	395.69
	2,003.44	2,241.04
Total changes in inventories of work-in-progress, stock-in-trade and finished goods	237.60	330.12

39. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries, Wages & Bonus	7,173.16	6,806.81
Contribution to Gratuity Fund	176.80	188.18
Contribution to Provident & Other Funds	524.44	582.71
Staff Welfare Expenses	663.31	692.35
	8,537.71	8,270.05

40. FINANCE COST

Particulars	Refer Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Expenses	40.1	39.29	56.51
Other Borrowing Costs		13.94	8.81
		53.23	65.32

40.1 Interest Expenses include Rs.24.37 lakhs (Previous Year Rs. 20.47 lakhs) for Lease liabilities**41. DEPRECIATION AND AMORTIZATION EXPENSES**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
On Property, Plant and Equipment	770.03	747.21
On Intangible Assets	110.54	75.94
	880.57	823.15

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

42. OTHER EXPENSES

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Manufacturing, Administrative & Selling Expenses		
Stores Consumed	151.42	119.21
Power & Fuel	1,294.82	821.01
Carriage Inward	106.73	66.64
Rent (Refer Note No.50)	9.51	55.72
Rates & Taxes	19.09	12.14
Repairs & Maintenance :		
Building	45.02	93.65
Plant & Machinery	228.00	222.03
Others	113.27	109.80
Insurance	73.20	72.91
Miscellaneous Expenses	513.38	441.86
Travelling, Conveyance & Vehicle Upkeep	101.35	87.81
Research & Development expenses (Refer Note No.46)	160.12	152.58
Electricity	27.63	30.62
Bank Charges & Guarantee Commission	14.00	13.08
Professional Service Charges	131.12	76.73
Donation	200.00	200.00
Processing Charges	69.54	56.91
Export Expenses	247.10	167.84
Field Personnel Expenses	1,178.12	961.98
Freight, Forwarding & Transportation	781.14	568.25
Sales Promotion Expenses	804.60	544.35
Sample Distribution (Refer Note No.60)	596.21	675.98
Commission	217.11	194.40
Directors' Meeting Fees	13.55	15.35
Sales / Service / Goods & Service Tax	73.42	113.64
Corporate Social Responsibility Expenditure (Refer Note No.52)	56.46	46.41
Provision for Doubtful Loans	-	2.60
Provision for Doubtful Receivables	2.78	10.43
Bad Debts Written Off	2.40	-
Payment to the Auditors:		
Audit Fees	5.00	5.00
Tax Audit Fees	0.37	0.37
Other Services	3.38	3.38
Reimbursement of Expenses	0.42	0.75
	7,240.26	5,943.43

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)****43. TAX EXPENSE**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current Tax	1,261.35	582.52
Income Tax for Earlier Year	-	(145.18)
Deferred Tax	(57.42)	92.72
	1,203.93	530.06

43.1 Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of profit and loss

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit from before income tax expense		
Continuing Operation	4,729.76	2,744.36
Total	4,729.76	2,744.36
Indian Statutory Income Tax rate*	25.17%	25.17%
Estimated Income Tax Expense	1190.48	690.75
Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense		
Effect of deferred tax created/ current tax payable at different rate	(112.45)	(98.89)
Effect of expenses not deductible	114.60	109.94
Others	11.30	(26.56)
Income tax expense in Statement of Profit & Loss	1,203.93	675.24

*Applicable Indian Statutory Income Tax rate for Fiscal Year 2021-2022 is 25.17% & 2020-2021 is 25.17% .

44. EARNING PER SHARE

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Nominal Value of Equity Shares (Rs.)	10	10
Profit attributed to the Equity shareholders of the Company	3,525.83	2,214.30
Weighted average number of equity shares	5707162	5707162
Basic and diluted earning per shares (Rs.)	61.78	38.80

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)****45. CONTINGENT LIABILITIES, CONTINGENT ASSETS & COMMITMENT TO THE EXTENT NOT PROVIDED FOR:****45.1 Contingent Liabilities**

Sl. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Claims/Disputes/Demands not acknowledged as debts -		
i.	Excise Matters	2.84	248.87
ii.	Sales Tax/ VAT Matters	6.55	6.55
iii.	Others	153.83	147.15

Note:- In respect of above, future cash flows are determinable only on receipt of judgements pending at various forums/ authorities which in the opinion of the Company is not tenable and there is no possibility of any reimbursement in case of above.

45.2 Commitments

Sl. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
i.	Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances amount Rs.31.88, Previous year Rs.29.93).	117.70	4.70

46. RESEARCH AND DEVELOPMENT EXPENSES INCLUDES EXPENSES UNDER THE FOLLOWING HEADS:

Particulars	2021-22	2020-21
Revenue Expenditure		
Salary & Wages	109.62	106.34
Gratuity	3.94	4.80
Contribution to Provident Fund	9.60	9.20
Staff Welfare	0.98	1.78
Travelling, Conveyance & Vehicle Upkeep	4.55	3.80
Power & Fuel	25.69	23.05
Stores Consumed	1.14	0.85
Repairs & Renewals :		
Machinery	4.04	1.30
Others	-	1.19
Miscellaneous Expenses	0.56	0.27
Sub-total	160.12	152.58
Capital Expenditure	-	-
Sub-total	-	-
Total Expenditure	160.12	152.58

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

47. MOVEMENT OF PROVISION OF EXPECTED SALES RETURN:

Particulars	Expected Sales Return
As on 1st April, 2020	326.55
Add/(less): Created/ (Utilised)	112.46
As on 31st March, 2021	439.01
Add/(less): Created/ (Utilised)	109.66
As on 31st March, 2022	548.67

48. ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current borrowings are :

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
Financial assets	2,506.64	1,948.96
First charge		
Trade Receivables	2,506.64	1,948.96
Non-financial assets	3,917.92	3,574.81
First charge		
Inventories	3,917.92	3,574.81
Total current assets pledged as security	6,424.56	5,523.77
Non-current		
First charge		
Property, Plant & equipments including Capital WIP	7,153.88	6,992.77
Total non-current assets pledged as security	7,153.88	6,992.77
Total assets pledged as security	13,578.44	12,516.54

49. DISCLOSURE AS REQUIRED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006, TO THE EXTENT ASCERTAINED, AND AS PER NOTIFICATION NUMBER GSR 679 (E) DATED 4TH SEPTEMBER, 2015

Sl. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
i	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year.	30.97	9.24
ii	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
iii	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)****50. LEASES****50.1 As Lessee**

50.1.1 The weighted average incremental borrowing rate applied to lease liabilities for the year 2021-2022 is 10%.

50.1.2 The details of ROU Asset included in PPE (Note 5) held as lessee by class of underlying asset are presented below :-

Asset Class	Balance as on 1st April, 2021	Addition	Depreciation	Net carrying value as on 31st March, 2022
Leasehold Land	5.44	-	0.10	5.34
Leasehold Building	96.86	162.23	87.57	171.52
Total	102.30	162.23	87.67	176.86

50.1.3 As per the requirement of the standard, maturity analysis of lease liability have been shown under maturity analysis of Lease Liabilities under Liquidity risk Note 57.2 .The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

50.1.4 Rental expense recorded for short-term leases or cancellable in nature amounts to Rs. 9.51 lakhs for the year ended 31st March, 2022 (Refer Note - 42).

51. DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD - 19 'EMPLOYEE BENEFITS' AS NOTIFIED U/S 133 OF THE COMPANIES ACT, 2013 READ WITH RULE 7 OF COMPANIES (ACCOUNTS) RULES, 2014 (AS IDENTIFIED & CERTIFIED BY THE MANAGEMENT)

51.1 Defined Contribution Plan:

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

The amount recognized as an expense for the Defined Contribution Plans are as under:

Sl. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
a)	Provident Fund*	524.44	582.71
b)	Employee State Insurance Scheme	18.37	20.69
	Total	542.81	603.40

* Excludes amounts transferred to sample distribution and Research & Development Expenses Rs 8.17 lakhs and Rs 9.60 lakhs respectively (Previous year Rs 14.39 lakhs and Rs 9.20 lakhs)

51.2 Defined Benefit Plan:**51.2.1 Gratuity Plan**

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

51.2.2 Risk Exposure

In respect of its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)**

INTEREST RATE RISK	The Defined Benefit Obligation calculation uses a discount rate based on government bonds. If bonds yield fall, the defined benefit obligation will increase.
SALARY GROWTH RISK	The present value of defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of plan participants will increase the plan liabilities.
DEMOGRAPHIC RISK	This is the risk of variability of results due to unsystematic nature of variables that include mortality, withdrawal, disability and retirement. The effect of these variables on the defined benefit obligation is not straight forward and depend upon the combination of factors drawing weightage from salary increase, discount rate and vesting criteria.

51.2.3 Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

Particulars	Gratuity	
	2021-22	2020-21
Balance at the beginning of the year	3,417.21	3,536.62
Current Service Cost	182.32	182.08
Interest Cost on Defined Benefit Obligation	235.78	247.56
Actuarial Gain and Losses arising from		
Changes in demographic assumptions	-	-
Changes in financial assumptions	26.36	25.93
Experience Adjustment	(117.70)	(5.53)
Benefits Paid from the Plan Assets	(265.08)	(569.45)
Balance at the end of the year	3,478.89	3,417.21

51.2.4 Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its components:

Particulars	Gratuity	
	2021-22	2020-21
Balance at the beginning of the year	3,487.10	3,385.61
Interest Income on Plan Assets	240.60	232.87
Remeasurement of Defined Benefit Obligation:		
Return on plan assets greater/ (lesser) than discount rate	(17.25)	(13.46)
Employer Contributions to the Plan	264.95	451.53
Benefits Paid from the Plan Assets	(265.08)	(569.45)
Balance at the end of the year	3,710.32	3487.10

51.2.5 Net (Assets)/ Liability recognised in the Balance Sheet

Particulars	Gratuity	
	2021-22	2020-21
Net Defined benefit at the end of the year	3478.89	3417.21
Value of the Plan Assets	3710.32	3487.10
Net (Assets)/Liability	(231.43)	(69.89)

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)****51.2.6 Expenses recognized in profit or loss**

Particulars	Gratuity	
	2021-22	2020-21
Current Service Cost	182.32	182.08
Interest Cost	235.78	247.56
Interest Income on Plan Assets	(240.60)	(232.86)
Total	177.50	196.78

51.2.7 Remeasurements recognized in other comprehensive income

Particulars	Gratuity	
	2021-22	2020-21
Actuarial (gain)/ Loss on defined benefit obligation	(91.34)	20.40
Return on plan assets greater/ (lesser) than discount rate	17.25	13.46
Total	(74.09)	33.86

51.2.8 Major Categories of Plan Assets

Particulars	Gratuity	
	2021-22	2020-21
Qualified Insurance Policy	100.00%	100.00%

The Gratuity Scheme is invested in a Group Gratuity policy offered by Life Insurance Corporation of India. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available. The expected rate of return on plan assets is based on market expectations, at the beginning of the period, for returns over the entire life of the related obligation.

51.2.9 Asset-Liability Matching Strategy

The company investments are being managed by Life Insurance Company and at the year end interest is being credited to the fund value. The company has not changed the process used to manage its risk from previous periods. The Company's investments are fully secured and would be sufficient to cover its obligations.

51.2.10 Actuarial Assumptions

Particulars	Gratuity	
	2021-22	2020-21
Financial Assumptions		
Discount Rate	7.10%	7.00%
Salary Escalation Rate	6.00%	6.00%
Demographic Assumptions		
	Indian Assured	Indian Assured
	Lives Mortality	Lives Mortality
	(2012-14)	(2012-14)
Mortality Rate	5.00%	5.00%
Withdrawal Rate	4.00%	4.00%

51.2.11 The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

51.2.12 At 31st March 2022, the weighted average duration of the defined benefit obligation was 5.18 years (previous year 5.69). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

Expected benefits payment for the year ending on	Gratuity
31st March 2023	449.21
31st March 2024	271.52
31st March 2025	403.60
31st March 2026	364.99
31st March 2027	328.80
31st March 2028 to 31st March 2032	1598.95

51.2.13 The Company expects to contribute Rs.179.76 Lakhs (previous year Rs.214.81 Lakhs) to its gratuity fund in 2022-23.

51.2.14 Sensitivity Analysis

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	Gratuity	
	2021-22	2020-21
Effect on DBO due to 1% increase in Discount Rate	(287.77)	(226.73)
Effect on DBO due to 1% decrease in Discount Rate	176.84	257.52
Effect on DBO due to 1% increase in Salary Escalation Rate	172.58	250.52
Effect on DBO due to 1% decrease in Salary Escalation Rate	(289.26)	(226.24)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

52. In accordance with the Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities, the requisite disclosure as follows:

52.1

Particulars	2021-22	2020-21
Gross Amount Required to be spent by the company during the year	56.30	46.20
Amount of expenditure incurred	56.46	46.41
Shortfall at the end of the year	Nil	Nil

52.2 Amount spent during the year on:

Particulars	2021-22			2020-21		
	In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
Construction/ Acquisition of any asset	7.31	-	7.31	4.84	-	4.84
On purpose other than above	49.15	-	49.15	41.57	-	41.57
Total	56.46	-	56.46	46.41	-	46.41

52.3 The company has spent on its CSR activities in respect of ensuring environment sustainability & ecological balance, promoting education & livelihood.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

53. RELATED PARTY DISCLOSURES

53.1 Related parties with whom transactions have taken place during the year and previous year are:

Category	Nature	Name	Designation
I)	Key Management Personnel	Mr. Arun Kumar Kothari	Executive Chairman
		Mrs. Prabhawati Devi Kothari	Non-Executive Director
		Dr. Tarminder Singh Parmar	Managing Director & CEO
		Mr. Rajiv Singhi	Independent Director
		Mr. Hemal Kampani	Independent Director
		Mr. Arindam Sarkar	Independent Director
		Mr. Shirish G. Belapure	Independent Director
		Dr. Monjori Mitra	Independent Director (w.e.f 24th August, 2020)
		Mr. Indrajit Dhar	Associate V.P. (Accounts & Tax.)-cum-Company Secretary (upto 29th June 2020)
		Mr. Ranadeep Bhattacharya	Chief Financial Officer (w.e.f. 1st December 2020)
		Mr. Chirag A Vora	Company Secretary, Compliance officer cum Legal Manager (w.e.f. 29th June 2020)

Category	Nature	Name of the Entities
II)	Name of the Companies/Trust / Firms in which Key Managerial Personnel and their relatives have Significant Influence	i) Kothari Medical Centre
		ii) Satyam Financial Services Limited
		iii) Bharat Fritz Werner Limited
		iv) Kothari Phytochemicals & Industries Limited
		v) Gillanders Arbuthnot and Company Limited
		vi) Kothari & Co. Pvt. Limited
		vii) Khaitan & Co. LLP
		viii) Strategic Marketing Solution & Research Center Pvt. Limited

53.2 Transactions during the year

Particulars	2021 - 2022		2020 - 2021	
	Category - I	Category - II	Category - I	Category - II
Rent Paid	-	28.00	-	28.00
Electricity charges Paid	-	10.90	-	10.63
Service Charges Paid	-	0.13	-	0.17
Professional Service Charges paid	-	20.31	-	6.25
Legal charges paid	-	4.39	-	-
Dividend Received	-	7.70	-	-
Interest received	-	62.19	-	143.00
Remuneration to Key Management Personnel	549.16	-	536.60	-
Directors Fees	13.55	-	15.35	-
Repayment of loan given	-	800.00	-	-
Donation Paid	-	200.00	-	200.00
Corporate guarantee commission paid	-	1.00	-	1.00

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

53.3 Key Managerial Personnel compensation

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Short term employee benefits	546.91	534.27
Post employment benefits	2.25	2.33
Total compensation	549.16	536.60

53.4 Balance Outstanding as at Balance Sheet date

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Category - I	Category - II	Category - I	Category - II
Investment in Equity Shares of Bharat Fritz Werner Limited	-	2361.90	-	2137.43
Investment in Equity Shares of Kothari Phytochemicals & Industries Limited	-	294.50	-	248.90
Loans outstanding	-	500.00	-	1300.00
Professional Service Charges Payable	-	4.69	-	-
Electricity charges payable	-	1.01	-	1.24

53.5 Terms and Conditions of transactions with Related Parties

All Related Party Transactions entered during the financial year ended March 31, 2022 were in the ordinary course of business and were on arm's length basis.

54. CATEGORIES OF FINANCIAL ASSETS & FINANCIAL LIABILITIES

As at 31st March 2022 and 31st March 2021

Particulars	31st March 2022			31st March 2021		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Investment	-	-	-	-	-	-
- Equity Instruments	-	2656.41	-	-	2386.35	-
- Mutual Funds	15652.62	-	-	11382.09	-	-
Trade Receivables	-	-	2506.64	-	-	1948.96
Cash and Cash Equivalents	-	-	227.62	-	-	307.57
Bank Balance other than above	-	-	1628.83	-	-	3229.21
Loans to Employees	-	-	12.34	-	-	6.14
Loans to Related Parties	-	-	500.00	-	-	1300.00
Security Deposits	-	-	223.24	-	-	226.76
Other Financial Assets	-	-	3096.45	-	-	612.02
Total Financial Assets	15652.62	2656.41	8195.12	11382.09	2386.35	7630.66
Financial Liabilities						
Borrowings	-	-	376.57	-	-	43.29
Lease Liabilities	-	-	189.61	-	-	118.58
Trade Payables	-	-	3098.14	-	-	2467.15
Other Financial Liabilities	-	-	4686.48	-	-	3513.80
Total Financial Liabilities	-	-	8350.80	-	-	6142.82

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)****55. FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES MEASURED AT AMORTISED COST**

55.1 The following is the comparison by class of the carrying amounts and fair value of the Company's financial instruments that are measured at amortized cost:

Particulars	31st March, 2022		31st March, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Trade Receivables	2506.64	2506.64	1948.96	1948.96
Cash and Cash Equivalents	227.62	227.62	307.57	307.57
Bank Balance other than above	1628.83	1628.83	3229.21	3229.21
Loans to Employees	12.34	12.34	6.14	6.14
Loans to Related Parties	500.00	500.00	1300.00	1300.00
Security Deposits	223.24	223.24	226.76	226.76
Other Financial Assets	3096.45	3096.45	612.02	612.02
Total Financial Assets	8195.12	8195.12	7630.66	7630.66
Financial Liabilities				
Borrowings	376.57	376.57	43.29	43.29
Lease Liabilities	189.61	189.61	118.58	118.58
Trade Payables	3098.14	3098.14	2467.15	2467.15
Other Financial Liabilities	4686.48	4686.48	3513.80	3513.80
Total Financial Liabilities	8350.80	8350.80	6142.82	6142.82

55.2 The management assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other financial asset & other financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

56. FAIR VALUE HIERARCHY

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the tables.

56.1 Assets and Liabilities measured at Fair Value - recurring fair value measurements

Particulars	31st March 2022			31st March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investment						
Equity Instruments	-	294.50	2361.91	-	248.90	2137.45
Mutual Funds	13576.22	-	-	11382.09	-	-
Bonds	2076.40	-	-	-	-	-
Total Financial Assets	15652.62	294.50	2361.91	11382.09	248.90	2137.45

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)****56.2 Fair Valuation Technique**

Investments in mutual funds are measured using quoted market prices at the reporting date multiplied by the quantity held.

The fair value of derivative financial instruments is determined based on observable market inputs including currency spot and forward rates, yield curves, currency volatility etc. These derivatives are estimated by using the pricing models, where the inputs to those models are based on readily observable market parameters, contractual terms, period to maturity, maturity parameters and foreign exchange rates. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement, and inputs thereto are readily observable from market rates. The said valuation has been carried out by the counter party with whom the contract has been entered with and management has evaluated the credit and non-performance risks associated with the counterparties and believes them to be insignificant and not requiring any credit adjustments.

Fair value of non-current investment in equity instrument:

The company's investment in Bharat Fritz Werner Limited and Kothari Phytochemicals & Industries Limited worth Rs. 1650.08 lakhs and Rs. 219.68 lakhs respectively were subjected to fair valuation by external valuers for 31/03/2022 respective value working out to Rs.2361.90 lakhs and Rs.294.50 lakhs ipso facto entailing the difference accounted for under other comprehensive income - net of deferred tax applicable thereon.

56.3 During the year ended March 31, 2022 and March 31, 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

56.4 Explanation to the fair value hierarchy

The Company measures financial instruments, such as, quoted investments at fair value at each reporting 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. 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:

- 56.4.1 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 (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.
- 56.4.2 Level 2** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) 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.
- 56.4.3 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, contingent consideration included in level 3.

57. FINANCIAL RISK MANAGEMENT : OBJECTIVE AND POLICIES.

Financial management of the Company has been receiving attention of the top management of the Company. The management considers finance as the lifeline of the business and therefore, financial management is carried out meticulously on the basis of detailed management information systems and reports at periodical intervals extending from daily reports to long-term plans. Importance is laid on liquidity and working capital management with a view to reduce over-dependence on borrowings and reduction in interest cost. Various kinds of financial risks and their mitigation plans are as follows:

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

57.1 Credit Risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted, obtaining necessary approvals for credit and taking security deposits from trade channels.

a. Provision for expected credit losses

The Company measures Expected Credit Loss (ECL) for financial instruments based on historical trend, industry practices and business environment in which the Company operates.

For financial assets, a credit loss is the present value of the difference between:

- (a) the contractual cash flows that are due to an entity under the contract; and
- (b) the cash flows the entity expects to receive.

The Company recognises in profit or loss, the amount of expected Credit Losses (or reversal) that is required to adjust the loss allowance at the reporting date in accordance with Ind AS 109.

In determination of allowances for credit losses on trade receivables, the Company has used a practical expedience by computing the expected credit losses based on ageing matrix, which has taken into account historical credit loss experience and adjusted for forward looking information.

b. The movement of Trade Receivables and Expected Credit Loss are as follows:

Particulars	As at 31st March 2022	As at 31st March 2021
Gross carrying amount	2542.67	1982.21
Expected credit losses (Loss allowance provision)	36.03	33.25
Carrying amount of trade receivables (net of impairment)	2506.64	1948.96
Reconciliation of loss allowance provision –		Amount
Loss allowance on 1 April 2020		22.82
Changes in loss allowance		10.43
Loss allowance on 31 March 2021		33.25
Changes in loss allowance		2.78
Loss allowance on 31 March 2022		36.03

57.2 Liquidity Risk

The Company determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs.

The Company manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain mutual funds and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)****57.2.1 Maturity Analysis for financial liabilities**

a) The following are the remaining contractual maturities of financial liabilities as at 31st March 2022

Particulars	On Demand	Less than 1 year	More than 1 year	Total
Non-derivative				
Borrowings	-	376.57	-	376.57
Lease liabilities	-	78.67	110.94	189.61
Trade payables	-	3098.14	-	3098.14
Other financial liabilities	-	4441.72	244.76	4686.48
Total	-	7995.10	355.70	8350.80

b) The following are the remaining contractual maturities of financial liabilities as at 31st March 2021

Particulars	On Demand	Less than 1 year	More than 1 year	Total
Non-derivative				
Borrowings	-	43.29	-	43.29
Lease liabilities	-	79.11	39.47	118.58
Trade payables	-	2467.15	-	2467.15
Other financial liabilities	-	3067.27	446.53	3513.80
Total	-	5656.82	486.00	6142.82

c) The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements (if any). The interest payments on variable interest rate loans in the tables above reflect market forward interest rates at the respective reporting dates and these amounts may change as market interest rates change. The future cash flows on derivative instruments may be different from the amount in the above tables as exchange rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

57.3 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three type of risks: Foreign Exchange Risk, Interest Rate Risk and Other Price Risk.

57.3.1 Foreign Exchange Risk

Foreign Exchange Risk is the exposure of the Company to the potential impact of movements in foreign exchange rates. The Company imports various raw materials viz. chemicals, drugs, API, packing materials viz. granules, items of stores and spares and capital goods as per its requirements from time to time and also borrows funds in foreign currencies. This results in foreign currency risk to the Company. Similarly, company's exports are also exposed to foreign currency risks.

For the Foreign Exchange exposures risk management, the Company's Policy is to adopt a flexible approach in hedging its risk. For this, the Company from time to time takes the view from banks and foreign exchange experts and based upon the same and also considering macro-economic factors, forms a view and whenever deemed necessary, hedges its foreign exchange risk. The hedging strategies are taken after careful study/ analysis of foreign exchange market to minimize to the extent possible, any effect of the fluctuation in foreign exchange rates.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)**

- a. The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Particulars	31st March, 2022 USD	31st March, 2021 USD
Financial Assets		
Trade Receivables	295.54	95.24
Advances to Suppliers		
Bank Balance	182.37	106.31
Net Exposure to foreign currency risk (assets)	477.91	201.55
Financial Liabilities		
Trade Payables	419.30	162.76
Advances from Customers	70.64	19.05
Net Exposure to foreign currency risk (liabilities)	489.94	181.81

b. Sensitivity Analysis

A reasonably possible strengthening (weakening) of the INR against USD and EUR as at 31st March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	31st March 2022			31st March 2021		
	Sensitivity Analysis	Impact On		Sensitivity Analysis	Impact On	
		Profit Before Tax	Other Equity		Profit Before Tax	Other Equity
USD Sensitivity (Increase)	5.00%	(0.60)	(0.45)	5.00%	0.99	0.74
USD Sensitivity (Decrease)	5.00%	0.60	0.45	5.00%	(0.99)	(0.74)

c. Details of unhedged Foreign Currency exposure as at Balance Sheet date:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade Receivable	295.54	95.24
Advances to Suppliers	-	-
Bank Balance	182.37	106.31
	477.91	201.55
Trade Payable	419.30	162.76
Advances from Customers	70.64	19.05
	489.94	181.81

57.3.2 Interest Rate Risk

The Company is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The Company is also exposed to interest rate risk on surplus funds parked in fixed deposits and interest bearing investments. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds if any.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)****57.3.3 Other Price Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. the Company do not have any long-term debt obligations. Moreover, the short-term borrowings of the Company do not have a significant fair value or cash flow interest rate risk due to their short tenure.

However, the Company is also exposed to interest rate risk on surplus funds parked in mutual funds (debt oriented) measured at fair value through profit or loss.

a. Exposure to other market price risk

Particulars	As at 31st March, 2022	As at 31st March, 2021
Investment in Mutual Fund		
Debt Instrument	1959.62	8684.08
Bond	2076.40	-

b. Sensitivity Analysis

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates. This analysis assumes that all other variables, in particular market risk, remain constant.

Particulars	31st March 2022			31st March 2021		
	Sensitivity Analysis	Impact On		Sensitivity Analysis	Impact On	
		Profit Before Tax	Other Equity		Profit Before Tax	Other Equity
Interest Rate Increase by	1.00%	(40.36)	(30.20)	1.00%	(86.84)	(64.98)
Interest Rate Decrease by	1.00%	40.36	30.20	1.00%	86.84	64.98

57.3.4 Other Price Risk

The Company is exposed to equity price risk, which arises from mutual fund (equity oriented) measured at fair value through profit or loss. In order to deploy the surplus funds, necessary planning is done by the Finance & Accounts Department after considering the fund planning of subsequent months and overall fund position. Various investments options are evaluated within the investment options allowed by the Board to arrive at proper decision.

The Investment so made are reviewed every fortnight. To spread the concentration of funds as well as risks, investments in Mutual Funds are scattered and utmost care and vigilance is undertaken before deployment of funds for investment purpose to ensure credit worthiness of the investment and availability of such surplus invested funds to meet any unforeseen situation that may arise.

a. Exposure to other market price risk

Particulars	As at 31st March, 2022	As at 31st March, 2021
Investment in Mutual Funds		
- Equity Instrument	11616.60	2698.00

b. Sensitivity Analysis

The table below summarise the impact of increases/ decreases of the index on the Company's equity investment and profit for the period. The analysis is based on the assumption that the equity index had increased/ decreased by 5% with all other variables held constant, and that all the company's equity instruments moved in line with the index.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)**

Particulars	31st March 2022			31st March 2021		
	Sensitivity Analysis	Impact On		Sensitivity Analysis	Impact On	
		Profit Before Tax	Other Equity		Profit Before Tax	Other Equity
Market rate Increase	5.00%	580.83	514.38	5.00%	134.90	119.47
Market rate Decrease	5.00%	(580.83)	(514.38)	5.00%	(134.90)	(119.47)

58. CAPITAL MANAGEMENT

The Company objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic Investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term.

59. IMPAIRMENT

The Company has not found any indication of impairment of the assets as per Ind AS 38 and accordingly no further exercise for calculating impairment loss has been undertaken.

60. SAMPLE DISTRIBUTION INCLUDES EXPENSES UNDER THE FOLLOWING HEADS

Expenses Head	2021-22	2020-21
Salary	97.62	151.83
Provident Fund	8.17	14.39
Gratuity	4.44	7.22
Staff Welfare	8.09	13.46
Cost of Material Consumed	180.56	191.14
Store Consumed	9.36	10.50
Purchase of Stock in Trade	118.32	94.20
Freight, Forwarding & Transportation	0.21	0.28
Power & Fuel	23.62	26.19
Repair & Renewal	14.46	17.97
Travelling, Conveyance & Vehicle upkeep	1.26	3.14
Professional Service charges	0.50	1.26
Processing charges	7.32	12.30
Bank charges	0.03	0.19
Misc. expenses	12.97	20.13
Rent	0.04	0.06
Rates & Taxes	0.04	0.33
Insurance	2.15	3.72
Sales/Service/Goods & Service Tax	0.22	0.17
Carriage Inward	1.99	4.26
GST Paid	104.86	103.24
Total	596.21	675.98

- 61.** The Board of Directors have recommended a dividend of Rs.9/- per equity share of Rs.10/- each (amounting to Rs.513.64 Lakhs) which has not been provided for the financial year ended 31st March,2022, which is subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(Rs. in Lakhs)

62. Disclosure pursuant to section 186(4) of Companies Act, 2013 :

Nature of Facility granted	To whom/in whose favour granted	Paid during the year	Amount outstanding at year end	Purpose	Rate of Interest
Loan payable on demand	Satyam Financial Services Ltd.	Nil	500.00	Need based working capital support	11.00%

Particulars	Investee	Investment during the year	Amount at year end
Investment made	Bharat Fritz Werner Limited	Nil	2361.90
	Kothari Phytochemicals & Industries Limited	Nil	294.50

63. During FY 2021-2022, the impact of pandemic has progressively declined but not completely eliminated. With mass vaccination, it is expected that we will soon reach normalcy.

64. A. Revenue from sale of major products in terms of type of sale / customer and based on primary geographical market:

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Type of Goods & Services		
Tablet	4,889.94	3,917.64
Capsule	3,109.34	2,995.09
Large Volume Parenteral	7,489.67	5,326.57
Small Volume Parenteral	5,996.34	3,934.67
Ointment	2,341.64	1,934.32
Syrup	6,940.82	5,819.25
Others	562.69	761.26
Total	31,330.44	24,688.80
Geographical Region		
India	29,557.45	23,418.18
Overseas	1,772.99	1,270.62
	31,330.44	24,688.80
Type of Sales		
Manufactured	23,086.14	18,097.17
Traded	8,244.30	6,591.63
	31,330.44	24,688.80
Type of customers		
Government	1110.29	794.24
Non-government	30,220.15	23,894.56
	31,330.44	24,688.80
B. Reconciliation of Revenue from Sale with contract price		
Contract Price(Net of Return)	33,153.90	26,105.18
Less: Provision for Breakage and Expiry	109.66	112.46
Rebates & Discounts	1,713.80	1,303.92
Revenue from Sale	31,330.44	24,688.80

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)**

65. The Company is only engaged in manufacturing of pharmaceutical products ipso-facto one reportable segment being "Operating Segments" under Ind AS 108.

66. Additional regulatory information required by Schedule III**66.1 Details of benami property held**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

66.2 Borrowing secured against current assets

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

66.3 Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

66.4 Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 during the current year and previous year.

66.5 Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) during the current year and previous year.

66.6 Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

66.7 Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

66.8 Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

67.9 Ratio Analysis

	Particulars	31-03-2022	31-03-2021	% Variance	Reason for variance
a	Current ratio	2.33	2.77	-15.78%	
b	Debt-equity ratio	0.01	0.00	660.66%	Increase is due to increase in utilisation of cash credit facility.
c	Debt service coverage ratio	34.18	19.68	73.67%	Increase is due to higher earnings from operations on account of decline in impact of pandemic.
d	Return on equity ratio	13.46%	9.48%	42.00%	Increase is due to higher earnings from operations on account of decline in impact of pandemic.
e	Inventory turnover ratio	17.81	12.05	47.74%	Increase is due to higher revenue on account of decline in impact of pandemic and inventory optimisation.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)**

	Particulars	31-03-2022	31-03-2021	% Variance	Reason for variance
f	Trade receivables turnover ratio	14.02	9.93	41.25%	Increase is due to higher revenue on account of decline in impact of pandemic and early realisation from customers.
g	Trade payables turnover ratio	6.17	3.89	58.83%	Increase is due to higher cash generation resulting in early payments of trade payable.
h	Net capital turnover ratio	2.16	1.73	24.64%	
i	Net profit ratio	11.29%	8.99%	25.53%	Increase is due to higher earnings from operation on account of decline in impact of pandemic.
j	Return on capital employed	16.86%	11.70%	47.52%	Increase is due to higher earnings from operation on account of decline in impact of pandemic.
k	Return on investment				
	- On Equity Shares - Non Current	11.32%	-1.26%	12.58%	
	- On Equity Oriented Mutual Funds	10.72%	61.24%	-50.52%	Decrease is due to decline in value of equity oriented mutual funds which is attributed to prevailing market condition.
	- On Debt Oriented Mutual Funds	3.51%	4.86%	-1.35%	
	- On Bonds	0.75%	NA	NA	

Note : Explanations of the items given in numerator and denominator for the aforesaid ratios are:

- Current ratio (times) = Current assets divided by Current liabilities. Both numerator and denominator can be identified from the balance sheet.
- Debt-equity ratio (times) = Total Debt divided by equity. Both numerator and denominator can be identified from the balance sheet
- Debt service coverage ratio (times) = earnings available for Debt service divided by Debt service. Earning for Debt service = Net profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of PP&E etc. Debt service = Interest and principal repayments including lease payments.
- Return on equity (%) = Net profit after tax reduced by preference dividend (if any) divided by average shareholders equity.
- Inventory turnover ratio (times) = Sales divided by average inventory.
- Trade receivables turnover ratio (times) = Credit sales divided by average Trade receivable.
- Trade payable turnover ratio (times) = Credit purchases divided by average Trade payable.
- Net capital turnover ratio (times) = sales divided by working capital. working capital = Current assets minus Current liabilities.
- Net profit ratio (%) = Net profit after tax divided by sales.
- Return on capital employed (%) = Earnings before interest and tax divided by capital employed. Capital employed = tangible net worth + total debt + deferred tax liability.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(Rs. in Lakhs)**

k Return on investment (%) = Based on time weighted rate of return (TWRR) method as follows:

$$ROI = \{MV(T1) - MV(T0) - \text{Sum } [C(t)]\} / \{MV(T0) + \text{Sum } [W(t) * C(t)]\}$$

where,

T1 = End of time period

T0 = Beginning of time period

t = Specific date falling between T1 and T0

MV(T1) = Market Value at T1

MV (T0) = Market Value at T0

C(t) = Cash inflow, cash outflow on specific date

W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as $[T1 - t] / T1$

67. Figures for the previous periods have been regrouped to conform to the figures of the current periods as and when required.

As per our report of even date attached

For and on behalf of the Board of Directors of **Albert David Limited**
CIN No. L51109WB1938PLC009490

For **Basu Chanchani & Deb**
Chartered Accountants
Firm Registration No. 304049E
Biswanath Chattopadhyay
Partner
Membership No: 051800

RANADEEP BHATTACHARYA
C.F.O.

C A VORA
Company Secretary, Compliance Officer
cum Legal Manager
(ACS-28776)

A K KOTHARI
Executive Chairman
DIN : 00051900
T S PARMAR
Managing Director & CEO
DIN : 05118311

Place: Kolkata
Date: 11th May, 2022

TEN YEARS FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-2014	2012-2013
SHARE CAPITAL	570.72	570.72	570.72	570.72	570.72	570.72	570.72	570.72	570.72	570.72
OTHER EQUITY (RESERVES & SURPLUS)	27376.39	23867.48	21709.07	20473.85	18023.94	17730.58	13112.11	8711.49	8463.47	7540.01
NET WORTH	27947.11	24438.20	22279.79	21044.57	18594.66	18301.30	13682.83	9282.21	9034.19	8110.73
FIXED ASSETS (NET)	8848.84	8471.38	9251.76	8214.38	8808.92	9542.81	4945.18	5451.56	7005.67	7326.22
NON CURRENT INVESTMENTS	2656.41	2386.35	2416.90	2142.95	1890.41	1674.57	1650.10	1650.10	1650.10	0.02
NET CURRENT ASSETS	14488.81	14307.13	11992.02	11716.86	8273.43	7588.85	7617.85	3311.68	2605.72	2821.58
TOTAL CAPITAL EMPLOYED	29389.82	26079.28	23923.80	22622.36	20041.29	19647.22	14839.89	10949.54	11604.86	10433.89
SALES (NET)	31242.68	24631.38	31843.20	31301.36	29006.22	31240.86	32046.40	31968.20	28895.42	26158.18
EBITDA (OPERATING PROFIT)	5663.56	3632.83	3742.51	5049.53	2516.47	3400.02	3302.07	3837.97	3310.48	2736.25
FINANCE COST	53.23	65.32	79.60	61.74	86.48	78.88	181.09	269.62	358.69	324.26
EBTDA (GROSS PROFIT)	5610.33	3567.51	3662.91	4987.79	2429.99	3321.14	3120.98	3568.35	2951.79	2411.99
DEPRECIATION	880.57	823.15	767.47	701.82	836.99	766.65	899.87	1541.46	1105.73	1073.47
INCOME FROM EXCEPTIONAL ITEMS	0.00	0.00	0.00	0.00	0.00	0.00	4080.75	0.00	0.00	0.00
PBT (PROFIT BEFORE TAX)	4729.76	2744.36	2895.44	4285.97	1593.00	2554.49	6301.86 *	2026.89	1846.06	1338.52
TAX	1203.93	530.06	978.58	1621.98	608.92	958.98	1502.27	656.86	588.74	482.65
PAT (PROFIT AFTER TAX)	3525.83	2214.30	1916.86	2663.99	984.08	1595.51	4799.59*	1370.03	1257.32	855.87
DIVIDEND %	90	60	70	60	55	55	55	55	50	45
EPS (EARNINGS PER EQUITY SHARE(RS))	61.78	38.80	33.59	46.68	17.24	27.96	84.10	24.01	22.03	15.00
DEBT EQUITY RATIO	0.01	0.00	0.00	0.00	0.15	0.21	0.15	0.24	0.31	0.37
RETURN ON CAPITAL EMPLOYED	16.68%	11.43%	13.35%	13.91%	10.49%	13.13%	41.28%	19.98%	18.08%	14.41%
RETURN ON NET WORTH	13.46%	9.48%	8.85	8.94	9.44%	10.48%	41.80%	14.96%	14.67%	10.93%
BOOK VALUE PER EQUITY SHARE (RS)	430.26	368.78	330.96	309.31	266.39	261.25	239.75	162.64	158.30	142.12

FIGURES FOR 2021-22, 2020-21, 2019-20, 2018-19, 2017-18 AND 2016-17 ARE AS PER REVISED SCHEDULE III UNDER INDIAN ACCOUNTING STANDARD (IND AS) OF COMPANIES ACT, 2013.

FIGURES FOR 2015-16, 2014-15 AND 2012-13 ARE REGROUPED AS PER REVISED SCHEDULE III OF COMPANIES ACT, 2013 AND REVISED SCHEDULE VI OF COMPANIES ACT, 1956

* INCLUDES EXCEPTIONAL ITEM (BRAND SALE) OF RS 4080.75 (NET OF RELATED EXPENSES & TAX)

NOTES

[illegible]

PLACENTREX[®]
Injection

PLACENTREX[®]
Gel

PLACENTREX[®]
Cream

Evacure[®]-4
Tablet

C3H
Tablet

DHUP
Tablet / Drop

ALAMIN-M FORTE
Capsules

ALAMIN SN
Infusion

ALAMIN
Liquid

Alamin R | **Alamin RX**
Sachet Sachet

EVICT
Solution

EVICTXF

Derek L
Capsule

Derek D
Capsule

Derek 20
Tablet

ADLIV
Forte Capsule / Syrup / Drop

FBX 40 / 80
Tablet

SIOTONE
Capsule

Sioneuron-M
Injection / Capsule

Sioneuron-PG
Capsule

OPEN-UP[®] 150
300
Tablet

Anaflam
XP / XPS Tablet

Anaflam
Th4 / TH8 Tablet

VER BET 8/16/24
Tablet

MARKETING & SALES / REGIONAL OFFICES

MUMBAI

Marketing & Sales Office

402, B Wing, Ackruti Trade Center,
MIDC, Andheri - East,
Mumbai - 400093 (Maharashtra)
Phone: (022) 4924 0463/ 64
Email: mumbai@adlindia.in

MUMBAI

Marketing Hub

Patil Compound, Bldg no. A1,
Gala no. 1008/1,2,3,1B & 2B,
Manholi, Anjur Phata Road, Dapode,
Bhiwandi, Thane - 421302 (Maharashtra)
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Email: kolkata@adlindia.in

LUCKNOW

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P-7/2, Transport Nagar,
Kanpur Road
Lucknow - 226008 (U.P.)
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Email: lucknow@adlindia.in

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Regional Office

2nd floor at Block 'B', Shazia Complex,
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Post - Anisabad, Patna - 800002(Bihar)
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9693290474
Email: patna@adlindia.in

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KOLKATA

Manufacturing Unit

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Kolkata - 700 050 (W.B.)
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E-mail: adfact@adlindia.in

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Manufacturing Unit

B-12/13, Meerut Road, Industrial Area
Ghaziabad - 201 003 (U.P.)
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Fax: (0120) 4197950
E-mail: adlgzb@adlindia.in

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ALBERT DAVID LIMITED

'D' Block, 3rd Floor, Gillander House, Netaji Subhas Road, Kolkata - 700 001(W.B)
Phone: (033) 2262-8436 / 8456 / 8492/ 2230-2330, Fax : (033)-2262 8439
Email: adidavid@dataone.in; Website: www.albertdavidindia.com



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