

Date: 20<sup>th</sup> June, 2023

To, <b>BSE Limited ("BSE"),</b> Corporate Relationship Department, 2 <sup>nd</sup> Floor, New Trading Ring, P.J. Towers, Dalal Street, Mumbai – 400 001	To, <b>National Stock Exchange of India Limited ("NSE")</b> "Exchange Plaza", 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051
<b>BSE Scrip code: 543399</b>	<b>NSE Symbol: TARSONS</b>
<b>ISIN: INE144Z01023</b>	<b>ISIN: INE144Z01023</b>

**Subject: Notice of 40<sup>th</sup> Annual General Meeting and Annual Report for the Financial Year 2022-23**

Dear Sir/Madam,

This is further to our letter dated 28<sup>th</sup> May, 2023 wherein the Company had informed that the 40<sup>th</sup> Annual General Meeting (AGM) of the Company is scheduled to be held on Friday, 14<sup>th</sup> July, 2023 through Video Conference / Other Audio-Visual Means.

Pursuant to the provisions of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company including the Business Responsibility and Sustainability Report and the Notice of 40<sup>th</sup> AGM for the Financial Year 2022-23, which is being sent through electronic mode to the Members whose email IDs are registered with the Company/Depositories.

The Notice of 40<sup>th</sup> AGM and Annual Report 2022-23 are also available on the website of the Company at [www.tarsons.com](http://www.tarsons.com).

This is for your information and records.

Thanking you,

Yours faithfully,

**For Tarsons Products Limited**  
**(Formerly, Tarsons Products Private Limited)**

**Santosh Kumar Agarwal**  
**Company Secretary & Chief Financial Officer**  
**ICSI Membership No. 44836**

*Encl: As above*



TRUST  
**DELIVERED**

# WHAT'S INSIDE

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### Disclaimer:

This document contains statements about expected future events and financials of Tarsons Products Limited, which are forward-looking. By their nature, forward looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

## INVESTOR INFORMATION

Market Cap	: ₹ 28,345.60 Million
CIN	: L51109WB1983PLC036510
BSE Code	: 543399
NSE Symbol	: TARSONS
Bloomberg Code	: TARSONS:IN
AGM Date	: Friday, 14th July, 2023
AGM Mode	: Video Conferencing/Other Audio Visual Mode ('OAVM')



For more investor-related information, please visit:

<https://tarsons.com/financial-reports/>

Or To view the online version of the Report, simply scan the QR Code



## Intro

# TRUST DELIVERED

At Tarsons, we skillfully, weave the essential element of trust into our strategy to chart our course towards success. Our approach is grounded in a strong foundation of capabilities, fine-tuned with the sharpening of efficiencies, and amplified by opportunities.

We acknowledge that our industry is characterized by intense competition, where adherence to stringent quality standards and compliance requirements are non-negotiable. As a premier manufacturer of labware and other critical items for the life science sector, we are committed to delivering precision, technical expertise, and robust manufacturing practices, while upholding the highest quality standards in all our products. At each stage of the production process, we remain steadfast in our pursuit of excellence and take pride in reinforcing the trust placed in our brand, Tarsons.

Our long-standing relationships with our customers accolade to our commitment to deliver on our promises. For four decades, we have been consistently offering the scientific community in India our reliable, user-friendly, and cost-effective products, while reducing our customers' reliance on imports. Our ability to serve over 40+ countries is a testament of success not just to our strategic vision but also to our capability to cultivate and maintain consistency in what we deliver.

At Tarsons, we do not merely talk about trust - we deliver it.

40 Years  
of Experience

5 Manufacturing Facilities  
(2 Upcoming State-of-the-Art Facilities)

1,700+  
SKU's

40+  
Countries We Supply Our Products to

300+  
Product Categories

138+  
Distributors in India

## Tarsons at a Glance

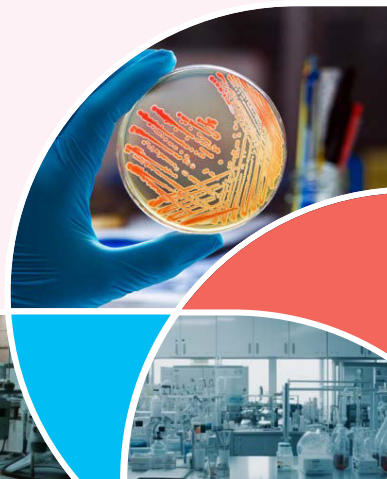
## LEADING WITH INNOVATION AND INGENUITY

Tarsons Products Limited, formerly known as Tarsons Products Private Limited, is at the forefront of Plastic Labware development and supply. With four decades of experience in the life science and plastic labware sector, Tarsons is dedicated to delivering quality solutions for molecular biology, cell culture, genomics, proteomics, and immunology. Our Company's commitment to excellence is evident in our outstanding ingenuity, engineering dexterity and skill in R&D. These factors further enable us to build cutting-edge Plastic Labware and Life Science products. Our commitment to quality, excellence, and customer satisfaction has established us as a trusted partner in the scientific community.

### WHO ARE WE?

We are a dominant player in the manufacturing of plastic labware in India with a wide range of end-users in several different industries. We specialize in the designing, production, and marketing of consumables, reusables, and others (including bench-top equipments).

Currently, our product portfolio includes disposable plastic labware, liquid handling systems, centrifuge ware, cryo labware, and equipment. With our understanding of the cutting-edge laboratory techniques and in-house competence in plastic moulding, we have tailor-made each product to suit our customers' laboratory requirements.



### VISION

Tarsons' vision is to grow business and become the most valued labware company in the Life Science space through world-class performance, creating growing value for the Indian economy and the Company's stakeholders.



### MISSION

To accelerate progress in Life Science by providing our customers with high-quality products and services, creating opportunities for our employees and delivering superior and sustainable stakeholder value.



### WHY US?

Since our incorporation, at Tarsons, we have been committed to being a global provider to the pharmaceutical, biotech, healthcare, research, diagnostics and CRO. We have continued with our endeavors to deliver on the trust, bestowed on us by our esteemed customers. Our dedication is reflected in our state-of-the-art manufacturing units, where we conduct operations with meticulous attention to detail. Through this approach, we are able to provide our global clientele with a comprehensive range of plastic labware products, including consumables, reusables, and instruments, among others.

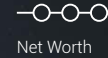
Currently, Tarsons is a market leader in the production of over 1,700 SKUs across 300+ product categories. Our products are distributed pan-India to our end-customers through our authorized distributors. At our Company we understand the importance of meeting the specific business needs of our end-customers. To achieve this goal, we have established an onground sales and marketing team that works tirelessly to keep our offerings in sync with customers' evolving requirements.

# PERFORMING WITH PRUDENCE AND PERSEVERANCE



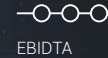
## FINANCIAL

₹ 5,693.03 Million



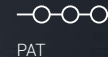
Net Worth

₹ 1,297.62 Million



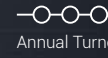
EBIDTA

₹ 807.14 Million



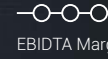
PAT

₹ 2,832.48 Million



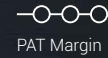
Annual Turnover

45.81%



EBIDTA Margin

28.50%



PAT Margin



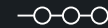
## SOCIAL

15 Hours



Total Learning Hours

₹ 18.55 Million

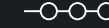


Investments in CSR Programs



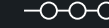
## GOVERNANCE

66.67%



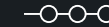
Non-Executive Directors on the Board

94%



Committee Attendance

50%



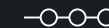
Independent Directors on the Board

94.44%



Board Attendance

55.5%



Independent Directors in Board Committees Composition



Our Strengths

# DELIVERING EXCELLENCE THROUGH ROBUST CAPABILITIES

At Tarsons, our years of experience and expertise have been instrumental in establishing us as a trusted brand and one of the leading players in the industry. Our unwavering commitment to quality has earned us a loyal and diverse customer base, who motivate us to continuously enhance our offerings.

## DIVERSIFIED CUSTOMERS

- ❖ Developed long-standing relationships with a diverse set of key end-customers
- ❖ Nurtured the ability to offer differentiated, user-friendly, reliable and cost-effective products

## STATE-OF-THE-ART FACILITIES

- ❖ Leveraged well-equipped and advanced automation-driven manufacturing facilities
- ❖ Pioneered in the manufacturing of molecular biology consumables

## GEOGRAPHICAL PRESENCE

- ❖ Created a wide geographic reach, driven by a strong sales and distribution network
- ❖ Positioned among the top three players in the labware market in India



## STRONG BRAND RECALL

- ❖ Individual product brands like Maxipense, Spinwin, Cryochill are well-recognized by the scientist community

## FINANCIAL STABILITY

- ❖ Established robust financial track records with efficient capital allocation for high profitability
- ❖ Streamlined operations ensure consistent performance

## EXPERIENCED TEAM

- ❖ Led by a panel of experienced promoters and directors that forms our highly competent management team
- ❖ Driven by an in-house engineering team, propelling innovation and ensuring exceptional performance across the liquid handling products

## BRAND & QUALITY

- ❖ Continued as a leading Indian supplier to the life science sector offering high-quality, diversified products across varied customer segments
- ❖ Valued as the trusted brand for high-quality products in the Plastic labware market

Our Milestones

# SURPASSING MILESTONES WITH CONSISTENT ENDEAVOR

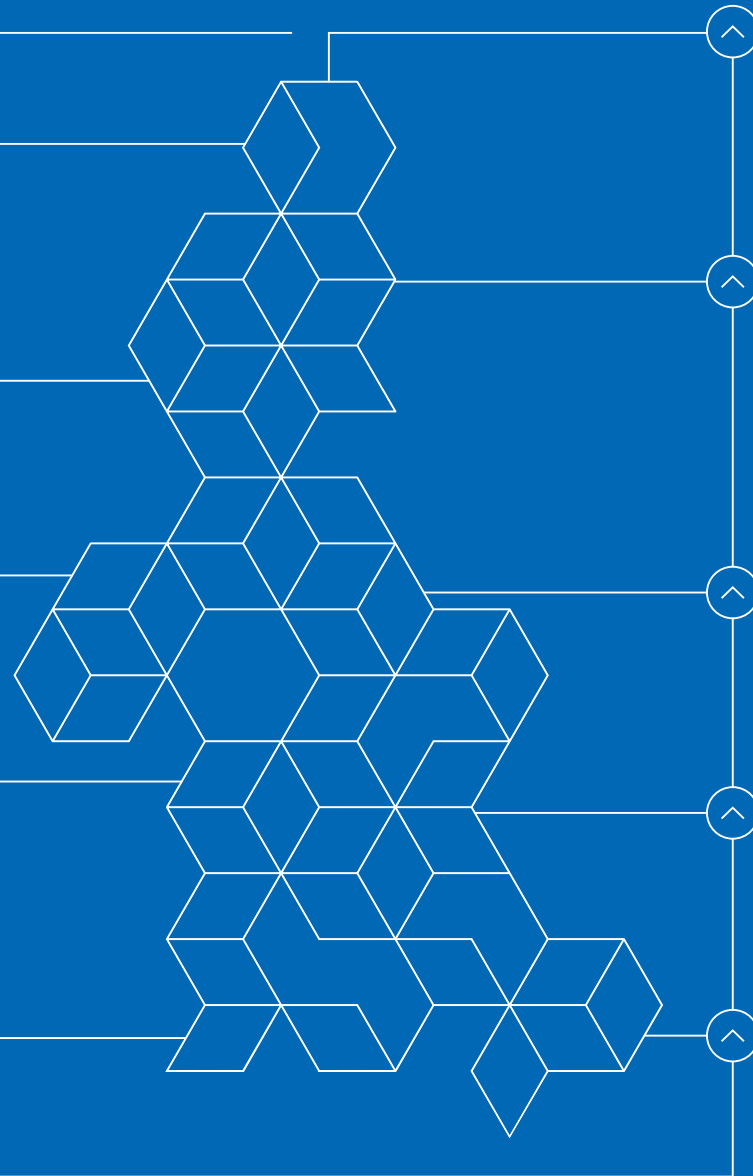
**1983**  
Incorporation of TPPL with the manufacturing of **reusable plastic products**

**1984**  
Commenced **production of Pipette Tips**

**1987**  
Initiated production of **Centrifuge Tubes**

**2002**  
Pioneered the **first fully robotic clean room plant** for manufacturing molecular biology consumables

**2009**  
Obtained **ISO 9001:2015 certificate** for manufacturing facility



**2022-23**

Expanding our product portfolio and adding depth in existing product basket

**2021-22**

- ❖ Got successfully listed on Two Main Board Stock Exchanges NSE & BSE with an IPO Valuation of Rs. 1023.47 crores
- ❖ **Acquired five acres of land in Panchla and six acres of land in Amta** to develop facilities for capacity expansion, create new product lines, facilitate backward integration and establish fulfillment center

**2019**

Established line for **PCR products** in Jalan Industrial Complex at Jangalpur

**2018**

Obtained **ISO 13485:2016 / NSEN certificate** for manufacturing facility

**2012**

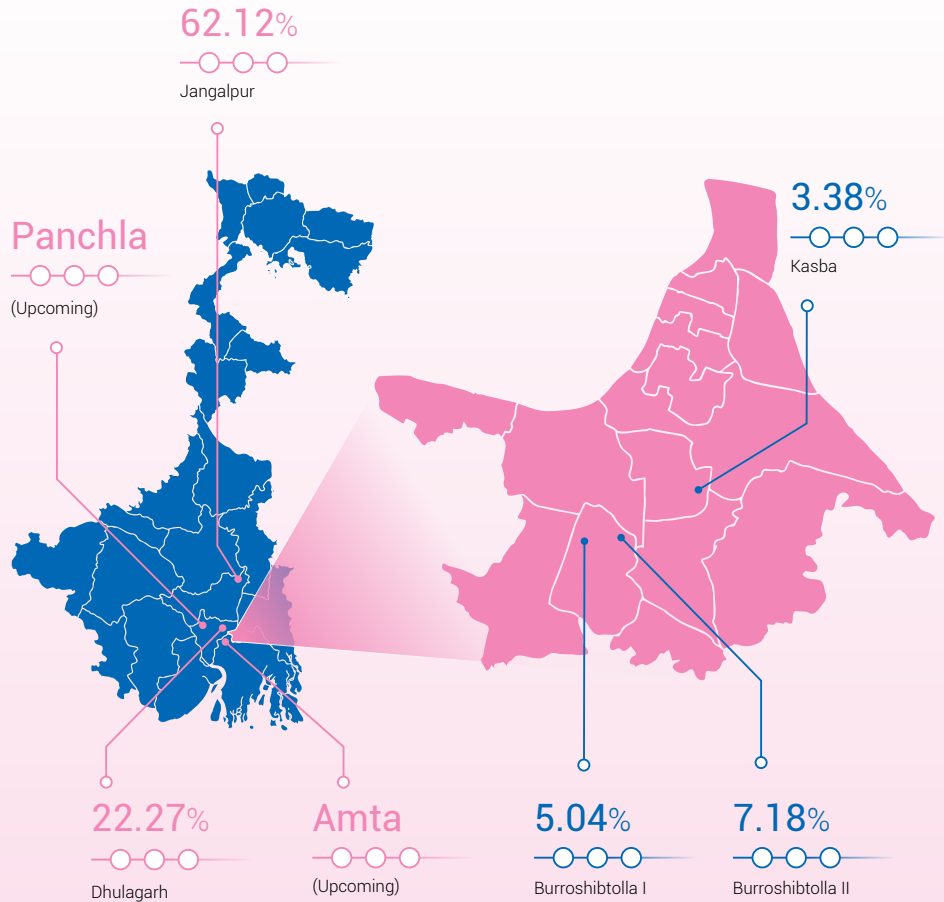
Established manufacturing facility expanding into **production of fully automatic centrifuge tubes, and cryogenic vials** in Dhulagarh

Our Market Presence

# EXPANDING FOOTPRINT WITH STRONG MOMENTUM

## NATIONAL (Presence in West Bengal)

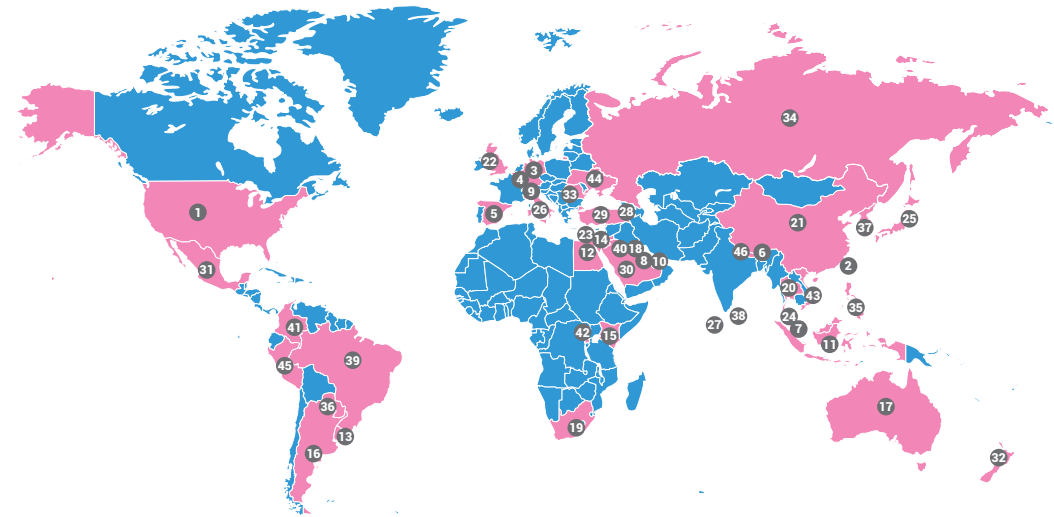
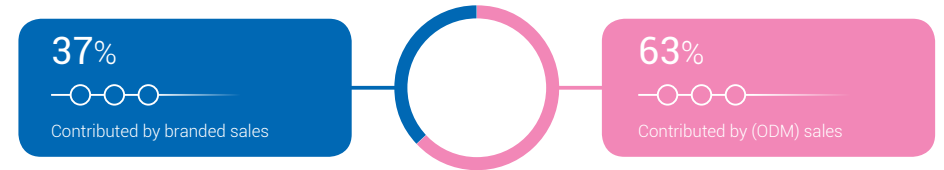
(% of Revenue Contributed)



**Disclaimer:** This map is a generalized illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind in connection to its accuracy or completeness.

## INTERNATIONAL

Our products are supplied to over 40+ countries across both developed and emerging markets. This is carried out following a blend of branded and Original Design Manufacturer (ODM) sales.



- |               |                 |                       |                |
|---------------|-----------------|-----------------------|----------------|
| 1 USA         | 13 Uruguay      | 25 Japan              | 37 South Korea |
| 2 Taiwan      | 14 Jordan       | 26 Italy              | 38 Sri Lanka   |
| 3 Germany     | 15 Kenya        | 27 Maldives           | 39 Brazil      |
| 4 Belgium     | 16 Argentina    | 28 Armenia            | 40 Kuwait      |
| 5 Spain       | 17 Australia    | 29 Turkey             | 41 Colombia    |
| 6 Bhutan      | 18 Bahrain      | 30 Saudi Arabia       | 42 Rwanda      |
| 7 Singapore   | 19 South Africa | 31 Mexico             | 43 Vietnam     |
| 8 Dubai       | 20 Thailand     | 32 New Zealand        | 44 Ukraine     |
| 9 Switzerland | 21 China        | 33 Romania            | 45 Peru        |
| 10 Qatar      | 22 UK           | 34 Russian Federation | 46 Nepal       |
| 11 Indonesia  | 23 Israel       | 35 Philippines        |                |
| 12 Egypt      | 24 Malaysia     | 36 Paraguay           |                |



## Product Portfolio

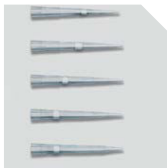
# SERVING WITH PRECISION AND EXPERTISE

Our Company is driven by a commitment to meet the unique needs of the Indian scientist community. With this goal in mind, we leverage our extensive expertise in precision manufacturing technologies to create a distinct competitive advantage and deliver solutions that are highly relevant to the industry. In this direction, we have developed a diverse range of labware products, including consumables and reusables, among others. Over the course of our journey, we have extended our labware offerings and obtained economies of scale in our production operations. Thus, allowing us to serve unpenetrated markets and explore new product options for our customers.



## CONSUMABLES

We offer a wide range of products to our valued customers under the consumables category. These include the following:



**Pipette Tips:** We provide Pipette Tips with and without embedded filter – sterilized and non-sterilized. These are mostly used in research work to transfer small volumes of liquids with high precision.



**Centrifuge Ware:** Centrifuge Ware are common pieces of lab equipment, used to separate particles from a solution. These particles are separated according to the size, shape, density, and viscosity of the medium. We manufacture and sell the micro centrifuge tubes snap cap and screw cap, and 15ml and 50ml centrifuge tubes. These are produced with premium grade virgin polypropylene and are perfect for versatile applications – storage, spinning down and separation of colloidal solution.



**Cryo Vials:** We design Cryo Vials for storing biological materials at extreme temperatures – as low as -196°C (vapor phase of liquid nitrogen).



**Petri Dishes:** Petri dish is majorly used as laboratory equipment in the field of biology & chemistry. The dish is used to culture cells by providing storage space and preventing them from getting contaminated. We produce Petri Dishes with virgin biomedical graded polystyrene that are mostly used in the culture of microbes and sensitivity assays. Typically, these are used once and discarded, and are aimed at optimizing the time consumed in washing and sterilizing.



**Storage Vials:** We create Storage Vials for storing samples measuring below -80°C. These are used for storage of PCR reagents, enzymes and other diagnostics, biochemical reagents or samples.

56%

Share of Revenue

## New Launches



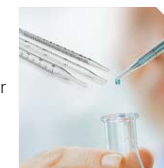
**PCR Tubes, Strips and Plates:** We offer a wide variety of PCR Tubes, Strips, and Plates that are designed to offer high-performance PCR and qPCR amplifications. REALAMP™ White Wells are used for Real time PCR/q PCR applications. We offer 96 Well Standard Profile as well as Low Profile depth PCR plates, available in non-skirted, semi-skirted, and fully skirted types. Additionally, we provide 384 well Micro Profile plates that allow precise thermal transfer for optimum results.



**Deep Well Plates:** We manufacture Microplates and Deep Well Plates according to ANSI/SLAS format for high throughput screening, sample collection, and combinatorial chemistry applications. We offer 96 Well Microplates, 96 Well Low Profile, 96 Well Standard Profile, and 384 Well Low Profile Deep Well Plates with Flat, U, and V Well Bottoms. We also provide 48 Well and 24 Well High Volume Deep Well Plates. Additionally, we offer 12 Channel Reservoir Plate of 21ml volume and 12 Channel Open Format Reservoir Plate of 290ml volume.



**Sterile Media Bottles:** Our Company offers a wide variety of graduated Sterile Media bottles that are leak-proof, shatter-resistant, and perfect for sampling, shipping, and storing liquid media, sera & buffers. They come in 3 varieties- Square PET, Square PETG, and Round PETG.



**Serological Pipettes:** We specially design and manufacture Sterile, graduated, non-cytotoxic, Polystyrene Serological Pipettes with aerosol-resistant Polyethylene filters that are ideal for cell culture, microbial culture, and other research applications. These come in various capacities offering a volume range of 1-50ml and are individually wrapped in a Paper/Plastic peel pack as well as a Plastic/Plastic peel pack.



**Sampling Spoons and Scoops:** Our Company specially designs Long Handle Sampling Spoons and Scoops made of High Impact Polystyrene for easy collection and scooping of small amounts of samples from hard-to-reach areas like deep jars, bottles, and containers. These are safe for food, drug, and cosmetic use and resistant to a temperature range of -40°C to 80°C



## REUSABLES

We are a leading manufacturer and seller of high-quality reusable products. Our diverse portfolio of innovative solutions are widely used across the pharmaceutical and other sectors. Our reusable bottles are designed to serve as standard containers for storing large volumes of solutions. Our portfolio of products under reusable category includes the following:



**Bottles and Carboys:** Our bottles and carboys are made from premium-grade resin that meets strict medical-grade standards. Resins are selected to minimize additives and reduce potential leachability. Our Bottles and Closures are designed with strong, customized thread design and lip seal technology. We manufacture and test these products regularly to ensure they are leakage-proof.

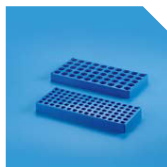
Carboys are mostly used for containment, protection and transportation of various kinds of reagents. While the bottles are used for media formulation and mixing, aseptic protocols, stirring and storage of intermediates, our containers are designed to be both reusable and durable, ensuring that they can withstand even the most demanding applications. This makes our products highly reliable and, in process, are trusted by customer's overseas.



**Beakers:** We supply Beakers made of Polypropylene (PP) or Polymethyl Pentane (PMP), which are economical enough to be discarded after a single use. Our product is specifically designed to ensure safe handling of dangerous solutions such as acids and alkalis. Our containers offer exceptional quality in solution handling and mixing, ensuring reliable and consistent results every time.



**Cylinders:** Our measuring Cylinders are made of PP or PMP, used to measure the volume of liquids, chemicals, and solutions during regular lab work.



**Racks:** We supply interlocking Racks that facilitate product customization / mixing of elements as per end-customers' requirements and specifications. These Racks are made of high-quality autoclavable polypropylene. They are designed to accommodate various sizes of tubes, making sample storage and handling both easy and efficient.

39%



## OTHERS



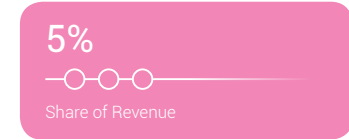
**Centrifuge:** Our Centrifuge machines are built with a compact design to accommodate PCR tubes and micro centrifuge tubes.



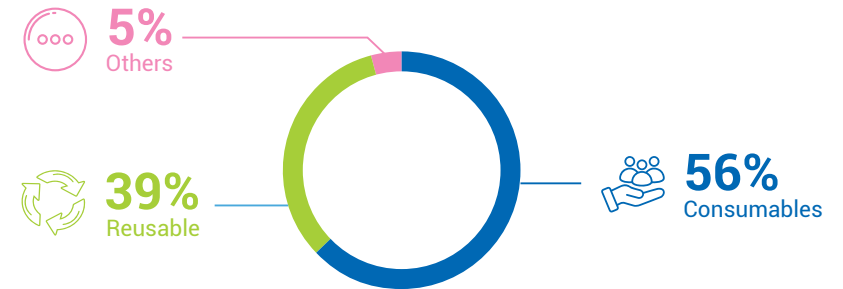
**Vortex:** Our Vortex shakers are designed to be both compact and durable, featuring a sturdy metal base and a rubber foot that prevents any unwanted movement during operation. Vortex has variable speed control features, with the maximum speed being 3,000 RPM.



**Pipettors:** We supply Pipettors – an essential laboratory instrument used to accurately and precisely transfer volumes of liquid in the microliter range.



## SEGMENT-WISE REVENUE



Manufacturing Strengths

# CONSOLIDATING LEADERSHIP WITH CAPACITY EXPANSION

We operate five manufacturing units located in West Bengal, each equipped with cutting-edge technology to deliver high-quality products to our customers. In addition, we have two upcoming state-of-the-art facilities in Panchla and Amta, further expanding our manufacturing base. These facilities are integrated with our in-house designing and development capabilities. At Tarsons, we are dedicated to maintaining the highest quality standards and ensuring regulatory compliance throughout the entire manufacturing process.

We are continuously advancing towards automated manufacturing through the use of cutting-edge technologies such as robotics, developed in collaboration with our overseas partners. This is in line with our aspiration to achieve human-intervention-free production process and thus, obtaining higher levels of precision required in life science products.

Furthermore, Tarsons is developing a new fulfillment center, in-house sterilization along with manufacturing of some key products in Amta, West Bengal. In addition, we are planning to manufacture new products and capacity expansion at the upcoming production facility in Panchla, West Bengal. Our two upcoming state-of-the-art facilities are a testament to our commitment to retaining our market leadership through the utilization of our manufacturing and innovation capabilities.

## FACILITIES

**530** sq. mts.

—○—○—○—  
**Burroshibtolla I**

**1,022** sq. mts.

—○—○—○—  
**Burroshibtolla II**

**515** sq. mts.

—○—○—○—  
**Kasba**

**15,142** sq. mts.

—○—○—○—  
**Jangalpur**

**4,047** sq. mts.

—○—○—○—  
**Dhulagarh**

**21,550** sq. mts.

—○—○—○—  
**Panchla**

**24,280** sq. mts.

—○—○—○—  
**Amta**

OWNERSHIP

■ LEASED	■ OWNED
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Our Key End Users

# UNWAVERING FOCUS ON CUSTOMER SATISFACTION

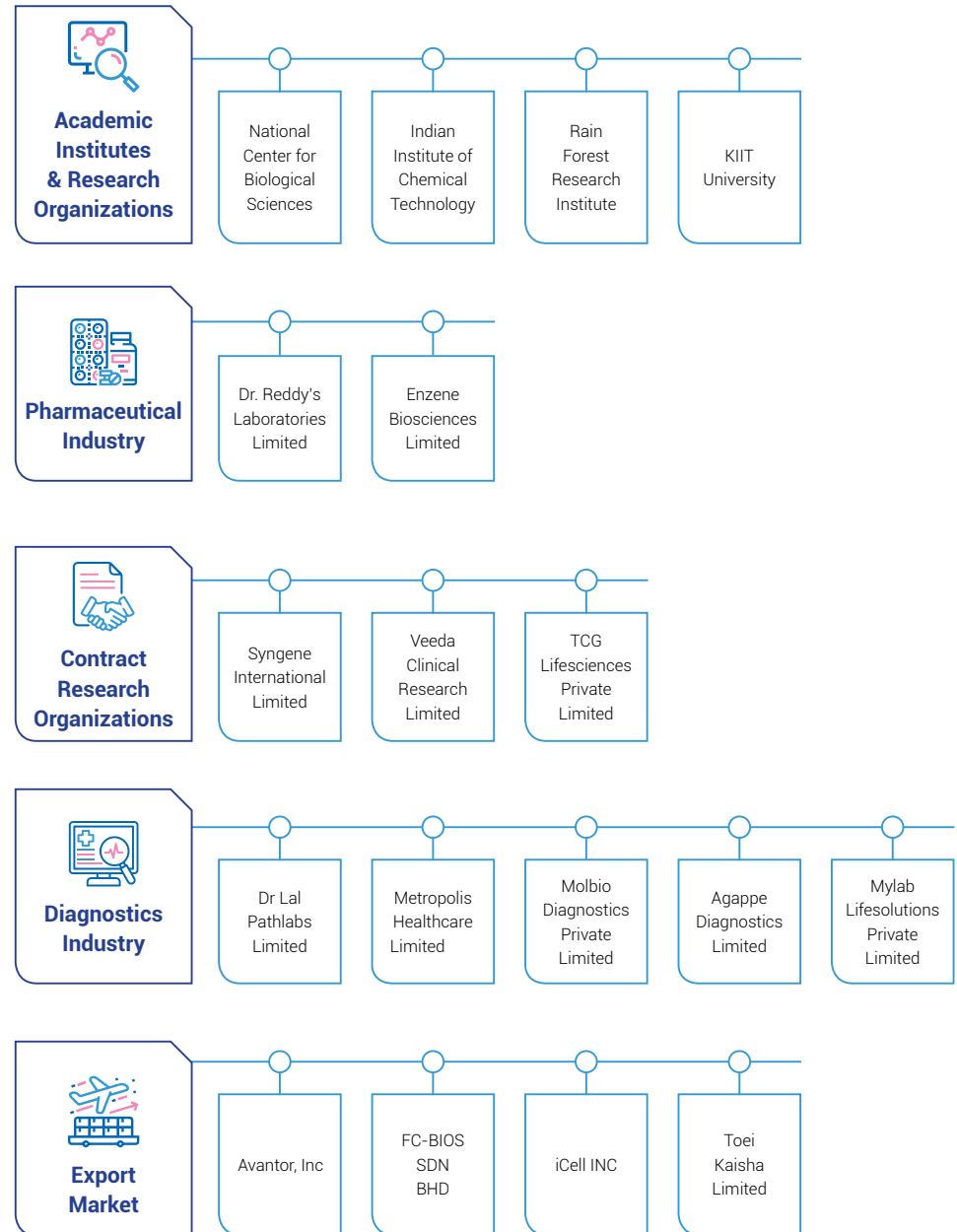
At Tarsons, we value customer satisfaction as a critical aspect of our roadmap. We are committed to address customer problems, seek constant feedback, and identify satisfied customers who can help us promote our products through word of mouth. We attach immense importance to the specific requirements of each of our customers. All these efforts translate into forming a loyal customer base, while adding to the ever-growing list of customers.

## MEASURES TO STRENGTHEN CUSTOMER RELATIONS



## WHO WE CATER

■ Industry ■ Clients



Some of the Marquee Clients

## CHAIRMAN AND MD'S MESSAGE

### Dear Stakeholders,

I am delighted to address you as we reflect upon the past year. The previous year was a testament to a mix of emotions as we encountered significant challenges alongside promising opportunities. However, our determination and commitment propelled us forward on our chosen path. These qualities enabled us to navigate through temporary setbacks, and as we embark on the new journey of the 2023-24 fiscal year, I take immense pride in contemplating the distance we have covered over the past four decades.

Through our journey, we have gained priceless insights, encountered memorable moments, accomplished notable successes, and developed a profound sense of satisfaction. As India's leading manufacturer of plastic labware, we take great pride in delivering exceptional products of superior quality to the life science sector under our esteemed brand name, Tarsons. Despite being in an industry dominated by global MNCs, our steadfast commitment to our central business theme of TRUST DELIVERED has earned us an unique position within the scientific community in India, fostering deep appreciation and respect.

We remain focused in our mission to deliver differentiated, user-friendly, and cost-effective products that reduce dependency on imports, while consistently maintaining high quality. At Tarsons, we understand that our products are not just tools but also a reflection of our customers' trust in us. We are humbled by the trust we have earned over the past few decades and remain committed to exceeding expectations in the future. Here's to another year of Delivering Trust!



Through our journey, we have gained priceless insights, encountered memorable moments, accomplished notable successes, and developed a profound sense of satisfaction. As India's leading manufacturer of plastic labware, we take great pride in delivering exceptional products of superior quality to the life sciences sector under our esteemed brand name, Tarsons.



With a strategic focus on increasing our presence overseas, we are confident in securing substantial business in the near future. We are committed to investing in sales, promotion, marketing, and travel expenses to actively participate in fairs, seminars, and exhibitions to support this endeavor. These efforts will lay a strong foundation for robust future growth in our international business.

### Macro-Economic and Industry Overview

India has firmly established itself as the global leader in economic growth, outperforming all major economies and propelling development at an impressive speed. In the next 10-15 years India will be on the brink of joining the ranks of the top three global economic powers. This remarkable surge in growth opens up an extraordinary opportunity for all of us to actively participate and create a substantial impact. Various factors contribute to this opportunity, such as a young and expanding population, increasing incomes within the middle class, a flourishing service sector, and progressive Governmental reforms that have propelled India to its esteemed status as the world's fifth-largest economy.

However, the life science industry on a global scale has experienced notable changes and adaptations over the past two years in response to the challenges posed by the Covid-19 pandemic. Although we encountered industry-specific difficulties during the last 12 months following the pandemic, we are currently observing positive signs of recovery, as reflected

in our performance. Sequentially, our revenues have exhibited an impressive growth of 34% in Q4 FY23 in comparison to Q3 FY23. Despite a temporary decline in the overall life science sector, we have exceeded industry growth, enabling us to capture market share across multiple industries and product categories.

Throughout the period of slowdown, we showcased resilience by consistently upholding lean, efficient, and sustainable operations. Our adept navigation of the ever-changing landscape allowed us to effectively seize emerging opportunities and persevere through the challenges presented by various factors. Our resolute determination has enabled us to remain determined, ensuring our continued success despite adversities.

### Operational Commitment

#### EXPORT

We firmly believe that exports hold immense potential as a market opportunity for us. We have merely scratched the surface and have a long journey ahead in the international market. To seize this opportunity, we intend to enhance the global brand recognition of Tarsons by actively participating in numerous international fairs and exhibitions. Using these platforms, we will exhibit our growing portfolio and actively engage in ongoing outreach through our direct and distribution channels in the global market.

With a strategic focus on increasing our presence overseas, we are confident in securing substantial



business in the near future. We are committed to investing in sales promotion, marketing, and travel expenses to actively participate in fairs, seminars, and exhibitions to support this endeavor. These efforts will lay a strong foundation for robust future growth in our international business.

#### CAPEX

We are pleased to announce that commercial production at our state-of-the-art manufacturing facility in Panchla is scheduled to commence from the Q2 of the financial year 2023-24 in a phased manner. Initially, a few product lines will be operational by Q2 of 2023-24, with full-scale production expected to be achieved by Q4 of 2023-24. The subsequent ramp-up of these facilities will occur throughout 2024-25. Despite the gradual implementation, our enthusiasm for the future growth opportunities resulting from this capacity augmentation remains strong.

This expansion marks a significant milestone, granting us access to previously untapped markets and product categories. With this development, we are fully prepared to establish a commanding presence in these markets, further solidifying our position as a key player in the industry. We eagerly anticipate this expansion's positive impact on our overall growth trajectory and look forward to capitalizing on the promising prospects it brings.

#### FINANCIAL PERFORMANCE

The fiscal year 2022-23 presented a mix of positive and challenging aspects for us. The revenue from operations for 2022-23 amounted to ₹ 283.2 Crores, reflecting a decline of 6% compared to ₹ 300.8 Crores in 2021-22. This decline can be attributed to various factors. Export

sales accounted for approximately 33% of the total revenue, while domestic sales contributed to approximately 67%.

Despite the revenue decline, our gross profit for 2022-23 reached ₹ 218 Crores, compared to ₹ 238 Crores in 2021-22. The gross profit margin remained steady at an impressive 77%. Additionally, our EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) for 2022-23 stood at ₹ 130 Crores, down from ₹ 153.7 Crores in the previous year. However, the EBITDA margin saw an increase of 400 basis points on a sequential basis from Q3 FY23 to Q4 FY23, reaching 45.8%.

Finally, our Profit After Tax (PAT) for the financial year 2022-23 amounted

to ₹ 81 Crores, with a PAT margin of 28.5%. These figures highlight our ability to maintain a healthy bottom line despite the challenges faced throughout the year. We are proud to highlight that our cash flow from operating activities reached ₹ 100 Crores, indicating a healthy conversion of profit into cash. While our Profit After Tax (PAT) may be impacted in the next 1 or 2 years due to high depreciation charges on our Profit and Loss statement, we remain confident in the steady cash flow from operating activities going forward.

The year-on-year decline in revenue can primarily be attributed to two factors. Firstly, the industry's slowdown, observed in recent months, has resulted in decreased demand for plastic labware products.

Secondly, as communicated earlier, there was a substantial surge in demand for Covid-related products in 2021-22. However, the demand for these products is minimal in the current financial year.

#### GOING FORWARD

Our primary focus is to maximize sustainable growth potential by strategically investing in new product development, expanding our production capacity, and diversifying across different geographies. These initiatives are crucial in meeting the evolving demands of the life science industry and securing our continued leadership position in our core markets. By staying at the forefront of innovation and adapting to changing market dynamics, we aim to enhance our competitiveness and

capture new growth opportunities.

#### VOTE OF THANKS

I would like to extend my heartfelt appreciation to all the stakeholders who have played a vital role in our extraordinary journey. I want to extend a special note of thanks to our esteemed shareholders for their trust in us and for joining us on this remarkable path. To our valued customers, suppliers, vendors, and bankers, we are deeply grateful for your unwavering belief and support, which have served as the foundation of our accomplishments.

However, our journey would be incomplete without acknowledging the tireless efforts of our exceptional team members. Through their unwavering dedication, commitment, and hard work, we have been able to turn our

vision into a reality. Each and every employee is an invaluable asset, and we deeply appreciate your contributions. You are the pillars upon which our success firmly rests, and we consider you an integral part of the Tarsons family.

We have achieved remarkable milestones, overcome challenges, and created a strong foundation for future growth. Your collective efforts and untiring commitment have brought us this far. I am confident that, with your continued support, we will continue to achieve new heights in the years ahead.

Together, let us progress and create a future filled with shared success and prosperity.

Regards,  
**Sanjive Sehgal**  
Chairman & Managing Director



## Our Key Business Strategies

## DELIVERING WITH A STRONG ROADMAP

At Tarsons, we take pride in our ability to combine innovation and experience to adapt our growth strategy to the ever-changing business landscape. By investing continually in new initiatives, we enhance our performance and expand into neighboring geographies and ancillary sectors. We recognize that our stakeholders rely on us to provide them with clear and accurate information about our business practices. We put concerted effort to ensure that all our stakeholders can easily gauge and interpret our management and governance processes in a transparent and accessible way. Thereby, reinforcing their trust on our strategies and resultant milestones.

Following is a broader view of our business opportunity landscape and our focus areas to help us garner enhanced preparedness.

### CONSISTENTLY DEVELOPING OUR PRODUCT PORTFOLIO

As an avant-garde organization, we recognize the immense potential that lies in strategic branding and promotional initiatives. Leveraging these, we can capitalize on emerging opportunities and secure a brighter future for our business. Thereon, elevating our visibility in the competitive labware industry, while strengthening our bond with our valued customers.

As a leading manufacturer of PCR products, we are constantly seeking new ways to stay ahead of the curve and meet the evolving needs of the life science industry. To that end, we are currently in the process of enhancing our focus to include the production of cell culture and bio process solutions in the near future. Besides, we are continuously working to expand our product lines by adding value added products. The product pipeline for the labware market is designed to cater varied applications across industries. This, in turn, is set to offer process optimization and cost efficacy to our customers. Owing to the Government of India's 'Make in India' initiative and the growing prospects of domestic manufacturing, we are well-positioned to strengthen our domestic sales.

### LEVERAGING OUR MANUFACTURING CAPABILITIES

At Tarsons, we constantly invest in physical and operational infrastructure to develop our manufacturing capacities. We continue to boost our popular product categories, including liquid handling, centrifuge ware, and cryo ware. Additionally, we also invest in peripheral machines, moulds and ancillary infrastructure to fuel this process.

We are committed to meeting the needs of our customers and staying ahead of the curve. In our endeavors to excel, we have chalked out plans to increase our manufacturing capacity to help us cater the surge in demand.



### MAINTAINING OPERATIONAL EFFICIENCY & PROFITABILITY

We, at Tarsons, are constantly striving to improve the efficiency and effectiveness of our manufacturing processes. To facilitate this, we follow cost-rationalization and efficiency-improvement strategies such as investment in advanced automation solutions. Thereby, building capability to avoid human error, maintain quality and increase productivity of our manufacturing operations.

Furthermore, we strive to use a centralized approach for sourcing our products. This, in turn, is set to help us achieve economies of scale in our raw material procurement process. We strive to optimize current processes for increased efficiency and profitability. Thereby, enabling improvement of recovery and recycling, while incorporating backward integration into our manufacturing process.

### INCREASING OUR PRESENCE IN OVERSEAS MARKETS

We, at Tarsons, constantly strive to broaden our horizons and extend our reach to customers around the world. Over the past few years, we have undertaken a series of strategic initiatives aimed at expanding our global footprint and solidifying our position as a leading player in the life science industry. Our export revenue, which has been a key contributor to our total revenue, is a testimonial of our success in this direction. During 2022-23, our Company generated ₹ 920 Million.

Globally, Indian players are continued to benefit from multiple factors as suggested in a report by Frost & Sullivan. These include the increase in tariffs and imposition of stricter green compliance on Chinese goods by the US over the past few years. Thus, enabling Indian manufacturers to gain higher share over time by emerging as a cost-effective manufacturing alternative.

To leverage these opportunities in the global market, we have undertaken a two-pronged approach:

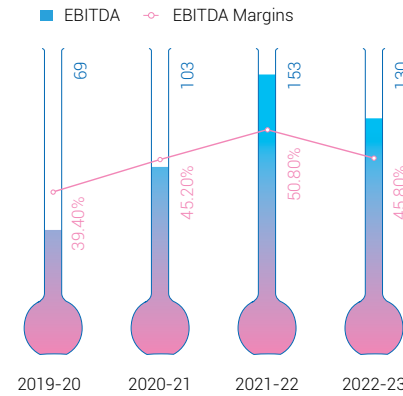
- ❖ Branded sales targeting in emerging markets, including Asia-Pacific, Middle East and South America
- ❖ ODM sales to supply products to developed markets, including the US and Europe

Key Financial Highlights

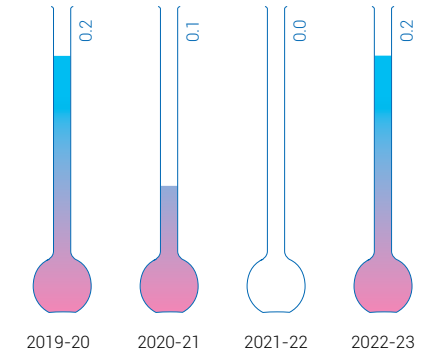
# DELIVERING A RESILIENT PERFORMANCE

At Tarsons, we are dedicated to delivering strong returns to our shareholders. We understand that our shareholders place their trust in us to manage their investments with integrity and expertise, and we work tirelessly to fulfil our responsibility in this direction. We believe it is essential to build a resilient business model following ethical business practices for generating sustained profits for our shareholders.

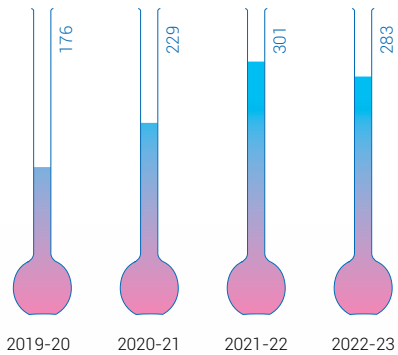
EBITDA & EBITDA Margins (₹ in Crores)



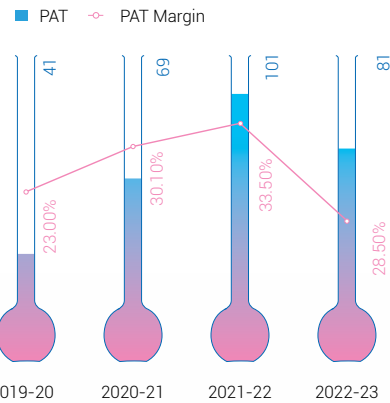
Net Debt-to-Equity (x Times)



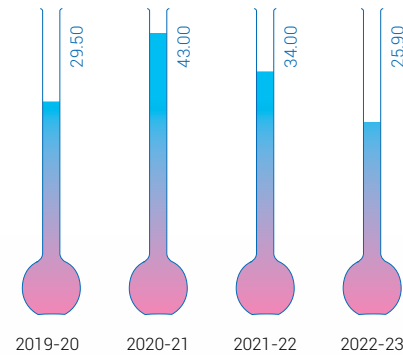
Revenue from Operations (₹ in Crores)



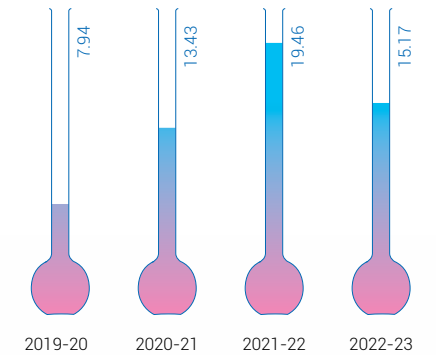
PAT & PAT Margin (₹ in Crores)



ROCE\* (%)



Basic EPS (₹ per Share)



\* Calculated excluding CWIP & Capital Advances



Our ESG Initiatives

STIMULATING SUPPORTIVE AND DIVERSE ECOSYSTEM

# OUR ENVIRONMENT

Tarsons is committed to mitigating the effects of climate change and protecting our natural resources as we pursue growth and expansion. We recognize the importance of a business's proactive leadership role in conservation efforts to minimize the impact of climate change and promote a sustainable future. Our objective is to invest in renewable energy, promote climate-conservation policies and engage with stakeholders to raise awareness about the significance of sustainability. Through these initiatives, Tarsons aims to contribute to reduce the climate change effects and promote an equitable shift towards a more sustainable future.




## CLIMATE


We are committed to reducing the climate impact by contributing to the prevention of climate change and climate adaptation. We focus on building higher resilience against climate-change-induced-damage to infrastructures and societies. Our Company adheres to local and internationally recognized environmental and energy efficiency standards. As a responsible corporate citizen, we acknowledge the fact that business units are required to make reasonable efforts to minimize use of natural resources – including energy, water and raw materials, and reduce their GHG emissions. We have put concerted efforts to remain steadfast in our objective to drive growth with sustainable footprint.




## CONTRIBUTION TOWARDS ENVIRONMENT

-  Use of medical grade plastic


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-  Design products to withstand critical use


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-  No hazardous materials consumed

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-  No litigations faced for pollution or degradation of environment over the past five years

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-  No impact of climate change

# SOCIAL

We have a crucial responsibility in shaping a better future for our people and customers, owing to our position and scale. We leverage our industry position to positively impact our stakeholders.



## OUR PEOPLE

We prioritize issues related to the well-being of our employees. We nurture diversity, value equity and ensure inclusion at workplace. This is reflected in our approach to attracting, hiring, developing and promoting our employees. Moreover, we focus on creating a transparent, respectful and inclusive workplace to conduct business with our customers and suppliers, while enriching and strengthening our communities.

### EMPLOYEE HEALTH AND SAFETY

Tarsons place utmost importance to the health and safety of our employees. We adhere to all the relevant 'Health and Safety' requirements at the workplace and sites. We initiated free vaccination drive for our employees and their families to protect them from Covid-19 pandemic. Furthermore, we continuously take various initiatives to develop and enhance the skill set of our employees

### DIVERSITY AND INCLUSION

Tarsons devised a systematic plan to promote diversity and inclusion by engaging with stakeholders to identify the key focus areas. We have outlined gender balance as the first challenge to be addressed. Hence, our Company has embarked on its journey of promoting diversity with gender balance as a priority.

**Tarsons diversity & inclusion requirement and principle includes:**

- ❖ Identifying local diverse and inclusive action plans that address locally-relevant challenges and opportunities
- ❖ Ensuring diversity in the recruitment, selection, promotion and retention processes
- ❖ Providing learning and development opportunities to raise awareness and offer practical guidance related to diversity and inclusion
- ❖ Enabling all employees to actively contribute towards building a diverse and inclusive workplace
- ❖ Supporting and promoting internal networks and employee resource groups, aimed at uplifting and creating a sense of belonging for diverse and under-represented groups



## CONTRIBUTION TOWARDS OUR PEOPLE



Multi-pronged approach towards employee development

# OUR COMMUNITY

We, at Tarsons, are committed to create a constructive impact on the communities we serve. We firmly stand by the community, particularly during tough times. We understand that the prosperity of the communities we function in, is directly linked to our future success.

We are steadfast in our support towards building our communities' resilience and adaptability, helping them to meet the challenges and explore future opportunities. We have a role to play in inspiring our next generation about the possibilities in science, technology, engineering and cyber security and work with community partners to provide opportunities in these directions.



## DIGITAL SKILLS

Tarsons, being a responsible corporate citizen, is committed to facilitating digital access for all. We take efforts to equip people with the needed resources, knowledge and skills to improve their quality of living. We consider this as our fundamental pillar, fostering inclusiveness among all, while making them a part of 'Digital India'. This is poised to enable us to stimulate a supportive ecosystem, that is empowered to address the risk and grow the digital resilience of people.

We persist in our efforts to provide essential infrastructure that allows universal access and benefits of digitalization. Our initiatives in this regard go hand-in-hand with our overall business practices towards employees, suppliers and customers. Over the years, we have pursued a wide range of initiatives and operations aimed at building digital skills, bolstering online safety, and promoting diversity and inclusion in the realm of connectivity.



## CONTRIBUTION TOWARDS SOCIAL



A part of our CSR activities has been directed towards **TATA Cancer Hospital and Narayana Hrudayalaya**

# GOOD GOVERNANCE

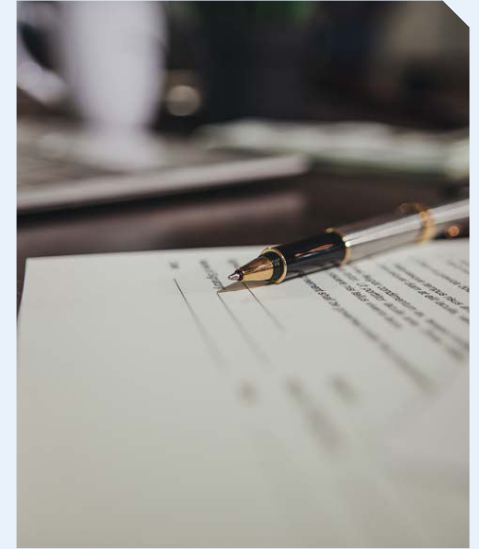
Good governance is indispensable in achieving our strategic and sustainability objectives. It empowers us to make a positive impact through our work and fulfil our responsibilities.



## ANTI-CORRUPTION POLICIES

At Tarsons, we believe that transparency and ethics in conducting business, coupled with growth, drives all-round satisfaction of the entire team. While complying with all applicable anti-corruption laws and regulations.

The Tarsons Code of Conduct and the Anti-Corruption Policy prohibit corrupt conduct in all of our business activities. All our business units are obligated to implement measures aimed at preventing corruption in Tarsons' business operations. These measures also include monitoring and regulating potential conflict of interest not only within our own organization but also with third parties acting on our behalf.



### BUSINESS UNITS ARE EXPECTED TO IMPLEMENT CONTROLS REGARDING THE FOLLOWING:



Business courtesies



Facilitation payments



Intermediaries



Public officials



Sponsorships and donations



Conflict of interest



Improper payments

#### Key Highlights

- ❖ **Clean room conditions** to eliminate all chances of contamination
- ❖ **Productivity** optimization with use of high automation
- ❖ **The Board** having an optimum combination of Executive and Non-Executive Directors
- ❖ **Clean Track Record** of Liability payments to various stakeholders
- ❖ Regular **Review and Update** of policies to incorporate changes
- ❖ **Whistle-blower** policy

## Our Management Team

# BUILDING RESILIENCE WITH FOCUSED LEADERSHIP

At Tarsons, we are committed to strong and ethical leadership, focusing on creating long-term value for our stakeholders through good governance. We understand the importance of transparency, accountability, and integrity in building trust with our customers, employees, and shareholders. We have experienced and professional leadership team to ensure stability and consistency in decision-making, which is the foundation for building trust and confidence among stakeholders. Our Board has a shared vision that is fully aligned with our Company's goals and objectives, promoting collaboration and teamwork. We are committed to creating a positive and sustainable business environment that benefits all our stakeholders.



Mr. Sanjive Sehgal



Chairman and Managing Director of our Company. He holds a bachelor's degree in science from St. Xavier's College, Kolkata and has an experience of over 40 years in production, marketing and distribution of labware, plastic lab consumables and bench-top instruments and supply of products to the healthcare, pharmaceutical, biotechnology industries and research institutes. He has been associated with our Company as an Executive Director from 25th July, 1983 and has been appointed as the Managing Director from 25th July, 2018.



Mr. Rohan Sehgal



Whole-Time Director of our Company. He holds a bachelor's degree in Management from Manchester University, United Kingdom. He has an experience of over 10 years in the industry and has been involved in operations management, organic business growth, strategic planning, staff development, performance & quality standards, customer satisfaction & allegiance leadership development, P&L management / budget planning, manufacturing & marketing, change management, commercial & customer support and strategic partnerships, among others. He has been associated with our Company as an Executive Director from 1st September, 2014 and has been appointed as a Whole time Director from 25th July, 2018.



Mr. Girish Paman Vanvari



Non-Executive Independent Director of our Company. He holds a bachelor's degree in Commerce from the University of Bombay and is a member of the Institute of Chartered Accountants of India, with an All India Rank (AIR) position. With over 27 years of consulting experience, Mr. Girish is the Founder of Transaction Square - a Tax, Regulatory and Business Advisory Firm. Prior to his entrepreneurial venture, Mr. Girish had a 13-year stint with KPMG wherein he was the National Leader for Tax at KPMG India. He has regularly worked with many large multinationals and Indian promoter companies in advising them on various tax and regulatory issues. Further, he has built an exclusive legacy of work in M&A deals and restructuring transactions for some of the biggest deals in the industry. Prior to KPMG, Mr. Girish was at Arthur Andersen for over a decade. He is a regular conference host, presenter and moderator at various tax conferences and seminars. He has been regularly featured in a number of international and Indian media outlets, newspapers and business magazines. He has been appointed as Non-Executive Independent Director in our Company from 10th May, 2021.



Mr. Viresh Oberai



Non-Executive Independent Director of our Company. He holds a bachelor's degree in History from the University of Delhi and has done his MEP from IIM Ahmedabad and GMP from CEDEP Fontainebleau. He has over 22 years of experience with Tata Steel. He is the Founder CEO and former MD of MJUNCTION SERVICES LIMITED. Under his leadership, from 2000 to 2016 mjunction became not only India's largest and most profitable e-Commerce company but also the world's largest e-Marketplace for steel (metal junction), the World's most innovative e - Marketplace for Coal (coal junction) and launched a number of other verticals and horizontals. He has been Mentor to Tata Elxsi, CMC and Tata Interactive Systems under TBEM. He has also been conferred with the CMA Management Excellence Award for Leadership. He is also the recipient of the Udyog Ratan by the Indian Economic Society.



Mrs. Sucharita Basu De



Non-Executive Independent Woman Director of our Company. She holds a bachelor's degree in Law from the University of Calcutta. She is the Managing Partner of Aquilaw (the Firm) and has an extensive work experience of over 20 years in commercial and corporate agreements, capital markets, joint venture and financing transactions, real estate, infrastructure, international trade laws policy, trust laws and litigation. She has led and been involved in numerous transactions involving the above. Mrs. De is also a Standing Counsel for the State of West Bengal at Hon'ble Supreme Court of India. She is the Chairperson of CII - India Women Network, West Bengal Chapter and represents the Firm in CII, Maharashtra and West Bengal State Council and in CII, Eastern Regional Council. She is also heading the Policy Panel of CII, West Bengal and also represents the Firm in the Managing Committee of BCCI and is member of the Legal and the Socio - Economic Committee of BCCI. She has been appointed as a Non-Executive Independent Woman Director of our Company from 10th May, 2021.



Mr. Gaurav Pawan Kumar Podar



Non-Executive Nominee Director of the Company. He holds a bachelor's degree in Management Studies and a master's degree in Management Studies from the Mumbai University. He has been working as an investment professional in ADV Advisors India Private Limited since 16th September, 2016 and has previously worked with Tata Capital Financial Services Limited, AION India Investment Advisors Private Limited and Boston Analytics Private Limited. He has also worked with the affiliate companies of Apollo Global Management Inc.- AGM India Advisors Private Limited. He has over 10 years of experience in the finance industry. He has been appointed as Non-Executive Nominee Director in our Company from 10th June, 2019.

- Audit Committee
- Stakeholders Relationship Committee
- Nomination and Remuneration Committee

- Risk Management Committee
- Corporate Social Responsibility Committee
- IPO Committee

- C Chairman
- M Members

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Mr. Sanjive Sehgal

Chairman & Managing Director

### Mr. Rohan Sehgal

Whole-Time Director

### Mr. Girish Paman Vanvari

Non-Executive Independent Director

### Mr. Viresh Oberai

Non-Executive Independent Director

### Mrs. Sucharita Basu De

Non-Executive Independent Woman Director

### Mr. Gaurav Pawan Kumar Podar

Non-Executive Director (Nominee)

## KEY MANAGERIAL PERSONNEL

### Mr. Santosh Kumar Agarwal

Company Secretary, Compliance Officer & Chief Financial Officer

## COMMITTEES OF THE BOARD

### Audit Committee

Mr. Girish Paman Vanvari - Chairperson

Mr. Viresh Oberai - Member

Mrs. Sucharita Basu De - Member

### Nomination & Remuneration Committee

Mr. Viresh Oberai - Chairperson

Mr. Girish Paman Vanvari - Member

Mrs. Sucharita Basu De - Member

### Stakeholders Relationship Committee

Mr. Viresh Oberai - Chairperson

Mr. Sanjive Sehgal - Member

Mr. Rohan Sehgal - Member

### Corporate Social Responsibility Committee

Mrs. Sucharita Basu De - Chairperson

Mr. Sanjive Sehgal - Member

Mr. Rohan Sehgal - Member

### Risk Management Committee

Mr. Girish Paman Vanvari - Chairperson

Mr. Rohan Sehgal - Member

Mr. Gaurav Pawan Kumar Podar - Member

### IPO Committee

Mr. Rohan Sehgal - Chairperson

Mr. Gaurav Pawan Kumar Podar - Member

Mrs. Sucharita Basu De - Member

## AUDITORS

### Statutory Auditors

M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants

### Secretarial Auditors

M/s. Manisha Saraf & Associates, Practicing Company Secretaries

### Internal Auditors

M/s. Grant Thornton Bharat LLP

## BANKERS

HDFC Bank

Axis Bank

ICICI Bank

Federal Bank

## REGISTERED OFFICE / CORPORATE OFFICE

### Tarsons Products Limited

(Formerly known as Tarsons Products Private Limited)

CIN: L51109WB1983PLC036510

Martin Burn Business Park, Room No. 902, BP-3, Salt Lake, Sector-V, Kolkata-700091, West Bengal, India

Phone: 033-35220300

Email: info@tarsons.com

Website: www.tarsons.com

## PLANT LOCATIONS

### Jangalpur Plant

Jalan Industrial Complex, Gate No-1, NH-6, Jangalpur, Biparnapara, Begri, Howrah-711411, West Bengal, India

### Dhulagarh Plant

Master Plot No. PPF-1, Mouza Kandua, JL No-5, PS-Sankrail, Gram Panchayat Kandua, Howrah-711302, West Bengal, India

### Behala Plant-1

36/A/4 Burroshibtolla Main Road, Factory, Behala, Kolkata-700038, West Bengal, India

### Behala Plant-2

22 Burroshibtolla Main Road Factory, Behala, Kolkata-700038, West Bengal, India

### Kasba Plant

P1 Kasba Industrial State, Phase 2, Kolkata-700107, West Bengal, India

## REGISTRAR & SHARE TRANSFER AGENT (RTA)

### M/s. KFIN Technologies Limited

(Formerly KFIN Technologies Private Limited)

Selenium Tower B, Plot No.31 &32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad-500032, Telangana, India

Phone: 040-67162222

Email: ahfl.ipo@kfintech.com

Website: https://www.kfintech.com/

# MANAGEMENT DISCUSSION AND ANALYSIS

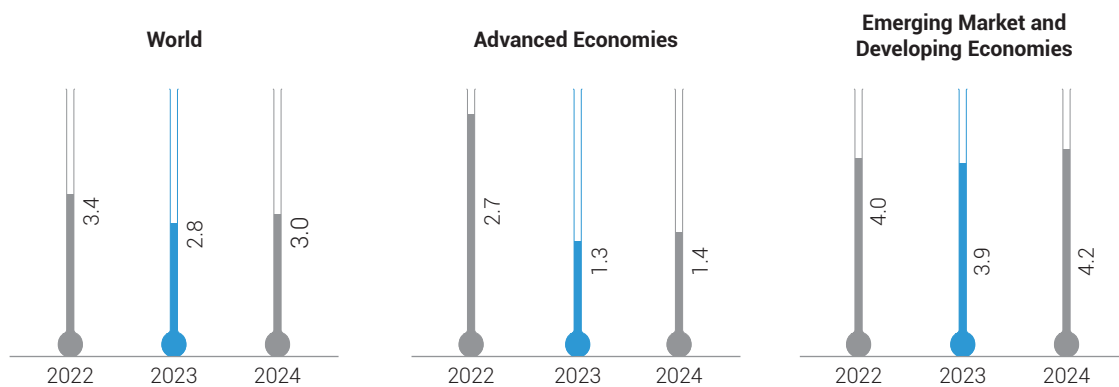
## ECONOMIC OVERVIEW

### Global Economy

The global economy has seen cautious optimism in the first few months of 2023, as energy prices have eased from their peak levels. Herein, the International Monetary Fund (IMF) has adjusted its forecast for global growth to 2.8% in 2023, which is 0.2% higher than the October 2022 forecast. For advanced economies, growth is projected to reach 1.3% in 2023, while for emerging market economies it is expected to reach 3.9% in 2023, due to increasing investors' confidence and an increase in foreign investments.

Although some countries, regions and territories have achieved a strong post Covid-19 pandemic rebound, the global outlook remains inconsistent. For other nations, chronic political and economic challenges are delaying recovery of lost ground.

### World Economic Outlook Projection (%)



(Source: <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>)

### Indian Economy

Compared to other developing nations, the Indian economy has shown remarkable resilience in the face of a challenging external environment, and its strong macroeconomic fundamentals have placed it in a favourable position. With this, the forecasts suggest that the growth rate for India in the year 2022-23 is predicted to be between 6.5% to 7.0%. One of the reasons for the positive growth outlook for the Indian economy is its capacity to rebound from difficulties, as demonstrated by the resurgence of private consumption, which has become the primary driver of growth, surpassing export incentives. The Indian Government's successful vaccination campaign, at the same time, resulted in nearly universal vaccine coverage. The rise in private consumption has escalated production activity, which led to increased capacity utilization across various sectors.

The inflationary pressures persisted and got further complicated by the Russia-Ukraine conflict. Consumer Price Inflation (CPI) in India reached 7.8% in April 2022, before declining to around 5.7% by December 2022. It was primarily a result of the Russia-Ukraine conflict and lower crop yields caused by excessive heat in certain regions of the country. To tackle the price hike, the Government reduced excise duties on fuel, coupled with three interest rate hikes by RBI. Nonetheless, the RBI expected the inflation to remain elevated during 2022-23 due to the ongoing global geopolitical challenges.

### Outlook

India's growth outlook has some upside potential, wherein the nation is expected to continue on its path of economic growth. The Indian economic prospects for the next year have been affected by a unique set of challenges that pose some downside risks. Geopolitical uncertainties and tensions, coupled with inflationary pressures and monetary tightening in several economies are cautionary factors that could affect growth estimates.

(Source: <https://www.indiabudget.gov.in/economicsurvey/doc/eschapter/echap01.pdf>)

## Management Discussion and Analysis (Contd.)

### INDUSTRY OVERVIEW

#### Healthcare Market

##### Global

According to Research and Markets, the global healthcare market is expected to reach USD 4,277 Billion by 2027, exhibiting a CAGR of 4.2% during 2022-27. Despite its relatively small market size, the healthcare industry remains one of the most profitable sectors globally. The pandemic has increased interest in the sector, coupled with the growing demand for higher quality healthcare and increasing life expectancy, boosting industry growth pace. The healthcare market can be segmented into different categories namely healthcare services, healthcare IT, medical devices & technology, pharmaceutical and biotechnology.

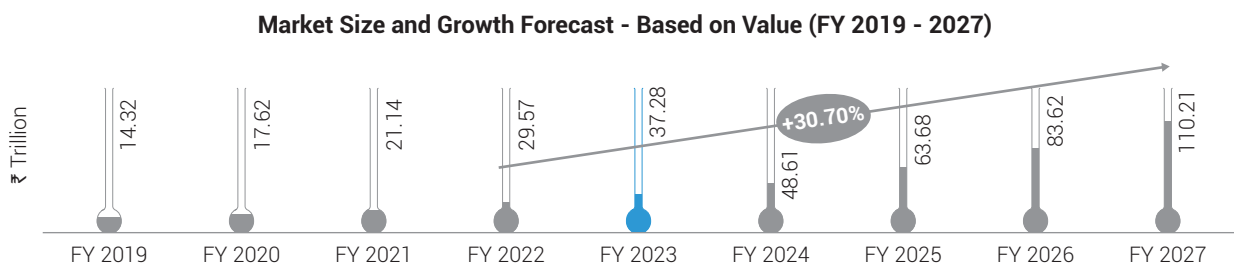
(Source: <https://www.globenewswire.com/en/news-release/2022/02/23/2390477/28124/en/Global-Health-and-Wellness-Market-2022-to-2027-Industry-Trends-Share-Size-Growth-Opportunity-and-Forecasts.html>)

##### Outlook

With the continuous evolution of the healthcare landscape, digital tools are also playing a key role. It is therefore, set to transform care delivery methods, health records, and payments. Innovation, consolidation, and optimization will be driven by the influx of capital into the industry. These new tools will shape the future of healthcare, making it more accessible and efficient for patients and providers alike. However, several risks, such as increased knowledge of alternative therapies and natural remedies, limited Government provision in healthcare services, and stringent regulations, might affect growth pace of the healthcare industry.

##### Indian

The healthcare sector is one of the major fast-expanding segments of the Indian economy. The sector's growth has been fueled by several factors, including an increase in chronic and lifestyle-related illnesses, the adoption of advanced technologies such as telemedicine and telehealth, with a surge in funding from both public and private investors. According to the Netscribes Healthcare Market Report 2022-27, India's healthcare market is projected to reach ₹ 110.21 Trillion by 2026-27, witnessing CAGR of approximately 30.70% between 2022-27.



In India, there has been a rapid adoption of new technologies in the healthcare sector, with a focus on artificial intelligence, big data analytics, and machine learning. As one of the fastest adopters of emerging healthcare technologies, India has experienced significant benefits, including optimized processes, reduced healthcare costs, and improved access to data. These developments are expected to continue shape the future of healthcare in India, enabling more efficient and effective delivery of care to patients across the country.

Robotic process in automation has enabled healthcare providers to automate high-volume and repetitive tasks that previously required human intervention. These tasks include record-keeping, calculations, and report generation. The Indian healthcare system is increasingly adopting robotics to improve care delivery and achieve greater efficiency. Personalized healthcare has emerged as a prominent trend in the Indian healthcare sector, as providers seek to tailor their services to meet the specific needs of each patient. As the adoption of robotics is increasing, it is expected to contribute significantly to the delivery of more personalized and efficient care to patients across India.

##### Outlook

The Indian healthcare industry is poised for significant growth, and is expected to attract increased interest from investors. Hospitals and health centers, pharmaceutical companies, and medical equipment manufacturers are likely to receive a significant portion of the investment. In addition, health-tech, clinical research, and online pharmacy commerce are emerging as promising



## Management Discussion and Analysis (Contd.)

sectors, and are expected to remain on investors' radar. These sectors offer opportunities for innovation and potential to improve patient outcomes, while enhancing access to healthcare services. Thus, they are likely to continue to attract investment and drive the expansion of the Indian healthcare industry.

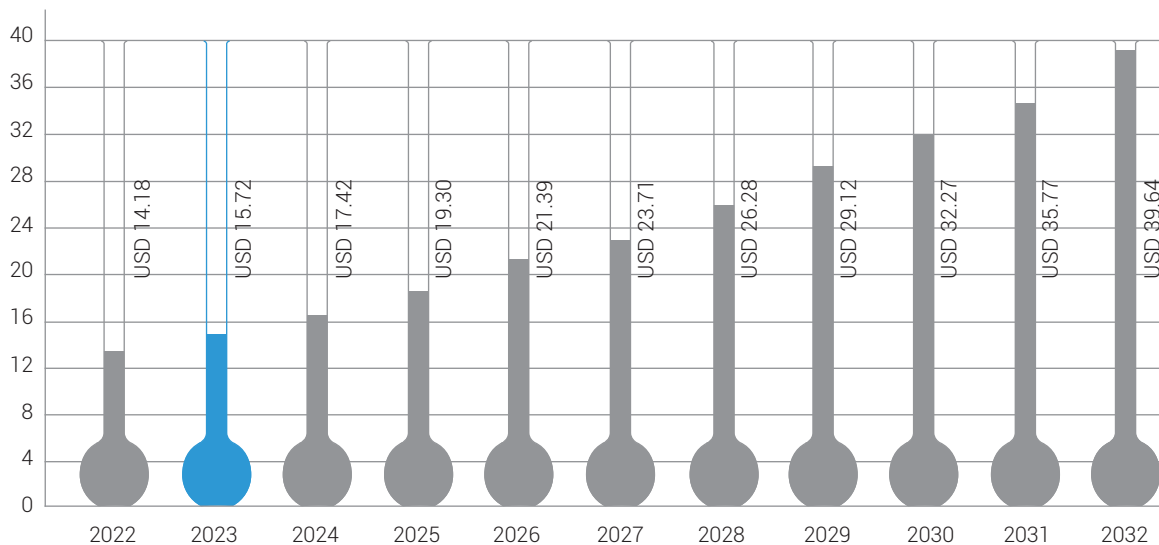
### Laboratory Equipment Market

#### Global

Lab technicians and scientists use a variety of laboratory equipment to perform essential tasks such as analyzing biological samples, preparing cell culture mediums, and studying cells for diagnosing diseases. The laboratory equipment market is broadly divided into consumables (such as centrifuges, liquid handling, and cryoware products), reusables (mainly bottles, beakers, measuring cylinders, tube racks, flasks, and carboys), and other categories. The industry is experiencing robust growth, driven by advancements in chemical and biological research technology, the proliferation of diagnostic centers, and the trend towards biodegradable or reusable laboratory products.

Laboratories have become multipurpose research facilities, supporting a wide range of testing and development activities. Furthermore, the rising importance of research-based studies has led to the establishment of new laboratories in schools and universities, which in turn has sparked early interest in laboratory equipment and contributed to the market's growth. The global laboratory equipment market size was evaluated at USD 14.18 Billion in 2022 and is expected to attain around USD 39.64 Billion by 2032, witnessing a CAGR of 10.83% from 2023-32.

**Laboratory Equipment Market Size, 2023 to 2032 (USD Billion)**



(Source: <https://www.precedenceresearch.com/laboratory-equipment-market>)

#### Outlook

Technological advancements such as the development of automated and integrated laboratory systems, as well as the increasing adoption of cloud-based laboratory information management systems (LIMS), are expected to fuel the expansion of global laboratory equipment market. Future growth projections in the laboratory equipment market are essentially dependent on expenditure on research and development.

## Management Discussion and Analysis (Contd.)

### Indian

The healthcare and pharmaceutical industries in India have experienced robust growth in recent years due to several factors, including the increasing prevalence of chronic diseases, improvements in healthcare infrastructure, and higher insurance penetration. Additionally, the expansion of diagnostic centers and increased investment in R&D are driving up demand for laboratory equipment.

In response to market demand and changing preferences, India's laboratory equipment market is undergoing a significant shift from glassware to plasticware products. This is due to the latter's ease of handling, flexibility, and lower cost, as well as the fact that most plastic lab containers are recyclable. However, traditional glassware made from borosilicate glass, which has heat-resistant properties, remains in demand. Notwithstanding this, the market for plastic labware products is expected to grow by 23% in the coming years.

For producers of plasticware products, the use of high-grade plasticware resins as raw materials provides stability in pricing despite crude oil price fluctuations. The stability is passed down the value chain, allowing companies to benefit from lower costs even during periods of crude oil price volatility.

According to the International Market Analysis Research and Consulting Group (IMARC Group), the India laboratory automation market size reached USD 86.2 Million in 2022 and is expected to reach USD 146.9 Million by 2028, exhibiting a CAGR of 9.2% during 2023-28.

(Source: <https://www.imarcgroup.com/india-laboratory-automation-market>)

### Outlook

It is important for the Government to create a conducive business environment that encourages and facilitates manufacturing in India. This can be achieved through policy reforms and initiatives that promote ease of doing business, provide incentives for local manufacturing, and support technology adoption. Customization of instruments and automation can help companies to meet the specific needs of end-users, while also improving efficiency and reducing costs. Government support in the form of providing access to resources and expertise, such as funding for research and development, collaboration with academic institutions, and technical support, shall further fuel the growth in the Indian Healthcare and Pharmaceutical industry. Hyphenation, or the combination of different analytical techniques, can also be a key area of focus for the Laboratory Analytical Instrumentation industry.

### KEY GROWTH DRIVERS

#### Advancements in Technology

The continuous advancement in technology has led to the development of new and innovative laboratory equipment that provides accurate and reliable results. The demand for advanced laboratory equipment has increased due to its efficiency and effectiveness in scientific research.

#### Increase in Research Activities

The growth of research activities in various fields such as life sciences, biotechnology, and pharmaceuticals has increased the demand for laboratory equipment. With more research studies being conducted, the demand for advanced laboratory equipment is also increasing.

#### Government Funding and Initiatives

Many governments across the world are investing in research and development activities, which has increased the demand for laboratory equipment. Governments are providing funds and grants to research organizations to promote scientific research, which is driving the growth of the laboratory equipment market.

#### Growing Demand for Personalized Medicine

The demand for personalized medicine has increased in recent years, which has led to the development of new laboratory equipment to provide accurate and reliable results. Personalized medicine requires advanced laboratory equipment for diagnostic tests, which has increased the demand for laboratory equipment.

#### Increase in the Number of Clinical Laboratories

The number of clinical laboratories is increasing due to the rising need for diagnostic tests and procedures. This is mainly due to the rising incidences of chronic and infectious diseases and the increasing demand for accurate and early disease diagnosis.

## Management Discussion and Analysis (Contd.)

techniques This has led to the growth of the laboratory equipment market, as more laboratories require advanced equipment for diagnostic tests and procedures.

### COMPANY OVERVIEW

Tarsons Products Limited (The Company or TPL) is a leading labware company with over 39+ years of experience in designing, developing, manufacturing, and marketing of consumables, reusables, and other labware. The Company produces a wide range of high-quality labware that assists scientific research and improves healthcare. With a diverse product portfolio of over 1,700 SKUs and 300 product categories, TPL caters to a diverse range of end-customers across various sectors, including research organizations, academic institutions, pharmaceutical companies, CROs, diagnostic companies, and hospitals.

TPL has a strong customer base, including prominent end-customers such as the Indian Institute of Chemical Technology and National Center for Biological Sciences across academic institutes and research organizations, Dr. Reddy's Laboratories and Enzene Biosciences across Pharmaceutical sectors, among others.

TPL operates through its five manufacturing facilities located in West Bengal. These are vertically integrated and equipped with automated support systems that help maintain quality, increase productivity, and reduce costs. TPL's expertise and diverse product portfolio makes it a key player in the labware industry, serving a wide range of customers in various sectors.

### OPERATIONAL OVERVIEW

In 2022-23, TPL recorded revenue from operations amounting to ₹ 2,832.48 Million, reflecting a decrease of 5.83% compared to the previous year. This decrease can be attributed to a slowdown in the life science industry due to the post-pandemic effects. Our revenue from exports stood at ₹ 923.89 Million in 2022-23. Despite these challenges, TPL achieved an impressive gross profit margin of 77.03%. On the domestic front, the Company has established a robust and extensive distribution network, utilizing 138 domestic distribution channels nationwide, which has greatly contributed to its widespread presence across India. TPL has recognized the value of automation in improving overall performance and reducing human errors. Consequently, the Company has been actively investing in automation technologies. TPL is in the process of gradually increasing its manufacturing capacity for both existing and new products by adding new production facilities in Panchla and Amta, West Bengal. Furthermore, TPL is committed to enhancing its brand visibility and recognition within the Labware industry. The Company has undertaken branding and promotional initiatives to increase brand awareness and foster customer loyalty. In line with this, TPL is expanding its product line to include new offerings in the cell culture and robot-handled consumables segments. These expansions aim to cater to import-dominated markets and facilitate further growth.

### FINANCIAL SNAPSHOT

#### Financial results for the fiscal year ending 31st March, 2023

- In 2022-23, Revenue from operations was ₹ 2,832.48 Million, 5.83% lower as compared to 2021-22, owing to subdued demand in both export and domestic market. TPL reported a Gross profit margins of 77.03%
- In 2022-23, the Company's Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) was ₹ 1,297.62 Million, witnessing a degrowth of 15.02% compared to 2021-22
- In 2022-23, the Company recorded a PAT of ₹ 807.14 Million compared to ₹ 1,006.64 Million in 2021-22, a degrowth of 19.82%
- In 2022-23, the Return on Capital Employed (ROCE) stands at 18.25%, while in 2021-22 the Company reported 32.70% of ROCE

Particulars (₹ in Million)	2022-23	2021-22
Revenue	2,832.48	3,007.94
EBITDA	1,297.62	1,526.99
EBITDA Margin (%)	45.81	50.77
PAT	807.14	1,006.64
PAT Margin (%)	28.50	33.47
Earnings per Share (in ₹)	15.17	19.46
Return on Capital Employed (%)	18.25	32.70
Return on Equity (%)	15.24	27.42
Net Worth	5,693.03	4,898.30

## Management Discussion and Analysis (Contd.)

### RISK MANAGEMENT

The Company has a well-defined risk management framework in place, which is overseen by the Board of Directors. The establishment of the Risk Management Committee will further strengthen the Company's risk management policies. The Company's emphasis on regular review and monitoring of its risk management policies is also a positive step towards ensuring that its risk management practices remain relevant and effective in the face of changing market conditions and operational challenges.

The Company's commitment to maintaining a disciplined and constructive control environment is also noteworthy. A disciplined control environment is essential for effective risk management and ensuring that all employees understand their roles and responsibilities. By investing in training and management standards and procedures, the Company can ensure that its employees are equipped with the necessary knowledge and skills to implement risk management policies effectively.

Risk	Impact	Mitigation
<b>Competition Risk</b>	Pricing pressures from organized and unorganized players may result in pressure on margins.	The Company has relentlessly focused on innovation and product differentiation to distinguish itself in the market. Additionally, it has invested in customized marketing and branding efforts to enhance its brand visibility.
<b>Operational Risk</b>	Any manufacturing or quality control problems, can tarnish the Company's reputation and have a negative impact on its business operations, financial standing, and results.	The Company employs a comprehensive approach to manufacturing high-quality finished goods. It begins by sourcing raw materials from reputable international suppliers known for their high quality. It utilizes advanced process techniques that are tailored to meet the specific requirements of each end-use. The Company's skilled workforce, coupled with a dedicated quality assurance and control department, ensures that every step of the manufacturing process is executed with precision and adherence to its strict quality standards. To further optimize its operations, the Company has invested significantly in automation, aiming to enhance performance and minimize human error.
<b>Industry Risk</b>	Given the dynamic and evolving nature of the industry, unfavorable changes could result in unforeseen future at times.	With a global presence, the Company continuously monitors developments across different geographies to identify potential risks. It conducts periodic evaluations and takes immediate action to mitigate any risks that may arise.
<b>Suppliers Risk</b>	The Company's profitability and margins are directly impacted by any volatility in prices. A significant change in raw material prices or operational costs influences profit margins and overall revenues, by affecting the entire value chain.	The Company mitigates potential disruption in the raw material supply chain, through strong relationships with alternative suppliers. Although raw material costs account for approximately 22% of the Company's top line, any increase in raw material prices may not have a proportionate impact on its margins. Moreover, the Company considers the inflationary impact and implements annual price increases.
<b>Liquidity Risk</b>	In case, the Company is unable to fund an increase in its assets and meet its financial obligations, it may have an adverse effect on TPL's financial condition as well as reputation.	The Company's business strategy is focused on meeting its liquidity obligations, while also safeguarding itself against liquidity and interest rate risks. It has strong cash accrual and an A+ credit rating from CARE. These indicators demonstrate the Company's ability to generate substantial cash flows and maintain a healthy financial position. Furthermore, the Company has strong banking relationships with HDFC Bank, ICICI Bank, Axis Bank, and Federal Bank, which play a pivotal role in supporting our financial operations.
<b>Forex Risk</b>	As an export-oriented company, TPL's financial performance can be significantly impacted by changes in foreign exchange rates.	The Company has a natural hedge as it exports its products while importing raw materials.

## Management Discussion and Analysis (Contd.)

### HUMAN RESOURCE

TPL highly values its workforce and is committed to fostering their development and growth. The Company's human resource efforts are concentrated on recruitment and retention, learning and development, performance management and review, and communication. The employees receive regular training to improve their operational excellence, productivity, and ensure compliance with quality and safety regulations. Additionally, the Company offers performance-based incentives to its sales team and does not have any unionized staff.

To ensure inclusivity, employee-centricity, and skill development, the Company conducts regular evaluations of its existing human resource efforts. TPL is dedicated to maintaining a workplace culture that prioritizes human performance and has implemented proactive policies to promote a tranquil and harmonious work environment. The Company's rapid expansion and positive workplace culture have resulted in a high level of employee satisfaction, which has enabled the Company to attract a significant number of talented individuals.

The Company employs individuals across various departments, including sales, IT, administrative, finance, marketing, procurement, logistics, design, operations, manufacturing, R&D, engineering, and factory personnel. As of 31st March, 2023, TPL has 713 full-time employees and workers in all of its offices and units across India, and they play a significant role in the Company's operations.

### HEALTH, SAFETY AND ENVIRONMENT

TPL places a strong emphasis on safety management initiatives to ensure the well-being of its employees and protect the environment. The Company designs and implements health and safety policies, conducts internal and external safety audits, and monitors employee performance. TPL is dedicated to reducing the negative environmental impact of its products and activities, preserving ecological balance, and protecting biodiversity around its industrial facilities. The Company aims to meet statutory requirements and comply with licenses, approvals, and certificates, while ensuring the safety of its employees and those working under its supervision.

TPL takes appropriate mitigation steps to ensure that all potential risks are considered in its operations. The Company provides sufficient training to all new recruits before allowing them to participate in the production process. Employees of the Company are insured under the Employees' State Insurance Act of 1948 (ESIS), which provides medical care for them and their immediate families. Additionally, TPL has procured group health insurance coverage for employees who are not covered by ESIS.

TPL is committed to ensure sustainability in its operations through relevant programs and policies. The Company's efforts towards safety management and environmental protection reflect its commitment to responsible business practices.

### INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

Internal controls are adequate and well-synchronized at the Company. It follows all procedures, laws, rules, and legislation to the letter. Periodic risk assessment, mitigation, and monitoring are carried out to ensure operational efficiency, keeping in mind the type and business complexity of operations. Internal audits are carried out by the Company's independent auditors to ensure appropriate documentation and reporting. If there are discrepancies, they are immediately reported to the Management and the Audit Committee for immediate resolution. The Company's robust IT infrastructure ensures data security and audit processing efficiency. The recording of transactions and accounting requirements are scrupulously followed. The MIS, on the other hand, improves real-time reporting and helps with expense control. To guarantee rigorous compliance, any differences between the actual and budgeted allocation are promptly reported and addressed.

### CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company's projections, estimates, and expectations may be interpreted as 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply, price conditions in the domestic and international markets in which the Company operates, and changes in Government regulations, tax laws, and other statutes. The Company assumes no responsibility to publicly amend, modify, or revise any 'forward-looking statements' based on any subsequent development, information, or events.

## BOARD'S REPORT

Dear Members,

Your Board of Directors' take pleasure in presenting the 40th Annual Report of the Tarsons Products Limited ("The Company" or "Tarsons") on the business and operations of the Company, together with the Audited Financial Statements, prepared in compliance with Ind AS Accounting Standards, for the year ended 31st March, 2023.

### FINANCIAL SUMMARY & PERFORMANCE HIGHLIGHTS

The Company's performance during the financial year under review as compared to the previous financial year is summarized below:

	(₹ in Million)	
Particulars	2022-23	2021-22
Revenue from Operations	2,832.48	3,007.94
Profit before Finance Cost, Depreciation, Tax & Other Income	1,297.62	1,526.99
Finance Cost	44.67	42.16
Depreciation	285.09	219.61
Other Income	119.34	84.67
Share of Profit/(Loss) of Subsidiary	-	-
<b>Profit Before Tax (PBT)</b>	<b>1087.20</b>	<b>1,349.89</b>
Current Tax	269.51	332.48
Deferred Tax	10.55	10.77
<b>Net Profit After Tax (PAT)</b>	<b>807.14</b>	<b>1,006.64</b>
Other Comprehensive Income (Items that will not be reclassified subsequently to Profit or Loss)	(12.41)	2.06
<b>Total Comprehensive Income for the Year</b>	<b>794.73</b>	<b>1,008.70</b>
<b>Earnings per equity share (In INR)</b>		
Basic earnings per share	15.17	19.46
Diluted earnings per share	15.17	19.46

#### Note:

- Figures in brackets represent deductions.
- Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

During the year under review, the revenue from operations and other income stood at ₹ 2,951.82 Million as compared to the last year's revenue of ₹ 3,092.61 Million. The earnings before interest, taxes, depreciation, and amortization ('EBITDA') for the year, excluding the effect of foreign exchange fluctuation loss/ (gain) and other income was ₹ 1297.62 Million as compared to ₹ 1526.99 Million for the previous year. The Company recorded a Profit after Tax (PAT) of ₹ 807.14 Million compared to ₹ 1006.64 Million in 2021-22, showcasing a de-growth of 19.82%. The EPS on financials for the year ended on 31st March, 2023 was ₹ 15.17.

The Audited Financial Statements for the Financial Year ended 31st March, 2023, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standard (hereinafter referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 (The 'Act') and other recognized accounting practices and policies to the extent applicable. Necessary disclosures with regard to Ind-AS reporting have been made under the Notes to Financial Statements. More details on the financial statements of the Company along with various financial ratios are available in the Management Discussion & Analysis Report ('MDAR') forming part of this Annual Report.

## BOARD'S' REPORT (Contd.)

### STATE OF COMPANY'S AFFAIR AND BUSINESS OVERVIEW

Tarsons is an Indian labware Company engaged in designing, developing, manufacturing and marketing of 'consumables', 'reusables' and 'others' (including benchtop equipment), used in various laboratories across research organizations, academia institutes, pharmaceutical companies, CROs, diagnostic companies and hospitals. The Company is also engaged in the manufacturing of wide range of quality labware products which helps scientific discovery and improve healthcare. Tarsons currently operate through five manufacturing facilities located in West Bengal. The Company cater to a diverse range of end customers across various sectors which include research organizations, academic institutions, pharmaceutical companies, CROs, diagnostic companies and hospitals and distribute the products to these end customers on a pan-India basis through authorized distributors.

Tarsons' primary growth objective revolves around establishing itself as a leading supplier of high-quality labware products in the international market, adhering to global standards, focusing on expanding the new facilities and diligently working to establish a robust and esteemed brand, "TARSONS" within the life science community. Considering the revival in the industry and with the upcoming capacity expansion, your Company maintain a positive outlook on the next phase of growth for the Company.

A key focus of the business is promoting and maintaining operational quality, a people-centric culture and an effective technology system thus, offering and contributing to the Company's growth by focusing on branding & promotion to enhance visibility in the labware industry to increase brand awareness & loyalty, manufacture of new products in the cell culture & robotic handled consumables. The Company has also implemented strategic cost saving and efficiency improvement processes such as advanced automation solutions to improve productivity and continue to invest in automation in order to avoid human error.

More details on the state of Company's affair and business overview are discussed in the MDAR forming part of this Annual Report.

### DIVIDEND & APPROPRIATIONS

The Board of Directors of your Company, after considering various financial/non-financial parameters has decided that it would be prudent not to recommend any Dividend for the financial year ended 31st March, 2023.

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company has formulated Dividend Distribution Policy taking into account the parameters prescribed in the said Regulations. The Dividend Distribution Policy is available on Company's website at <https://tarsons.com/wp-content/uploads/2022/06/Dividend-Distribution-Policy.pdf>.

### TRANSFER TO RESERVES

The Directors' do not propose to transfer any amounts to the general reserves of the Company, instead have recommended to retain the entire of profits for the financial year ended 31st March, 2023 in the profit and loss account.

### SHARE CAPITAL

#### a) Authorized Share Capital

During the year under review, there is no change in the Authorized, Issued, Subscribed and Paid-up Share Capital of the Company.

As on 31st March, 2023 the Authorized Share Capital of the Company is 100,000,000 Equity Shares of ₹ 2/- each amounting to ₹ 200,000,000 (Rupees Two Hundred Million).

#### b) Issued, Subscribed and Paid-up Share Capital

As on 31st March, 2023 the Issued, Subscribed and Paid-Up Share Capital of the Company is 53,206,281 Equity Shares of ₹ 2/- each amounting to ₹ 106,412,562 (Rupees One Hundred Six Million Four Hundred Twelve Thousand Five Hundred Sixty-Two).

## BOARD'S' REPORT (Contd.)

## c) Utilization of Proceeds of IPO

Pursuant to the Regulation 32 of the Listing Regulations, a statement/explanation for the deviation(s) or variation(s) in the use of proceeds of IPO is herein given below:

Particulars of Issue	Shares Issued	Amount Raised	Deviation(s) or Variation(s) in the use of proceeds of issue, if any
IPO	22,65,861 equity shares of face value of ₹ 2/- (Rupees Two only) each by way of fresh issue through IPO of the Company.	₹ 1,49,70,06,041/- (Rupees One Forty-Nine Crores Seventy Lakh Six Thousand and Forty-One only) through fresh issue.	There were no instances of deviation(s) or variation(s) in the utilization of proceeds as mentioned in the objects stated in the Prospectus, in respect of the IPO issue of the Company*.

\*Necessary disclosures have been made to the Stock Exchanges in the Statement of Deviation/Variation Report issued quarterly along with the Financial Statements.

The proceeds of IPO were utilized for the objects as disclosed in the Prospectus. Details as on 31st March, 2023 are as follows:

Sl. No.	Name of the Object	Brief description of the object	Original Amount proposed to be utilised as per the offer document (₹ in Millions)	Revised Amount proposed to be utilized (₹ in Millions)	Amount utilized (₹ in Millions)	Total unutilized Amount (₹ in Million)
1.	Funding capital expenditure for the Proposed Expansion	To be utilized for the construction of New Plant at Panchla, West Bengal.	620.00	620.00	256.35	363.65
2.	Repayment/prepayment of certain borrowings of the Company	Utilized for the repayment of Loan Liabilities of Company.	785.40	785.40	785.40	0.00
3.	General corporate purposes	To be used for the General requirement of the Company.	16.21	20.47	20.47	0.00
4.	Offer related expenses in relation to the Fresh Issue	To be used to meet the expenses of the offer.	74.73	71.14	71.14	0.00
<b>Total</b>			<b>1496.34</b>	<b>1497.01</b>	<b>1133.36</b>	<b>363.65</b>

- The Company has made repayment of one of the installment of the borrowings which were proposed to be repaid out of the IPO proceeds amounting to ₹ 5.53 Million from own internal accruals before receipt of IPO proceeds. The Company has utilised this amount for repayment of other loan from the same lender after obtaining approval from the Audit Committee and Board of Directors of the Company.
- The Company has utilised (i) unspent offer related expenses amounting to ₹ 3.59 Million and (ii) amount received on lower subscription of Employee Reserved Shares amounting to ₹ 0.67 Million towards the General Corporate Purpose after taking approval from the Audit Committee and Board of Directors of the Company. Consequent to this the revised amount utilised towards General Corporate Purpose has increased from ₹ 16.21 Million to ₹ 20.47 Million.

The details of delay in implementation of the object(s) is mentioned hereunder as:

Object(s) Name	Particulars of activities	Completion Date		Delay (No. of days/ months)	Comments of the Board of Directors	
		As per Offer Document	Actual/ Revised Estimate*		Reason of delay	Proposed Course of Action
Funding capital expenditure for the Proposed Expansion	Civil design and construction	31st January, 2023	31st July, 2023	6 months	Unforeseen delay in construction and delay in receiving the machineries/ moulds.	The construction should be completed within July 2023 and production should be started within January 2024
	Erection and pre-commissioning activities	31st July, 2023	31st January, 2024	6 months		
	Commissioning commencement	01st August, 2023	31st January, 2024	6 months		

\*The Audit Committee and Board of Directors at their respective meetings held on 10th March, 2023 had approved the extension of time limit by six months for the completion of activities pertaining to objects as stated in the prospectus documents.



## BOARD'S' REPORT (Contd.)

### DETAILS OF SUBSIDIARY, JOINT VENTURES AND ASSOCIATES/CONSOLIDATED FINANCIAL STATEMENTS

The Company had one subsidiary i.e., Inlabpro Pte. Limited, which was incorporated on 20th July, 2020 with paid-up capital of USD 1 divided into 1 equity shares, in Singapore. However, on account of COVID-19 pandemic and not being commercially viable, the Board of Directors passed a resolution on 14th June, 2021 to wind up the Subsidiary. Accordingly, an application for winding up was filed. However, subsidiary have been struck off on 6th June, 2022 under the laws of Singapore where it was incorporated and noted by the Board in its meeting held on 6th August, 2022.

During the financial year under review, Inlabpro Pte. Limited ceased to be a Subsidiary Company.

### DIRECTORS' AND KEY MANAGERIAL PERSONNEL

#### DIRECTORS

The Board of the Company is comprised of eminent persons with proven competence and integrity. Besides the experience, strong financial acumen, strategic astuteness and leadership qualities, they have a significant degree of commitment towards the Company and devote adequate time to the meetings and preparation.

In the opinion of the Board, all the directors, as well as the directors re-appointed during the year possess the requisite qualifications, experience and expertise and hold high standards of integrity. Criteria for determining qualification, positive attributes and independence of a director is given under the Nomination and Remuneration Policy, which can be accessed at the link - <https://tarsons.com/wp-content/uploads/2022/04/Nomination-and-Remuneration-Policy.pdf>

#### Reappointment of Directors

##### Mr. Sanjive Sehgal (DIN: 00787232)

Mr. Sanjive Sehgal (DIN: 00787232) was appointed as the Chairman & Managing Director of the Company for a period of 5 (Five) years commencing from 26th July, 2018. His current term is set to expire on 25th July, 2023. The Board of Directors of the Company at its meeting held on 27th May, 2023 and based on the recommendation of the NRC at its respective meeting held on 10th May, 2023, re-appointed Mr. Sanjive Sehgal (DIN: 00787232) as the Chairman & Managing Director of the Company for a period of 5 (Five) years commencing from 26th July, 2023 to 25th July, 2028, subject to approval of members at the ensuing 40th Annual General Meeting ("AGM").

##### Mr. Rohan Sehgal (DIN: 06963013)

Mr. Rohan Sehgal (DIN: 06963013) was appointed as the Whole-Time Director of the Company for a period of 5 (Five) years commencing from 26th July, 2018. His current term is set to expire on 25th July, 2023. The Board of Directors of the Company at its meeting held on 27th May, 2023 and based on the recommendation of the NRC at its respective meeting held on 10th May, 2023, re-appointed Mr. Rohan Sehgal (DIN: 06963013) as Whole-Time Director of the Company for a period of 5 (Five) years commencing from 26th July, 2023 to 25th July, 2028, subject to approval of members at the ensuing AGM.

##### Mr. Viresh Oberai (DIN: 00524892)

Mr. Viresh Oberai (DIN: 00524892) was appointed as an Independent Director of the Company for a period of 5 (Five) years commencing from 20th November, 2018. His current term is set to expire on 19th November, 2023. The Board of Directors of the Company at its meeting held on 27th May, 2023 and based on the recommendation of the NRC at its respective meeting held on 10th May, 2023 ("NRC"), have re-appointed Mr. Viresh Oberai (DIN: 00524892) as an Independent Director of the Company for a second term of 5 (Five) consecutive years commencing from 20th November, 2023 to 19th November, 2028, subject to approval of members at the ensuing AGM.

#### Retirement by Rotation

Pursuant to the provisions of Section 152(6)(d) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Articles of Association of the Company Mr. Rohan Sehgal, Whole-time Director, shall retire by rotation at the ensuing AGM and being eligible has offered himself for re-appointment.

The necessary disclosures required under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India, for the above-mentioned re-appointment are provided in the Notice of AGM

## BOARD'S' REPORT (Contd.)

### KEY MANAGERIAL PERSONNEL

As on 31st March, 2023, the following person have been designated as Key Managerial Personnel ("KMP") of the Company pursuant to the provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No	Name	Designation
1.	Mr. Santosh Kumar Agarwal	Chief Financial Officer and Company Secretary & Compliance Officer

### DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) & 149(7) of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) and 25(8) of the SEBI Listing Regulations.

In the opinion of the Board all the Independent Directors fulfill the conditions specified in the Act and Listing Regulations with regard to integrity, expertise and experience (including the proficiency) of an Independent Director and are independent of the management.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act along with the Code of Conduct for Directors and Senior Management Personnel formulated by the Company as per Listing Regulations.

### COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

On the recommendation of Nomination and Remuneration Committee, the Company has formulated and adopted a Nomination and Remuneration Policy which is in accordance with the Companies Act, 2013 and the Listing Regulations. The Policy aims to attract, retain and motivate qualified people at the board and senior management levels and ensure that the interests of Board members & senior executives are aligned with the Company's vision and mission statements and are in the long-term interests of the Company.

The Nomination and Remuneration Policy of the Company has been designed with the following basic objectives:

- To set out a policy relating to remuneration of Directors, Key Managerial Personnel's, Senior Management Personnel's and other employees of the Company.
- To formulate criteria for appointment of Directors, Key Managerial Personnel's and Senior Management Personnel's.
- To formulate the criteria for determining qualification, competencies, positive attributes and independence for appointment of a director.

The Policy is available on the website of the Company at <https://tarsons.com/wp-content/uploads/2022/04/Nomination-and-Remuneration-Policy.pdf>.

### NUMBER OF MEETINGS OF THE BOARD

Your Board meets at regular intervals to discuss and decide on business strategies/policies and review the Company's financial performance. During the Financial Year 2022-23, 6 (six) Board Meetings were held. The meetings were held Physically/Virtually in accordance with the applicable provisions of the Companies Act, 2013. The details relating to Board Meetings and attendance of Directors in each board meeting held during the financial year 2022-23 has been separately provided in the Corporate Governance Report.

### COMMITTEES OF THE BOARD

The constitution of the Board Committees is in acquiescence of provisions of the Companies Act, 2013 and the relevant rules made thereunder, Listing Regulations and the Articles of Association of the Company. The Board has constituted 6 (six) Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and IPO Committee to deal with specific areas/activities that need a closer review and to have an appropriate structure for discharging its responsibilities.

## BOARD'S' REPORT (Contd.)

The composition, terms of reference, attendance of directors at the meetings of all the above Committees has been disclosed in the Corporate Governance Report.

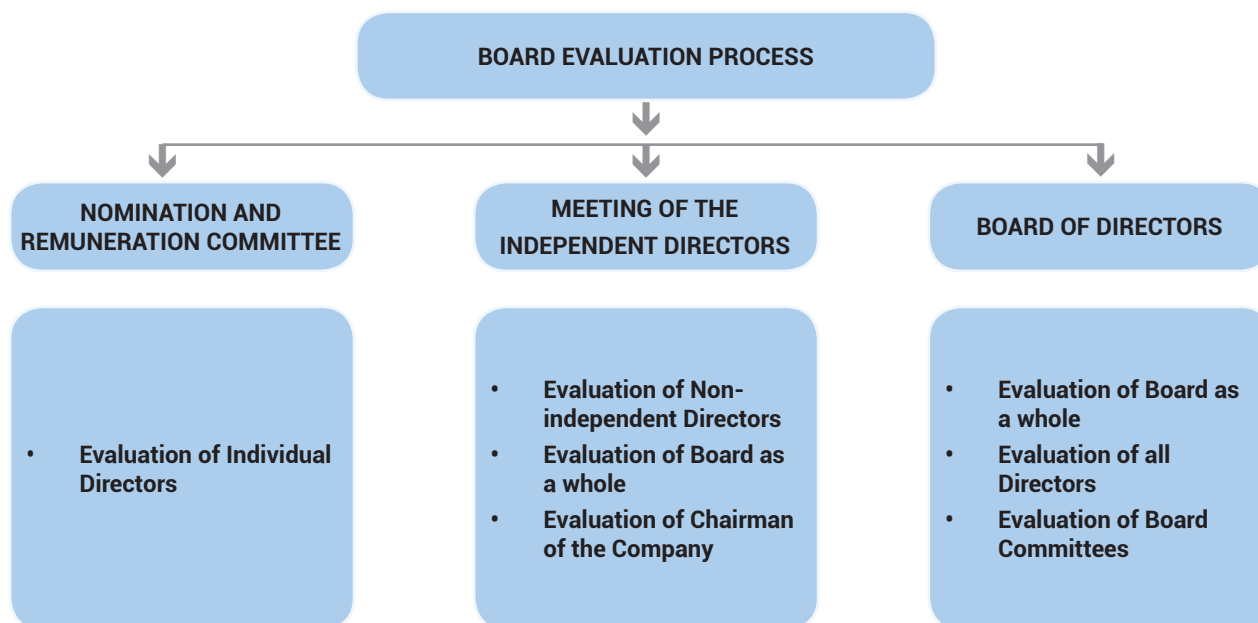
There has been no instance where the Board has not accepted any of the recommendations of the Audit Committee.

### PERFORMANCE EVALUATION OF THE BOARD, THE COMMITTEES AND THE INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Companies Act, 2013, Regulation 17(10) and other applicable provisions of the Listing Regulations and in consonance with Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India ("SEBI"), vide its circular dated January 05, 2017, the Board of Directors of the Company have formulated a Board Evaluation Policy which lays down the manner of evaluation of the Board as a whole, its committees and the individual Directors.

The Board on the recommendation of the Nomination and Remuneration Committee carried out an annual performance evaluation of the Board as a whole and directors individually (including Independent Directors). The Board also carried evaluation of the performance of its various Committees for the year under consideration. The performance evaluation of the Directors was carried out by the entire Board, other than the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Directors expressed their satisfaction over the evaluation process.

The Evaluation process covers a structured questionnaire for evaluation by Board members and the evaluation mechanism with definite parameters has been explicitly described in the Corporate Governance Report. The process of evaluation has been detailed below:



### Evaluation Structure

Feedback for each of the evaluations was sought by way of internal structured questionnaires with the Directors and the Committee for accessing the questionnaires and submitting their feedback/comments. The questionnaires for performance evaluation are in alignment with the guidance note on Board evaluation issued by the SEBI and cover various attributes/functioning of the Board such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties etc., based on the criteria approved by the NRC. The Members were also able to give qualitative feedback and comments apart from the standard questionnaires.

### Results of Evaluation

The outcome of the evaluations was presented to the Board, the NRC and the Independent Directors at their respective meetings for assessment and development of plans/suggestive measures for addressing action points that arise from the outcome of the evaluation. The Directors expressed their satisfaction on the parameters of evaluation, the implementation and compliance of the evaluation exercise done and the results/outcome of the evaluation process.

## BOARD'S' REPORT (Contd.)

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, the Directors of the Company, based on representation from the management and after due enquiry, confirm that:

- (i) in the preparation of the Annual Accounts for the year ended 31st March, 2023, the applicable Indian Accounting Standards have been followed and there are no material departures from the same;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of state of affairs of the Company as at 31st March, 2023 and of the profit of the Company for the year ended on that day;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- (iv) the Annual Accounts for the year ended 31st March, 2023 have been prepared on a "going concern" basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively throughout the financial year ended 31st March, 2023.
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively throughout the financial year ended 31st March, 2023.

### RISK MANAGEMENT

The Company has built a comprehensive risk management framework that seeks to identify all kinds of anticipated risks associated with the business and to take remedial actions to minimize any kind of adverse impact on the Company. The Company understands that risk evaluation and risk mitigation is an ongoing process within the organization and is fully committed to identify and mitigate the risks in the business. The Company has established the three levels of risk management responsibilities in its risk management structure. These are- (a) Risk Governance and Surveillance, (b) Risk Review and Management and (c) Risk Ownership and Control.

The Company has also set up a Risk Management Committee to monitor the existing risks as well as to formulate strategies towards identifying new and emergent risks. The Risk Management Committee identifies the key risks for the Company, develops and implements the risk mitigation plan, reviews and monitors the risks and corresponding mitigation plans on a regular basis and prioritizes the risks, if required, depending upon the effect on the business/reputation. The Company has also formulated and implemented a Risk Management Policy which is approved by the Board of Directors in accordance with Listing Regulations, to identify and monitor business risk and assist in measures to control and mitigate such risks. The Policy is available on the Website of the Company at <https://tarsons.com/wp-content/uploads/2022/04/Risk-Management-Policy.pdf>. The other details in this regard are provided in the Corporate Governance Report, which forms part of this Annual Report.

### INTERNAL FINANCIAL CONTROLS

According to Section 134(5)(e) of the Act and Regulation 17(8) of Listing Regulations in terms of internal control over financial reporting, the term Internal Financial Control ('IFC') means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and early detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The Company has a well-established internal control framework, which is designed to continuously assess the adequacy, effectiveness and efficiency of financial and operational controls and the Board is responsible for ensuring that IFC are laid down in the Company and that such controls are adequate and operating effectively.

The Company believes that strengthening of internal controls is an ongoing process and there will be continuous efforts to keep pace with changing business needs and environment.

## BOARD'S' REPORT (Contd.)

The Company's internal control systems are commensurate with the nature of its business, size and complexity of the operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Further there were no letters of internal control weaknesses issued by the Internal Auditor or the Statutory Auditors during the financial year under review.

Necessary certification by the Statutory Auditors in relation to IFC under section 143(3)(i) of the Act forms part of the Audit Report.

### CORPORATE SOCIAL RESPONSIBILITY

In compliance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a Corporate Social Responsibility (CSR) Committee. It is committed to ensure the social wellbeing of the communities through its CSR initiatives, in alignment with the Company's key priorities. The details of the Committee along with its terms of reference has been disclosed in detail in the Corporate Governance section of Annual Report.

The Company has adopted a Corporate Social Responsibility Policy in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 which can be accessed at <https://tarsons.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy.pdf>. The Policy inter alia briefs the areas in which CSR outlays can be made, objectives, the various CSR Programs/Projects which can be undertaken, implementation of the said programs and projects, criteria for identification of the implementing agencies, monitoring and evaluation mechanisms and annual action plan.

The Company has made an advance CSR expenditure amounting to ₹ 33.12 Million in the year 2020-21 by donating KN-95 mask with and without valve to Tata Medical Centre, Kolkata, Rabindranath Tagore International Institute of Cardiac Science (Narayana Hrudayalaya Limited) and in the Local area and Community directly. During the year 2022-23, the Company has utilized ₹ 18.55 Million from the advance CSR obligation.

The brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company during the financial year ended 31st March, 2023, in accordance with Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out in "Annexure-I" to this report.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, all the transactions entered into by the Company with related parties were in compliance with the applicable provisions of the Act and the Listing Regulations, details of which are set out in the Notes to Financial Statements forming part of this Annual Report. All related party transactions are entered into only after receiving prior approval of the Audit Committee. Further, in terms of the provisions of Section 188(1) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, all contracts/arrangements/ transactions entered into by the Company with its related parties, during the financial year under review, were in ordinary course of business and on arm's length and not material.

In line with the requirements of the Act and the Listing Regulations, the Company has also formulated a Policy on dealing with Related Party Transactions ('RPTs') and the same is available on the website of the Company at <https://tarsons.com/wp-content/uploads/2022/04/Related-Party-Transactions-Policy.pdf>.

Further, the Company has not entered into any contracts/arrangements/transactions with related parties which are material in nature in accordance with the RPT Policy of the Company nor any transaction has any potential conflict with the interest of the Company at large.

No transactions were carried out during the year which requires reporting in Form AOC - 2 pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Act form part of the Notes to the financial statements of the Company.

### PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time in respect of Directors/employees of the Company is attached as "Annexure- II" to this report.

**BOARD'S' REPORT (Contd.)**

The information required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time-to-time forms part of this Report. However, in terms of Section 136 of the Act, the annual report is being sent to the shareholders excluding the said statement. The said information is readily available for inspection by the shareholders at the Company's registered office during the business hours on all working days up to the date of ensuing Annual General Meeting and shall also be provided to any shareholder of the Company, who sends a written request to the Company Secretary and Compliance Officer at investor@tarsons.com.

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

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated in Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 for year ended 31st March, 2023 is provided below:

<b>A.</b>	<b>Conservation of Energy</b>	
i.	Steps taken or impact on conservation of energy	Nil
ii.	Steps taken for utilizing alternate sources of energy	
iii.	Capital investment on energy conservation equipment's	
<b>B.</b>	<b>Technology absorption</b>	
i.	Efforts made towards technology absorption	Nil
ii.	Benefits derived like product improvement, cost reduction, product development or import substitution	
iii.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- <ul style="list-style-type: none"> <li>● the details of technology imported</li> <li>● the year of import</li> <li>● whether the technology been fully absorbed</li> <li>● If not fully absorbed, areas where absorption has not taken place, and the reasons thereof</li> </ul>	
iv.	The expenditure incurred on Research and Development	
<b>C.</b>	<b>Foreign Exchange Earnings and Outgo (₹ in Million)</b>	
1.	Foreign Exchange Earnings by the Company	914.61
2.	Foreign Exchange Expenditure by the Company (Value of Imports and Other Foreign Expenditure)	1139.17

**AUDITORS & AUDIT REPORTS****Statutory Auditors and Auditor's Report**

Members of the Company at their 35th Annual General Meeting held on 28th September, 2018, approved the appointment of Price Waterhouse Chartered Accountants LLP, Chartered Accountants, ('PWC'), having Firm Registration No. FRN012754N/N500016, as the Statutory Auditors of the Company for a term of five consecutive years commencing from financial year ending 31st March, 2019 to hold office from the conclusion of 35th AGM till the conclusion of the 40th AGM of the Company to be held in the year 2023.

Considering their expertise and performance as Auditors of the Company during their present tenure, the Audit Committee of the Company, after due deliberation and discussion, recommended the re-appointment of PWC as statutory auditors of the Company for a second term of 5 (five) years to hold office from the conclusion of the 40th AGM to be held on 14th July, 2023 till the conclusion of the 45th AGM of the Company to be held in the financial year 2028-29. Further, the remuneration to be paid to Statutory Auditors for the financial year 2023-24 is ₹ 33 Lakhs plus out of pocket expenses and applicable taxes and the remuneration for the remaining tenure of their second term as Statutory Auditors shall be mutually agreed between the Board of Directors and PWC, from time to time.

The above proposal forms part of the Notice of the AGM for your approval.

The Auditor's Report on the Audited Financial Statements of the Company for the year ended 31st March, 2023 forms part of this Annual Report and are unmodified and there are no qualifications, reservation, adverse remark or disclaimer made by the statutory auditors in their report.

## BOARD'S' REPORT (Contd.)

During the year under review, the Auditors did not report any matter under Section 143(12) of the Act therefore no detail is required to be disclosed under Section 134(3) of the Act.

### Internal Auditors

The Company has in place an adequate internal audit framework to monitor the efficacy of the internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the Company's processes. The Internal Auditor reports directly to the Chairman of the Audit Committee.

M/s. Grant Thornton Bharat LLP (LLP Registration No. AAA-7677), were appointed as the Internal Auditors of the Company for the year 2022-23 in the Board Meeting held on 27th May, 2022 in accordance with the provisions of Section 138 of the Act read with the Companies (Accounts) Rules, 2014.

### Secretarial Auditors

The Board at its meeting held on 27th May, 2022, had appointed M/s. Manisha Saraf & Associates, Practicing Company Secretaries (FRN S2019WB666200) as Secretarial Auditor of the Company for the financial year 2022-23. In terms of Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Secretarial Audit Report given by the Secretarial Auditors in Form No. MR-3 is annexed to this Report as **Annexure III**. There are no qualifications, reservations or adverse remarks made by Secretarial Auditors in their Report.

### Cost Auditors and Cost Audit Report

The Company is not required to maintain cost records in terms of the requirements of Section 148 of the Act and rules framed thereunder, hence such accounts and records are not required to be maintained by the Company.

### VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy and established the necessary Vigil Mechanism, which is in line with the Regulation 22 of the Listing Regulations and Section 177 of the Companies Act, 2013 for its Directors and employees. Pursuant to the Policy, the Whistle Blower can raise concerns relating to Reportable Matters (as defined in the Policy) such as unethical behavior, breach of Code of Conduct, actual or suspected fraud, any other malpractice, impropriety or wrongdoings, illegality, non-compliance of legal and regulatory requirements, retaliation against the Directors & Employees and instances of leakage of/ suspected leakage of Unpublished Price Sensitive Information of the Company etc.

Further, the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances to the Audit Committee, and provides for adequate safeguards against victimization of Whistle Blower, who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases. The Audit Committee oversees the functioning of the same. Further, no personnel have been denied access to the Audit Committee during the Financial Year under review.

The details of this Policy are explained in the Corporate Governance Report which forms a part of this Annual Report and also hosted on the website of the Company at <https://tarsons.com/wp-content/uploads/2022/04/Whistle-Blower-Policy.pdf>.

There was no instance of such reporting during the financial year ended 31st March, 2023.

### ANNUAL RETURN

Pursuant to the provisions of Section 134(3) and Section 92(3) of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the Financial Year ended 31st March, 2023 is available on the website of the Company at <https://tarsons.com/annual-return/>.

### DEPOSITS

During the year under review, the Company has not accepted any deposits from the public within the meaning of Sections 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 and therefore the disclosure pursuant to Rule 8(5)(v) & (vi) of Companies (Accounts) Rules, 2014, is not applicable to the Company.

## BOARD'S' REPORT (Contd.)

### CREDIT RATING

The credit rating of your Company for long term bank facilities is "CARE A+; Stable" and for short term bank facilities is "CARE A1+". Details of the same are clearly elaborated in the Corporate Governance Report forming part of this Annual Report.

### CORPORATE GOVERNANCE

The Company's Corporate Governance Practices are a reflection of value system encompassing culture, policies, and relationships with the stakeholders. Integrity and transparency are key to Corporate Governance Practices to ensure that Company gain and retain the trust of stakeholders at all times. It is about maximizing shareholder value legally, ethically and sustainably. The Board exercises its fiduciary responsibilities in the widest sense of the term.

As per Regulation 34(3) read with Schedule V of the Listing Regulations, a separate section on Corporate Governance practices followed by the Company, together with a certificate from the Company's Statutory Auditors confirming compliance with the same has been disclosed under the Corporate Governance Report section of this Annual Report.

### MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report in compliance with Regulation 34(2)(e) and Schedule V of Listing Regulations is provided in a separate section and forms an integral part of this report.

### BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In accordance with Regulation 34(2)(f) of the Listing Regulations, Business Responsibility and Sustainability Report ("BRSR") covering disclosures on Company's performance on ESG (Environment, Social and Governance) parameters for the financial year 2022-23, forms an integral part of the Annual Report as set out in **Annexure IV** and the same is also available on the website of the Company at [www.tarsons.com](http://www.tarsons.com).

### HUMAN RESOURCES

#### A. Empowering the employees

Employees are the most valuable and indispensable asset for a Company. The Company has always been proactive in providing growth, learning platforms, safe workplace and personal development opportunities to its workforce. Adequate efforts of the staff and management personnel are directed on imparting continuous training to improve the management practices.

#### B. Industrial Relations

Industrial relations at all sites of the Company remained cordial.

#### C. No. of Employees:

Manpower employed as at 31st March, 2023 was 713.

### DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at workplace and is committed to provide a safe and secure working environment for all employees.

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder and the same is hosted on the Company's website at <https://tarsons.com/wp-content/uploads/2022/06/Policy-on-Prevention-of-Sexual-Harassment.pdf>. An Internal Complaints Committee (ICC) has also been set up to redress complaints received regarding sexual harassment pursuant to Rule 8(5)(x) of the Companies (Accounts) Rules, 2014 and complied with the provisions relating thereto.

During the year under review, no cases were filed under these provisions.



## BOARD'S' REPORT (Contd.)

### COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETINGS AND GENERAL MEETINGS

During the Financial Year 2022-23, the Company has complied with all the relevant provisions of the applicable mandatory Secretarial Standards i.e. SS-1 and SS-2, relating to "Meetings of the Board of Directors" and "General Meetings", respectively issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

### GENERAL DISCLOSURES

Your Directors state that:

1. No material changes and commitments affecting the financial position of the Company have occurred from the close of the financial year ended 31st March, 2023 till the date of this report.
2. There was no change in the nature of business of the Company during the financial year ended 31st March, 2023.
3. During the year, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.
4. During the financial year under review no disclosure or reporting is required with respect to issue of equity shares with differential rights as to dividend, voting or otherwise, issue of Sweat equity shares and Buyback of shares.
5. No proceedings are filed by the Company or pending against the Company under the Insolvency and Bankruptcy Code, 2016.
6. The Company serviced all the debts & financial commitments as and when they became due with the bankers or Financial Statements.

### ACKNOWLEDGEMENT

Your Directors' place on record their sincere appreciation for the continued co-operation and support extended to the Company by various Banks, local authorities, customers, suppliers and business associates. Your Directors' also thank the Medical Profession, the Trade and Consumers for their patronage to the Company's products. Your Directors' also place on record sincere appreciation of the continued hard work put in by the employees at all levels, amidst the challenging time. The directors are thankful to the esteemed shareholders for their support and the confidence reposed in the Company and its management and also thank the Company's vendors, investors, business associates, Central/State Government and various departments and agencies for their support and co-operation.

For and on behalf of the Board of Directors  
**For Tarsons Products Limited**  
*(Formerly known as Tarsons Products Private Limited)*

Place: Kolkata  
 Date: 27th May, 2023

**Mr. Sanjive Sehgal**  
 Chairman & Managing Director  
 DIN: 00787232

**Mr. Rohan Sehgal**  
 Whole-Time Director  
 DIN: 06963013

# ANNEXURE TO DIRECTORS' REPORT

## ANNEXURE - I

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE YEAR ENDED 31ST MARCH, 2023

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

The CSR Policy has been instituted based on the Corporate Social Responsibility (CSR) philosophy of the Company and is committed to undertake CSR activities in accordance with the CSR Regulations. The CSR Policy aims to set up a framework governed by basic principles and actions to be taken by the management for safeguarding the interest of the society. Our CSR activities are designed to serve societal, local and national goals in all the locations where we operate and create a significant and sustained impact on communities affected by our businesses. The Company focuses on practicing its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders, including shareholders, customers, employees, suppliers, business partners, local communities and other organizations. The main objectives of the CSR Policy are as follows:

- To ensure that the Company is committed to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- To take up programs that benefit the communities in and around its work centers and over a period of time, results in enhancing the quality of life of the people in the area of its business operations.
- To generate a community goodwill for the Company and help reinforce a positive and socially responsible image of Company as a good corporate citizen of the Country.

The Company has formulated a CSR Policy in accordance with the applicable provisions of the Companies Act, 2013 read with the relevant rules framed thereunder and the same is available on the website of the Company at <https://tarsons.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy.pdf>. The CSR activities of the Company are as per the provisions of Schedule VII of the Companies Act, 2013 and CSR Policy gives an overview of the projects and programs which are proposed to be undertaken by the Company in the coming years.

#### 2. Composition of the CSR Committee:

With respect to the Company's CSR philosophy, the Board has constituted the "CSR Committee" as follows:

Sl. No	Name of the Director	Nature of Directorship	Designation	No. of meetings of CSR Committee held during the year <sup>a</sup>	No. of meetings of CSR Committee attended during the year
1.	Mrs. Sucharita Basu De	Independent Woman Director	Chairperson	1	1
2.	Mr. Sanjive Sehgal	Chairman & Managing Director	Member	1	1
3.	Mr. Rohan Sehgal	Whole-Time Director	Member	1	1

a. During the FY 2022-23, one CSR Committee meeting was held on 27th May, 2022.

#### 3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

Sl. No	Particulars	Web-link
1	Composition of the CSR Committee	<a href="https://tarsons.com/committee-of-the-board/">https://tarsons.com/committee-of-the-board/</a>
2	CSR Policy	<a href="https://tarsons.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy.pdf">https://tarsons.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy.pdf</a>
3	CSR Projects	<a href="https://tarsons.com/csr-project/">https://tarsons.com/csr-project/</a>

#### 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).

Not applicable for the financial year 2022-23.

ANNEXURE TO DIRECTORS' REPORT  
ANNEXURE - I (Contd.)

5. Details required with respect to CSR Obligation are mentioned below:

- (a) Average Net Profit of the Company as per section 135(5): ₹ 92,72,67,100  
 (b) Two percent of average net profit of the Company as per section 135(5) of Section 135: ₹ 1,85,45,342  
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL  
 (d) Amount required to be set off for the financial year, if any: ₹ 1,85,45,342  
 (e) Total CSR obligation for the financial year [(b) + (c) - (d)]: NIL

6. Details required with respect to CSR spending are mentioned below:

- (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 1,85,45,342  
 (b) Amount spent in Administrative Overheads: NIL  
 (c) Amount spent on Impact Assessment, if applicable: NIL  
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 1,85,45,342  
 (e) CSR amount spent or unspent for the financial year: NIL

Total amount spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 1,85,45,342	Nil	NA	NA	Nil	NA

**Note:**

The Ministry of Corporate Affairs (MCA) has notified the Companies (CSR Policy) Amendment Rules, 2021 ('Rules') vide notification dated 22nd January 2021 and has allowed Companies to set off excess expenditure made against the required 2% CSR expenditure up to the immediately succeeding three financial years subject to compliance with the conditions stipulated under rule 7(3) of the Companies (CSR Policy) Rules, 2014.

The Company has made an advance CSR expenditure amounting to ₹ 3,31,18,754 in the FY 2020-21 by donating KN-95 mask with and without valve to Tata Medical Centre, Kolkata, Rabindranath Tagore International Institute of Cardiac Science (Narayana Hrudayalaya Limited) and in the Local area and Community directly.

During the FY 2021-22 and FY 2022-23, the Company has utilized ₹ 1,33,22,039 and ₹ 1,85,45,342 respectively from the advance CSR obligation, which is 2% of the average net profits made during the three immediately preceding financial years in accordance with Section 135 of the Companies Act, 2013.

Further, as per the notification the Company can set-off the excess expenditure made up-to three succeeding financial years. During the FY 2021-22 & FY 2022-23, the Company has set-off ₹ 1,33,22,039 and ₹ 1,85,45,342 respectively and the remaining amount i.e., ₹ 12,51,373 will be set-off in next succeeding year.

(f) Excess amount for set off, if any:

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	1,85,45,342
(ii)	Total amount spent for the Financial Year	1,85,45,342
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

## ANNEXURE – I to DIRECTORS' REPORT (Contd.)

## 7. (a) Details of Unspent CSR amount for the preceding three financial years: Not applicable.

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR account under section 135(6) (in ₹)	Balance amount in Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1.	2021-22	Nil	Nil	Nil	Nil	NA	Nil	
2.	2020-21	Nil	Nil	Nil	Nil	NA	Nil	
3.	2019-20	Nil	Nil	Nil	Nil	NA	Nil	

## 8. Whether any capital assets have been created or acquired through Corporate Social Responsibility spent in the financial year: No

If Yes, enter the number of Capital assets created/ acquired: Not Applicable

Details relating such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the Property or asset(s)	Date of creation	Amount of CSR Amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
Not Applicable							

## 9. 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 Board of Directors

**For Tarsons Products Limited**  
(Formerly known as Tarsons Products Private Limited)

**Mr. Sanjive Sehgal**

Chairman & Managing Director  
(DIN: 00787232)

**Mrs. Sucharita Basu De**

Chairperson – CSR Committee  
(DIN: 06921540)

Place: Kolkata

Date: 27th May, 2023

## ANNEXURE – II to DIRECTORS' REPORT

### STATEMENT OF DISCLOSURE OF MANAGERIAL REMUNERATION UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The ratio of remuneration of each director to the median remuneration of employees of the Company for the financial year 2022-23 and percentage increase in remuneration of each Directors, Chief Financial Officer and Company Secretary during the financial year 2022-23 are as under.

Name of Director/KMP	Designation	Remuneration of Directors/KMP for the year 2022-23 (₹ in Million)	Ratio of remuneration of each Director to the Median remuneration of employees	Percentage increase in Remuneration
<b>Executive Directors</b>				
Mr. Sanjive Sehgal	Managing Director	42.50	164.54	0%
Mr. Rohan Sehgal	Whole-Time Director	37.50	145.19	0%
<b>Non-Executive Directors</b>				
Mr. Viresh Oberai	Independent Director	1.20	4.65	3.77%
Mr. Girish Paman Vanvari	Independent Director	1.20	4.65	NA
Mrs. Sucharita Basu De	Independent Director	1.20	4.65	NA
Mr. Gaurav Pawan Kumar Podar	Non-Executive Director (Nominee Director)	Nil	NA	NA
<b>Key Managerial Personnel</b>				
Mr. Santosh Kumar Agarwal	Chief Financial Officer & Company Secretary	8.46	32.77	13.73%

- (ii) The percentage decrease in the median remuneration of employees in the financial year 2022-23 was 11%.  
The median has been arrived by comparing the median remuneration of the cost-to-the Company as on 31st March, 2023 as compared to previous year as on 31st March, 2022.
- (iii) The Company has 713 permanent employees on the rolls of the Company as on 31st March, 2023.
- (iv) Average percentile increase in the salaries of employees other than the managerial personnel in the financial year 2022-23 was 9.4%, whereas the average percentile increase in the managerial remuneration was 2.51%.
- (v) It is hereby affirmed that the remuneration paid to the Directors, Key Managerial Personnel, Senior Management Personnel and employees during the year ended 31st March, 2023 is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board of Directors  
**For Tarsons Products Limited**  
*(Formerly known as Tarsons Products Private Limited)*

Place: Kolkata  
 Date: 27th May, 2023

**Mr. Sanjive Sehgal**  
 Chairman and Managing Director  
 (DIN: 00787232)

**Mr. Rohan Sehgal**  
 Whole-Time Director  
 (DIN: 06963013)

## ANNEXURE – III to DIRECTORS' REPORT

**Form No. MR-3**

### SECRETARIAL AUDIT REPORT

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

**For the Financial Year Ended 31st March, 2023**

To,  
The Members,

#### **TARSONS PRODUCTS LIMITED**

Martin Burn Business Park,  
Room No. 902 BP-3, Salt Lake, Sector- V,  
Kolkata-700091

I Manisha Saraf, Practicing Company Secretaries, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TARSONS PRODUCTS LIMITED** (hereinafter called '**the Company**'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, registers, 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 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:-

I have examined the books, papers, minute books, registers, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2023**, to the extent applicable, according to the provisions of: -

- (i) The Companies Act, 2013 ("**the Act**") and the rules made thereunder including statutory amendments made thereto and modifications thereof for the time being in force;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"), to the extent applicable: -
  - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (**Not Applicable to the Company during the Audit Period**);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not Applicable to the Company during the Audit Period**);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993

## ANNEXURE – III to DIRECTORS' REPORT (Contd.)

regarding the Companies Act and dealing with client; **(Not Applicable to the Company during the Audit Period);**

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not Applicable to the Company during the audit period);**
- (vi) I have also examined, on test-check basis, the relevant documents and records maintained by the Company according to the following laws applicable specifically to the Company:
  - (a) Environment (Protection) Act, 1986;
  - (b) The Water (Prevention and Control of Pollution) Act, 1974;
  - (c) The Factories Act, 1948;
  - (d) Bureau of Indian Standards;
  - (e) The Industrial Disputes Act, 1947;
  - (f) The Payment of Wages Act, 1936 and Minimum Wages Act, 1948;
  - (g) The Contract Labour (Regulation and Abolition) Act, 1970;

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under above mentioned applicable Acts and Laws to the Company.

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (b) The Listing agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors and other designated professionals.

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

### **I further report that:**

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

Adequate 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 or at a shorter notice with the consent of Directors, 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.

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.

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

**ANNEXURE – III to DIRECTORS' REPORT (Contd.)**

I further report that during the audit period, except for the following events, there was no event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.,

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

**For Manisha Saraf & Associates  
Practising Company Secretary****Manisha Saraf**

(Proprietor)

Membership No: F7607

Certificate of Practice No: 8207

FRN: S2019WB666200

Peer Review Certificate No.: 2044/2022

UDIN: F0076078000395819

Date: 27th May, 2023

Place: Kolkata



**ANNEXURE – III to DIRECTORS' REPORT (Contd.)****ANNEXURE-I**

To,

The Members,

**TARSONS PRODUCTS LIMITED**

Martin Burn Business Park,

Room No. 902 BP-3, Salt Lake, Sector- V,

Kolkata-700091

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

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

**For Manisha Saraf & Associates**  
**Practising Company Secretary**

**Manisha Saraf**

(Proprietor)

Membership No: F7607

Certificate of Practice No: 8207

FRN: S2019WB666200

Peer Review Certificate No.: 2044/2022

UDIN: F0076078000395819

Date: 27th May, 2023

Place: Kolkata

# REPORT ON CORPORATE GOVERNANCE

## 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that good Corporate Governance is an important component in enhancing stakeholders' value and it emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. Adherence to transparency, accountability, fairness and ethical standards are an integral part of the Company's function. The Company place strong emphasis on Corporate Governance and believes in adopting and adhering to the best practices and is committed to do things in the right way. Tarsons firmly believes that Corporate Governance is critical to success of its business and its governance practices are reflected in its strategy, plan, culture, policies and relationship with stakeholders. Good corporate governance is the backbone for decision-making and control processes. It is, in essence, a toolkit that enables management and the board to deal more effectively with the challenges of running a company.

Tarsons is committed to the adoption of and adherence to the Corporate Governance practices at all times and continuously benchmarks itself against each such practice in the industry. The Company believes that strong governance standards, focusing on fairness, transparency, accountability and responsibility are vital not only for the healthy and vibrant corporate sector growth, but also for inclusive growth of the economy. The Company recognizes that good corporate governance practice is an ongoing process and a game plan for resilience and long-term success. The Company always endeavors to leverage its human and capital resources to translate opportunities into reality, create awareness of corporate vision and spark dynamism and entrepreneurship at all levels.

Your Company is in compliance with the applicable requirements of Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and hereby presents to you the Corporate Governance Report for the Financial Year 2022-23 based on the said requirements.

## 2. BOARD OF DIRECTORS

The Company recognizes the importance of a diverse board in its success. The Board is entrusted with the ultimate responsibility of the management and provides leadership, guidance and direction to them and performance of the Company and has been vested with the requisite powers, authorities and duties and supervises the performance of the Company, thereby enhancing stakeholder value. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of the stakeholders.

The Board, inter alia, create and monitor the organizational strategic plans, review and guide corporate strategies, oversees and assess the annual operations and budgets, evaluate the Company's practices for business continuity and resiliency. It also protects the Company's assets and members' investment, ensures legal compliance and stay updated with regulatory changes while upholding the integrity in the Company's financial reports and disclosures on sustainability performance.

### (a) COMPOSITION OF BOARD OF DIRECTORS

In conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions of the Companies Act, 2013 ('Act'), as amended from time to time, your Company has a professional Board with right mix of knowledge, skills, experience and expertise in diverse areas with an optimum combination of Executive and Non-Executive Directors including a Woman Director and requisite number of Independent Directors.

As on 31st March, 2023, the Board consists of six (6) Directors comprising three (3) Independent Directors including a woman director, one (1) Nominee Director and two (2) Executive Directors, belonging to the Promoter Group of the Company. The Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

None of the Directors including Independent Directors on the Board hold directorship in more than 7 (Seven) listed entities and none of the Executive Directors is an Independent Director in any listed Company. None of the Director is a member of more than ten committees or acted as Chairperson of more than five committees across all the companies as on 31st March, 2023 for which confirmations have been obtained from the Directors (being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26(1) of the Listing Regulations) across all the public limited companies in which he/she is a director.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with the statutory as well as business requirements. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

The day-to-day management of affairs of the Company is managed by the Senior Management which includes Managing Director, Whole-Time Directors and functional heads, who function under overall supervision and guidance of Board. The Board plays the primary role as the trustees to safeguard and enhance stakeholders' value through their effective decisions and supervision. The profile of the Directors can be accessed on the Company's website at <https://tarsons.com/directors-officers/>.

The Board's composition is in accordance with the provisions of Section 149 of the Act and Regulation 17 of Listing Regulations.

### (b) DIRECTORSHIP(S), COMMITTEE MEMBERSHIP(S)/CHAIRMANSHIP(S) AND SHAREHOLDING

The composition of the Board and the number of Directorships and Committee positions held by each member of the Board as on 31st March, 2023 are given below:

Name, Designation and DIN of Director	Age and Date of Initial Appointment	Category of Directorship	No. and % of equity shares held in the Company <sup>3</sup>	No. of Directorship in other Companies <sup>1</sup>	No. of Membership/ Chairmanship of Committees of other Companies <sup>2</sup>		Name of other listed entities and category of directorship
Mr. Sanjive Sehgal Chairman and Managing Director DIN: 00787232	62 years 25th July, 1983	Promoter & Executive Director	1,43,54,248 (26.98%)	-	-	-	-
Mr. Rohan Sehgal Whole-Time Director DIN: 06963013	34 years 01st September, 2014	Promoter & Executive Director	1,08,00,347 (20.30%)	-	-	-	-
Mr. Gaurav Pawan Kumar Podar Nominee Director DIN: 08387951	40 years 10th June, 2019	Non - Executive Nominee Director	Nil	-	-	-	-
Mr. Viresh Oberai Director DIN: 00524892	66 years 20th November, 2018	Non – Executive Independent Director	6,000 (0.01%)	-	-	-	-
Mr. Girish Paman Vanvari Director DIN: 07376482	50 years 10th May, 2021	Non – Executive Independent Director	Nil	6	4	3	i. Aurobindo Pharma Limited  ii. Himadri Speciality Chemical Limited  iii. Kolte-Patil Developers Limited  iv. Rategain Travel Technologies Limited  (Non-Executive Independent Director)
Mrs. Sucharita Basu De Director DIN: 06921540	47 years 10th May, 2021	Non – Executive Independent Director	Nil	1	-	1	i. Himadri Credit and Finance Limited (Non-Executive Independent Director)

1. The Directorship held by the Directors, as mentioned above excludes alternate directorships, directorships in foreign companies, companies under section 8 of the Act and private limited companies, which are not the subsidiaries of public limited companies

## REPORT ON CORPORATE GOVERNANCE (Contd.)

2. Represents membership/ chairmanship of two committees viz. audit committee and stakeholders' relationship committee as per Regulation 26 of the Listing Regulations.
3. Apart from as stated above, the directors do not hold any other shares/convertible instruments.

**(a) MEETING OF THE BOARD OF DIRECTORS**

The Company adheres to the provisions of the Act, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees. The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting with the approval of the Board to enable the Board to take informed decisions. The Company Secretary in consultation with the Senior Management prepares the detailed agenda for the meetings. The Board reviews the performance of the Company vis-à-vis the budgets/targets. The Directors are given the option to attend Board/Committee meetings via video conferencing. The Board has complete access to any information within the Company. In case of exigencies or urgency of the matter, resolutions by circulation, as permitted by law for such matters is passed by Board/ Committees, which are noted and confirmed in the subsequent Board/Committee Meeting.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board of Directors for discussions and consideration at every Board Meeting. The Board periodically reviews compliance reports of all laws applicable to the Company as required under Regulation 17(3) of the SEBI Listing Regulations.

During the year under review, Board met six (6) times i.e., on 27th May, 2022, 6th August, 2022, 5th November, 2022, 3rd December, 2022, 12th February, 2023 and 10th March, 2023.

The Board meets at least once in every quarter to review the Company's operations and financial performance. The maximum gap between two meetings is not more than 120 days as mentioned under Section 173 of the Act and the Listing Regulations. Board Meetings are generally held at the registered office of the Company either through video conference or through physical presence. The necessary quorum was present in all the meetings.

During the year, the Board of Directors accepted all recommendations of the Committee of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board of Directors. Hence, the Company is in compliance of condition of clause 10(j) of schedule V of the SEBI Listing Regulations.

**The details of attendance of Directors at the Board Meetings and at the 39th Annual General Meeting held on 29th July, 2022, are as under:**

Name of Director	Number of Board Meetings held and attended during the year 2022-23		Attendance at last AGM held on 29th July, 2022	% of attendance
	Held	Attended		
Mr. Sanjive Sehgal	6	6	✓	100
Mr. Rohan Sehgal	6	6	✓	100
Mr. Gaurav Pawan Kumar Podar	6	6	✓	100
Mr. Viresh Oberai	6	5	✓	83.33
Mr. Girish Paman Vanvari	6	6	✓	100
Mrs. Sucharita Basu De	6	5	✓	83.33

**(b) CORE SKILLS, EXPERTISE, COMPETENCIES AND ATTRIBUTES OF THE DIRECTORS**

The skills/expertise/competencies required for the effective functioning of the Company includes leadership and general management, strategic and business planning, technology, accounting and finance, compliance and risk management. The Directors of the Company bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process. The Board of the Company comprises of qualified members who possess the required skills, expertise and competencies that allow them to make effective contributions

## REPORT ON CORPORATE GOVERNANCE (Contd.)

to the Board and its Committees. The Board of Directors have based on the recommendations of the Nomination & Remuneration Committee, identified the following core skills, expertise and competencies for effective functioning of the Board which are currently available with all the Directors of the Company.

Sr. No.	Broad Parameters	Name of Directors (✓) the appropriate column					
		Mr. Sanjive Sehgal	Mr. Rohan Sehgal	Mr. Gaurav Pawan Kumar Podar	Mr. Viresh Oberai	Mr. Girish Paman Vanvari	Mrs. Sucharita Basu De
1.	Experience of laws, rules, regulation policies applicable to the organization/ industry/ sector and level/ status of compliances thereof by the organization	✓	✓	✓	✓	✓	✓
2.	Experience of the best corporate governance practices, relevant governance codes	✓	✓	✓	✓	✓	✓
3.	Experience of business ethics, ethical policies, codes and practices of the organization	✓	✓	✓	✓	✓	✓
4.	Understanding of the structures and systems which enable the organization to effectively identify, assess and manage risks and crises	✓	✓	✓	✓	✓	✓
5.	Experience in overseeing large and complex Supply Chain	✓	✓	✓	✓	✓	✓
6.	Leadership experience of running large enterprise	✓	✓	✓	✓	✓	✓
7.	Finance and Accounting experience	✓	✓	✓	✓	✓	✓

### (c) INTER-SE RELATIONSHIP BETWEEN DIRECTORS

Mr. Rohan Sehgal, Whole-Time Director of the Company, is the son of Mr. Sanjive Sehgal who is the Managing Director and Chairman of the Company. None of the other Directors of the Company are related to each other in accordance with Section 2(77) of the Act, including the rules made thereunder.

### (d) INDEPENDENT DIRECTORS

The Board of Directors of the Company consists of three (3) Independent Directors and the Board confirms that the Independent Directors of the Company meet the criteria of independence as laid down under Section 149(6) of the Act and the Regulation 16(1)(b) of Listing Regulations and are independent of the management.

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The board of directors have taken on record the declaration and confirmation submitted by the Independent Directors after

## REPORT ON CORPORATE GOVERNANCE (Contd.)

undertaking due assessment of the veracity of the same.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, all the Independent Directors of the Company have confirmed that they have duly registered their names in the databank of Independent Directors as being maintained by the Indian Institute of Corporate Affairs (IICA).

No Independent Director had resigned during the Financial Year 2022-23.

### (e) MEETING OF THE INDEPENDENT DIRECTORS

A separate meeting of the Independent Directors of the Company was held on 12th February, 2023 without the presence of Non-Independent Directors and members of management as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations. The Independent Directors expressed their satisfaction to the desired level on the governance of the Board. In accordance with the Listing Regulations, following matters were, inter alia, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Chairman of the Company.
- Assessment of the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### (f) FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS

All the new Directors inducted on the Board are provided a formal orientation programme to acquaint them with the Company's background history, nature of industry, product offerings, businesses, policies of the Company, structure of the board and committees. The Board members are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Towards familiarization of the Independent Directors with the Company, the independent directors of the Company were enlightened about the business affairs of the Company, about the comprehensive and dynamic product portfolio, business strategies, financial performance and industry scenario including those pertaining to Statutes/ Legislations & Economic environment and on matters affecting the Company. Periodic presentations are also made at the Board and Committee meetings on business and performance updates of the Company including Finance, Sales, Marketing of the Company's major business segments, business strategy and risks involved.

The details of Familiarization Program imparted to the Independent Directors for the year 2022-23 are available on the website of the Company at <https://tarsons.com/wp-content/uploads/2023/04/Familiarization-Programme-imparted-to-Independent-Director-FY-22-23.pdf>.

## 3. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in ensuring good Corporate Governance practices. Committees are constituted to focus on those aspects of business that require special attention and ensure speedy resolution of the diverse matters. The Committees of the Board are guided by their Charter or Terms of Reference, which outline their composition, scope, power, duties and responsibilities. Basis the recommendations, suggestions and observations of these Committees, the Board of Directors take an informed decision. The Chairman of respective Committees update the Board on the deliberations at the Committee meetings. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. Further, the minutes of all the Committee meetings are placed before the Board for review.

As on 31st March, 2023, there were 6 (six) standing Committees, namely: -

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Stakeholders Relationship Committee
- D. Corporate Social Responsibility Committee
- E. Risk Management Committee

## REPORT ON CORPORATE GOVERNANCE (Contd.)

### F. IPO Committee

The details of terms of reference and composition of the Committees and the number of meetings held during the financial year 2022-23 and attendance therein, are provided below:

#### A. AUDIT COMMITTEE

The Board of Directors has constituted a qualified and independent Audit Committee to acts as a link between the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company.

As on 31st March, 2023 Audit Committee comprise solely of Independent Directors to enable independent and transparent review of financial reporting process and internal control mechanism with an objective to further strengthen the confidence of all stakeholders. The Committee meets the criteria laid down in the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. All the members of the Committee are financially literate and experienced and bring in the specialized knowledge and proficiency in the fields of accounting, audit, finance, taxation, compliance, strategy and management.

The Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee. The Statutory Auditors and Internal Auditors also attended the Audit Committee meetings by invitation. Minutes of all the meetings of the Audit Committee are circulated to all the members of the Board and are also placed in the next scheduled meeting of the Board, for discussion and review thereof.

During the financial year 2022-23, the Audit Committee met 5 (five) times and the gap between none of the meetings exceeded 120 days. The meetings were held on 27th May, 2022, 6th August, 2022, 5th November, 2022, 12th February, 2023 and 10th March, 2023. All the recommendations made by the Audit Committee during the Financial Year 2022-23 under review were duly accepted by the Board.

The composition of Audit Committee and the details of meetings attended by the members are given below:

Name and Designation	Category	No. of Meetings		% of attendance
		Held	Attended	
Mr. Girish Paman Vanvari Chairman	Non-Executive & Independent Director	5	5	100
Mr. Viresh Oberai Member	Non-Executive & Independent Director	5	3	60
Mrs. Sucharita Basu De Member	Non-Executive & Independent Director	5	5	100

#### Terms of Reference

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated under Section 177 of the Act and Regulation 18 read with Part C of Schedule II of Listing Regulations. The terms of reference of Audit Committee, as approved by the Board, include the following:

- ✓ to oversee the financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ✓ to recommend for appointment, remuneration and terms of appointment of auditors of the Company;
- ✓ to approve payment to statutory auditors for any other services rendered by the statutory auditors;
- ✓ to review with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - matters required to be included in the director's responsibility statement to be included in the board's report in terms of Companies Act, 2013, as amended;

## REPORT ON CORPORATE GOVERNANCE (Contd.)

- changes, if any, in accounting policies and practices and reasons for the same;
- major accounting entries involving estimates based on the exercise of judgment by management;
- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;
- disclosure of any related party transactions;
- modified opinion(s) in the draft audit report;
- ✓ to review with the management, the quarterly financial statements before submission to the board for approval;
- ✓ to examine the financial statement and auditor's report thereon;
- ✓ to monitor the end use of funds raised through public offers and related matters;
- ✓ to review with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue 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;
- ✓ to review and monitor the auditor's independence and performance, and effectiveness of audit process;
- ✓ to approve or subsequently modify the transactions with related parties;
- ✓ to scrutinize inter-corporate loans and investments;
- ✓ to undertake valuation of undertakings or assets of the Company, wherever it is necessary;
- ✓ to evaluate internal financial controls and risk management systems;
- ✓ to review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- ✓ to review 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;
- ✓ to discuss with internal auditors any significant findings and follow up thereon;
- ✓ to review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- ✓ to discuss with statutory auditors and internal auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- ✓ to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- ✓ to review the functioning of the whistle blower mechanism;
- ✓ to approve appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- ✓ to carry out any other function as may be required / mandated by the Board from time to time and/ or mandated as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws;



## REPORT ON CORPORATE GOVERNANCE (Contd.)

- ✓ to consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- ✓ to review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans /advances /investments;

In addition to the above the Audit Committee mandatorily review's the following:

- Management Discussion and Analysis of financial conditions and results of operations;
- Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by Management;
- Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses;
- Appointment, removal and terms of remuneration of the Internal Auditor shall be subject to review by the audit committee;
- Statement of deviations as and when becomes applicable;
  - a. Quarterly statement of deviation(s), submitted to stock exchanges(s) in terms of Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

### B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee meets the criteria laid down in the provisions of Section 178 of the Act and Regulation 19 of Listing Regulations. As on 31st March, 2023 the Committee comprise solely of Independent Directors. The Company Secretary and Compliance Officer, acts as Secretary to the Committee.

The Nomination and Remuneration Committee inter alia oversees the Company's nomination process including succession planning for the senior management and the Board and recommend a policy for their remuneration.

During the financial year 2022-23, the Nomination and Remuneration Committee met 2 (two) times. These meetings were held on 12th May, 2022 and 12th February, 2023. All the recommendations made by the Nomination and Remuneration Committee during the Financial Year 2022-23 under review were duly accepted by the Board.

The composition of Nomination and Remuneration Committee and the details of meetings attended by the members are given below:

Name and Designation	Category	No. of Meetings		% of attendance
		Held	Attended	
Mr. Viresh Oberai Chairman	Non-Executive & Independent Director	2	2	100
Mr. Girish Paman Vanvari Member	Non-Executive & Independent Director	2	2	100
Mrs. Sucharita Basu De Member	Non-Executive & Independent Director	2	2	100

#### Terms of Reference

The terms of reference of the Nomination & Remuneration Committee are in line with the guidelines set out in the Act and Listing Regulations and inter-alia includes the following:

- ✓ to formulate criteria for determining qualifications, positive attributes and independence of a director and

## REPORT ON CORPORATE GOVERNANCE (Contd.)

recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.

The Nomination and Remuneration Committee, while formulating the said policy, should ensure that:

- i. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - iii. remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance;
  - iv. objectives appropriate to the working of the Company and its goals;
- ✓ to formulate criteria for evaluation of performance of independent directors and the board of directors;
  - ✓ to devise a policy on diversity of board of directors;
  - ✓ to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its board report;
  - ✓ to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
  - ✓ to recommend to the Board, all remuneration in whatever form, payable to senior management;
  - ✓ to carry out any other function as may be required/mandated by the Board from time to time and/ or mandated as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws;
  - ✓ to perform such other functions as may be necessary or appropriate for the performance of its duties.

### Performance Evaluation

The Nomination and Remuneration Committee has laid down the process, format, attributes and criteria for performance evaluation of the Board of the Company, its Committees and the individual Board Members including Independent Directors and the Chairman of the Company. Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the Listing Regulations, the Annual Performance Evaluation was carried out during the financial year 2022-23.

An indicative list of factors on which evaluation was carried out includes:

- i) Professional qualification, expertise & experience
- ii) Level of integrity & confidentiality
- iii) Availability for meetings and preparedness
- iv) Understanding the vision, mission of the Company and strategic and business plans, financial reporting risks and related internal controls and providing critical oversight on the same
- v) Monitoring the compliances with corporate governance regulations and guidelines
- vi) Openness to ideas and ability to challenge the practices and throwing up new ideas

## REPORT ON CORPORATE GOVERNANCE (Contd.)

- vii) Knowledge of the Company's key activities, financial condition and key developments
- viii) Contribution to strategic planning process and value addition to the Company
- ix) Amount of time spent on discussions on strategic and general issues
- x) Review of the actual result of the Company vis-à-vis the plan/policies devised earlier and suggests corrective measures
- xi) Frequency of the meetings and effective and proactive measures taken to perform functions
- xii) Adherence to ethical standards & code of conduct
- xiii) Bringing independent judgment during board deliberations on strategy, performance and risk management

A structured questionnaire 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 was prepared after taking into consideration the Guidance note issued by SEBI vide circular no, CMD/ CIR/P/2017/004 dated 05.01.2017.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as guidance/ support to Management outside Board/ Committee meetings, degree of fulfillment of key responsibilities, effectiveness of meetings etc. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The Performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

### REMUNERATION OF DIRECTORS

The Company's philosophy for remuneration of Directors, Key Managerial Personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Nomination & Remuneration Policy to determine the compensation structure of the Executive/Non-Executive Directors. The Policy is intended to set out specific criteria to pay equitable remuneration to the Directors, Key Managerial Personnels (KMPs), Senior Management Personnels (SMPs) and other employees of the Company in consonance with the existing industry practice and aims at attracting and retaining high calibre talent. Remuneration of Directors is based on various factors like Company's size, global presence, economic and financial position and Directors' participation in Board and Committee meetings, and is determined by the Board, on the recommendation of the Nomination and Remuneration Committee, subject to the approval of the shareholders, wherever required. All remuneration, in whatever form, payable to Senior Management are also recommended by this Committee.

The salient features of the Nomination & Remuneration Policy are provided in the Board's Report and the detailed policy is available on the Company's website at <https://tarsons.com/wp-content/uploads/2022/04/Nomination-and-Remuneration-Policy.pdf>.

#### (a) Remuneration paid to Executive Directors

The appointment and remuneration of Executive Directors are governed by the Articles of Association of the Company. On the recommendation of the Nomination and Remuneration Committee, the remuneration paid/ payable by way of salary, perquisites and allowances (fixed component), incentive and/ or commission (variable components), to its Executive Directors within the limits prescribed under the Act is approved by the Board of Directors and by the Members in the General Meeting. The Executive Directors are not being paid sitting fees for attending meetings of the Board of Directors and its Committee.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

The revision in remuneration, if any, is also recommended by the Nomination and Remuneration Committee to the Board for its consideration by taking into account their individual performance and as well performance of the Company in a given year.

**Details of remuneration paid to Executive Directors during the year 2022-23 are given below:**

Name and Designation	Remuneration	Bonus/ Commission/ Pension etc.	Period of appointment	(₹ in Million)	
				Service Contract/Notice Period/ Severance fees	Stock Option
Mr. Sanjive Sehgal Chairman & Managing Director	32.90	9.6	Appointed for a period of 5 years from 26th July, 2018 to 25th July, 2023.*	The terms of severance, notice period and termination is governed as per the terms and conditions of employment agreement entered into with both the Directors by the Company.	NIL
Mr. Rohan Sehgal Whole-Time Director	27.9	9.6	Appointed for a period of 5 years from 26th July, 2018 to 25th July, 2023.*		

\*Details regarding re-appointment has been provided separately in the Boards' Report forming part of Annual Report

**(b) Remuneration paid to Non-Executive Directors**

The Non-Executive Independent Directors are paid remuneration by way of sitting fees. There was no pecuniary relationship or transactions between the Company and any of its Non-Executive Directors. Each of the Non-Executive Independent Directors are paid sitting fees for attending both board and committee meetings. The Non-Executive Directors are not entitled to any stock options.

**Details of remuneration paid to Non-Executive Independent Directors during the year 2022-23 are given below:**

(₹ in Million)	
Name	Sitting Fee
Mr. Viresh Oberai	1.2
Mr. Girish Paman Vanvari	1.2
Ms. Sucharita Basu De	1.2

**C. STAKEHOLDERS RELATIONSHIP COMMITTEE**

**Composition & Meetings**

The Stakeholders Relationship Committee meets the criteria laid down in the provisions of Section 178 of the Act and Regulation 20 of Listing Regulations. The Committee comprises of three directors, two being executive and one Independent. The Chairman of the Committee is an Independent Director. The Company Secretary and Compliance Officer, acts as Secretary to the Committee.

During the financial year, one meeting of Stakeholders Relationship Committee was held i.e., on 6th August, 2022.

Mr. Viresh Oberai, Chairman of the Stakeholders Relationship Committee attended the last Annual General Meeting of the Company held on 29th July, 2022.

The composition of Stakeholders Relationship Committee and the details of meeting(s) attended by the members are given below:

Name and Designation	Category	No. of Meetings		% of attendance
		Held	Attended	
Mr. Viresh Oberai Chairman	Non-Executive & Independent Director	1	1	100
Mr. Sanjive Sehgal Member	Chairman & Managing Director	1	1	100
Mr. Rohan Sehgal Member	Whole-Time Director	1	1	100

## REPORT ON CORPORATE GOVERNANCE (Contd.)

Mr. Santosh Kumar Agarwal, Company Secretary, has been designated as Compliance Officer in terms of Regulation 6(1)(a) of the Listing Regulations. The shareholders may send their complaints directly to the Company Secretary by email at: investor@tarsons.com

### Details of Investors' Complaints

As a measure of speedy redressal of investor grievances, the Company has registered on SCORES (SEBI Complaints Redress System) platform, a web based centralized grievance redress system set up by SEBI to capture investor complaints against listed companies. Total 77 complaints were received during the financial year 2022-23, which were majorly related to non-receipt of refund/unblock, unavailability of Folio/DP details, non-receipt of Annual Report which were duly resolved.

Further, all the Complaints received from SCORES, SEBI, NSE, BSE and directly to the Company during the financial year 2022-23 were duly and promptly responded and resolved. There were no pending complaints at the beginning and at the end of financial year 2022-23.

The details of complaints received, cleared / pending during the Financial Year 2022-23 is given below:

Nature of Complaints	Received	Resolved	Pending
Complaints received on various portals	77	77	-
<b>Total</b>	<b>77</b>	<b>77</b>	<b>-</b>

### Terms of Reference

The terms of reference of the Stakeholders Relationship Committee are in line with the guidelines set out in the Act and Listing Regulations and inter-alia includes the following:

- ✓ to resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
- ✓ to review measures taken for effective exercise of voting rights by shareholders;
- ✓ to review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- ✓ to review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
- ✓ to carry out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended or by any other regulatory authority.

## D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee meets the criteria laid down in the provisions of Section 135 of the Act. The Committee comprises of three directors, two being executive and one independent. The Chairperson of the Committee is an Independent Director. The Company Secretary and Compliance Officer, acts as Secretary to the Committee.

The Committee is primarily responsible for formulating and recommending to the Board a Corporate Social Responsibility (CSR) policy and monitoring the same. The Committee also reviews and monitors the CSR projects and expenditure undertaken by the Company. The Corporate Social Responsibility Committee assists the Board in effectively discharging the Company's corporate social responsibilities. The details of the CSR activities are provided in the **Annexure- I** to the Directors' Report.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The CSR Policy is available on the website of the Company at the web link: <https://tarsons.com/wp-content/uploads/2023/02/V-1.1-Corporate-Social-Responsibility-Policy.pdf>.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

During the financial year, one meeting of Corporate Social Responsibility Committee was held i.e., on 27th May, 2022.

The composition of Corporate Social Responsibility Committee and the details of meetings attended by the members are given below:

Name and Designation	Category	No. of Meetings		% of attendance
		Held	Attended	
Mrs. Sucharita Basu De Chairperson	Non-Executive & Independent Director	1	1	100
Mr. Sanjive Sehgal Member	Chairman & Managing Director	1	1	100
Mr. Rohan Sehgal Member	Whole-Time Director	1	1	100

### Terms of Reference

The terms of reference of the Corporate Social Responsibility Committee are in line with the guidelines set out in the Act and inter-alia includes the following:

- ✓ to formulate a corporate social responsibility policy to the Board, indicating the activities to be undertaken by the Company in areas or subjects specified in the Companies Act, 2013. The activities should be within the list of permitted activities specified in the Companies Act, 2013 and the rules thereunder;
- ✓ to recommend the amount of expenditure to be incurred, amount to be at least 2% of the average net profit of the Company in the three immediately preceding financial years or where the Company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years;
- ✓ to institute a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by the Company;
- ✓ to monitor the corporate social responsibility policy from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- ✓ to identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- ✓ to identify and appoint the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required; and
- ✓ to perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company or as may be required under applicable laws."

### E. RISK MANAGEMENT COMMITTEE

The Risk Management Committee meets with the criteria laid down in the provisions of Regulation 21 of Listing Regulations. The Committee comprises of three directors with Independent Director being the Chairman of the Committee. The Company Secretary and Compliance Officer, acts as Secretary to the Committee.

The Risk Management Committee is responsible for formulation, monitoring and overseeing the implementation of a risk management policy which inter-alia shall include risk identification, evaluation, mitigation, control process for such risks and business continuity plan. Further, the Committee also evaluates the adequacy of risk management systems and is responsible for monitoring and reviewing risk management policy of the Company by reviewing the changing industry dynamics and evolving complexity.

During the financial year, the Risk Management Committee meeting met 2 (two) times. The meetings were held on 1st September, 2022 and 2nd January, 2023.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

The composition of Risk Management Committee and the details of meetings attended by the members are given below:

Name and Designation	Category	No. of Meetings		% of attendance
		Held	Attended	
Mr. Girish Paman Vanvari Chairman	Non-Executive & Independent Director	2	1	50
Mr. Gaurav Pawan Kumar Podar Member	Non-Executive Nominee Director	2	2	100
Mr. Rohan Sehgal Member	Whole-Time Director	2	2	100

### Terms of Reference

The terms of reference of the Risk Management Committee are in line with the guidelines set out in the Act and Listing Regulations and inter-alia includes the following:

- ✓ To formulate a detailed risk management policy which shall include:
  - a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee.
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c. Business continuity plan.
- ✓ To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- ✓ To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- ✓ To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- ✓ To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- ✓ The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

### F. IPO COMMITTEE

The IPO Committee of the Board of Directors was constituted on 14th June, 2021, inter alia to approve and undertake various activities in relation to the Initial Public Offer. The Committee comprises of 3 (three) directors. The Chairman being an Executive Director. The Company Secretary and Compliance Officer, acts as Secretary to the Committee.

The IPO Committee is primarily responsible for doing necessary acts, deeds and such other duties as may be deemed necessary for bringing the IPO of the Company including but not limited to appointing intermediaries, making changes in the offer documents, coordinating with regulatory bodies, working with underwriters, counsel and preparing and reviewing a registration certificate, etc. The IPO Committee shall stand constituted till the proceeds of the IPO are completely utilized.

The composition of IPO Committee is given below:

Sl. No.	Name of Directors	Designation	Category
1.	Mr. Rohan Sehgal	Whole-Time Director	Chairman
2.	Mr. Gaurav Pawan Kumar Podar	Non-Executive Nominee Director	Member
3.	Mrs. Sucharita Basu De	Non-Executive Independent Director	Member

\*No Meeting of IPO Committee was held during the financial year 2022-23

## REPORT ON CORPORATE GOVERNANCE (Contd.)

### Terms of Reference

The terms of reference of the IPO Committee includes the following:

- ✓ To make applications, seek clarifications, obtain approvals and seek exemptions from, where necessary, the SEBI, the relevant registrar of companies, the RBI, and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications / amendments as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus as applicable;
- ✓ To finalize, settle, approve, adopt and file in consultation with the book running lead managers appointed for the Offer (the "**BRLMs**") where applicable, the draft red herring prospectus, the red herring prospectus and the prospectus in connection with the Offer, the preliminary and final international wrap and any amendments, supplements, notices, addendum or corrigendum thereto ("**Offer Documents**"), and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/ corrections/ modifications as may be required by SEBI, the Registrar of Companies, West Bengal at Kolkata or any other relevant governmental and statutory authorities or in accordance with applicable laws;
- ✓ To decide in consultation with the BRLMs on the timing, pricing and all the terms and conditions of the Offer, including the price band, Offer price, Offer size and to accept any amendments, modifications, variations or alterations thereto;
- ✓ To appoint and enter into and terminate arrangements with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars, sponsor bank, legal advisors, auditors, advertising agency and any other agencies or persons or intermediaries in relation to the Offer, including any successors or replacements thereof, and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLMs and negotiation, finalization, execution and, if required, amendment of the offer agreement with the BRLMs, and to remunerate all such intermediaries/agencies including the payments of commissions, brokerages, etc.;
- ✓ To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the draft red herring prospectus, the red herring prospectus, the prospectus, the preliminary and final international wrap, offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow agreement, agreements with the registrar to the Offer and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Offer, legal advisors, auditors, advertising agency, stock exchange(s), BRLMs, Selling Shareholders and any other agencies/intermediaries in connection with the Offer with the power to authorise one or more officers of the Company to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Offer;
- ✓ To seek, if required, the consent and/or waiver of the lenders of the Company, customers, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents and/or waivers that may be required in relation to the Offer or any actions connected therewith;
- ✓ To open and operate bank accounts in terms of the escrow agreement and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- ✓ To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- ✓ To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;



## REPORT ON CORPORATE GOVERNANCE (Contd.)

- ✓ To accept and appropriate the proceeds of the Offer in accordance with the applicable laws;
- ✓ To approve code of conduct as may be considered necessary by the IPO Committee or as required under the applicable laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;
- ✓ To approve the implementation of any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the applicable laws or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and listing agreements to be entered into by the Company with the relevant stock exchanges, to the extent allowed under law;
- ✓ To approve the restated audited financial statements of the Company, prepared by the Company in accordance with the requirements of relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended for the purposes of inclusion in the Offer Documents;
- ✓ To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorize one or more officers of the Company to sign all or any of the aforesaid documents;
- ✓ To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;
- ✓ To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, share certificates in accordance with the relevant rules, in consultation with the BRLMs;
- ✓ To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and/or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Company to execute all or any of the afore stated documents;
- ✓ To make applications for listing of the Equity Shares in one or more stock exchange(s) for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Company where necessary;
- ✓ To settle all questions, difficulties or doubts that may arise in regard to the Offer, including allotment, terms of the Offer, utilisation of the Offer proceeds and matters incidental thereto as it may deem fit;
- ✓ To submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies, West Bengal at Kolkata and the relevant stock exchange(s) where the Equity Shares are to be listed;
- ✓ To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing;
- ✓ To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may be required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or any other applicable laws;
- ✓ To approve the list of 'group companies' of the Company, if any, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the draft red herring prospectus, the red herring prospectus

## REPORT ON CORPORATE GOVERNANCE (Contd.)

and the prospectus; and to approve the list of pending litigations involving such group companies which has a material impact on the Company;

- ✓ Deciding, negotiating and finalising the pricing and all other related matters regarding the execution of the relevant documents with the investors in consultation with the BRLMs and in accordance with applicable laws;
- ✓ Taking on record the approval of the Selling Shareholders for offering their Equity Shares in the Offer for Sale and taking all actions as may be authorised in connection therewith;
- ✓ To withdraw the draft red herring prospectus or the red herring prospectus or to decide to not proceed with the Offer at any stage in accordance with applicable laws and in consultation with the BRLMs; and
- ✓ To delegate any of its powers set out hereinabove, as may be deemed necessary and permissible under applicable laws to the officials of the Company.

### 4. GENERAL BODY MEETINGS

The particulars of last three Annual General Meetings of the Company are given below:

Financial Year	Date & Time	Location/Mode	Special Resolution(s) passed
2021-22 (39th AGM)	29th July, 2022 at 12:00 P.M.	Held through Video Conferencing or Other Audio-Visual Means (VC/OAVM)  (Deemed Venue – Registered Office of the Company at Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector-V, Kolkata - 700091)	None
2020-21 (38th AGM)	6th August, 2021 at 05:00 P.M.	Held at the registered office of the Company at Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector-V, Kolkata-700091	None
2019-20 (37th AGM)	12th October, 2020 at 01:00 P.M.	Held through Video Conferencing on TEAMS meeting software	None

During the Financial Year 2022-23, no Extra Ordinary General Meeting was convened nor was any approval of the shareholders obtained through Postal Ballot. Further, 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 Company recognizes communication as a key element of the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all stakeholders.

- (a) Quarterly/Annual Financial Results:** The Audit Committee and Board of Directors of the Company take on record and approves the quarterly, half yearly and annual financial results in the format prescribed under the Listing Regulations. The approved financial results are forthwith sent to the Stock Exchanges, NSE & BSE, where the Company's shares are listed. The quarterly and annual financial results are uploaded on NSE Electronic Application Processing System (NEAPS)/NSE Digital Portal and BSE Listing Centre in accordance with the requirements of Listing Regulations. The financial results are also displayed on BSE and NSE websites. The results are also made available on Company's website at <https://tarsons.com/financial-results2022-23/>.
- (b) Newspapers:** During the financial year 2022- 23, financial results (Quarterly & Annual) were published within the prescribed time period in newspapers viz. one of the prominent English business daily, the Financial Express and a local language newspaper, Aajkal.
- (c) News Releases/Presentations:** Detailed presentations are made to institutional investors and financial analysts and audio recording of Analyst Calls, and transcripts on the Company's quarterly financial results and are sent to the Stock Exchanges and are also uploaded on the Company's website at <https://tarsons.com/investor-information-2/>
- (d) Annual Report:** The Annual Report, inter alia containing, Audited Financial Statements, Directors' Report (including Management Discussion & Analysis Report, Corporate Governance Report, Business Responsibility Report/ Business

## REPORT ON CORPORATE GOVERNANCE (Contd.)

Responsibility and Sustainability Report), Auditors' Report and other important information are circulated to the members and forwarded to the stock exchanges. Pursuant to the applicable MCA circulars and SEBI Circulars, the Annual Report for the year 2021-22 containing the Notice of AGM was sent through e-mails to all those Members whose e-mail IDs were registered with the Company/ Depository Participants. It is also made available on the Company's website at <https://tarsons.com/annual-report/>.

- (e) **Website:** In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' tab on the Company's website gives comprehensive information about the Company, information on various announcements made by the Company, annual report, financial results, policies of the Company, shareholding pattern, corporate governance report, etc. The Company's investor presentations made to the institutional investors and analysts and other corporate communications made to the stock exchanges are also available on the website of the Company. The link to the investors section is: <https://tarsons.com/wp-content/uploads/2023/05/Disclosure-under-Regulation-46-of-SEBI-LODR-Regulations-2015.pdf>.
- (f) In terms of the Listing Regulations, the Company has a designated email ID for dealing with Investors' complaints viz., [investor@tarsons.com](mailto:investor@tarsons.com) exclusively for investor servicing. All the shares related requests/queries/correspondence, if any, are to be forwarded by investors to the Registrar and Share Transfer Agent of the Company, KFIN Technologies Limited, Selenium Tower B, Plot No.31 &32 Gachibowli, Financial District Nanakramguda, Serilingampally Hyderabad 500 032, or email at [ahfl.ip@kfinfintech.com](mailto:ahfl.ip@kfinfintech.com).

### 6. GENERAL SHAREHOLDER INFORMATION

(i) **Details of Annual General Meeting:**

The 40th Annual General Meeting (AGM) of the members of the Company will be held on Friday, 14th July, 2023 at 11:00 A.M. (IST) through Video Conferencing (VC) /Other Audio Visual Means (OVAM). All the other details related thereto have been indicated in the Notice of AGM.

(ii) **Financial year:**

The financial year of the Company is from 1st April to 31st March every year and the financial results will be declared as per the following schedule:

Particulars	Tentative Schedule
For Quarter ending on 30th June, 2023	On or before 14th August, 2023
For Quarter ending on 30th September, 2023	On or before 14th November, 2023
For Quarter ending on 31st December, 2023	On or before 14th February, 2024
For Financial year ending on 31st March, 2024	On or before 30th May, 2025

(iii) **Dividend:**

The Board has not recommended any Dividend for the year 2022-23. As per Regulation 43A of the Listing Regulations, the Dividend Distribution Policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company.

(iv) **Cut-off Date:**

Friday, 7th July, 2023 (For determining eligibility of shareholders who will be entitled to vote electronically on the resolutions mentioned in the Notice convening the AGM either through remote e-Voting or voting at the AGM)

(v) **Book Closure Date:**

The register of members shall remain closed from Saturday, 8th July, 2023 to Friday, 14th July, 2023 (both days inclusive) for the purpose of 40th Annual General Meeting of the Company.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

**(vi) Listing on Stock Exchanges:**

The shares of the Company are listed with the following Stock Exchanges:

Name of Stock Exchange	Address	Stock Code/ Symbol	ISIN
BSE Limited (BSE)	P. J. Towers, Dalal Street, Mumbai - 400 001	543399	INE144Z01023
National Stock Exchange of India Limited (NSE)	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	TARSONS	

**(vii) Depositories**

Name of the Depositories	Address
National Securities Depository Limited (NSDL)	Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
Central Depository Services (India) Limited (CDSL)	Marathon Futurex, 25th floor, NM Joshi Marg, Lower Parel (East), Mumbai, Maharashtra

**(viii) Listing & Custody Fees:**

The Company has paid the annual listing fees to the Stock Exchanges i.e. NSE & BSE and Annual Custody Fee to the Depositories of the Company (NSDL & CDSL) for the financial year 2023-24 within the prescribed time limit.

**(ix) Market Price Data and Performance of Company's Share Prices:**

The details of monthly high/low/closing price data and volume of shares traded of the Company at BSE and NSE during each month in the Financial Year 2022 -23 are given below:

Month (2022-23)	BSE				
	High Price (₹)	Low Price (₹)	Closing Price (₹)	Volume (No. of shares)	BSE Sensex Closing
April, 2022	789.85	688.90	694.70	6,32,660	57,060.87
May, 2022	731.15	600.85	723.10	1,82,444	55,566.41
June, 2022	738.85	665.65	714.45	1,45,461	53,018.94
July, 2022	907.00	695.00	819.90	6,21,400	57,570.25
August, 2022	868.85	700.10	768.15	5,11,923	59,537.07
September, 2022	914.35	748.50	811.50	4,58,870	57,426.92
October, 2022	847.00	771.35	779.95	1,61,240	60,746.59
November, 2022	794.15	677.05	697.60	2,27,720	63,099.65
December, 2022	749.20	665.00	693.20	2,04,298	60,840.74
January, 2023	721.00	669.65	691.05	96,529	59,549.90
February, 2023	720.00	581.15	587.15	1,47,110	58,962.12
March, 2023	618.80	501.50	532.75	1,22,850	58,991.52

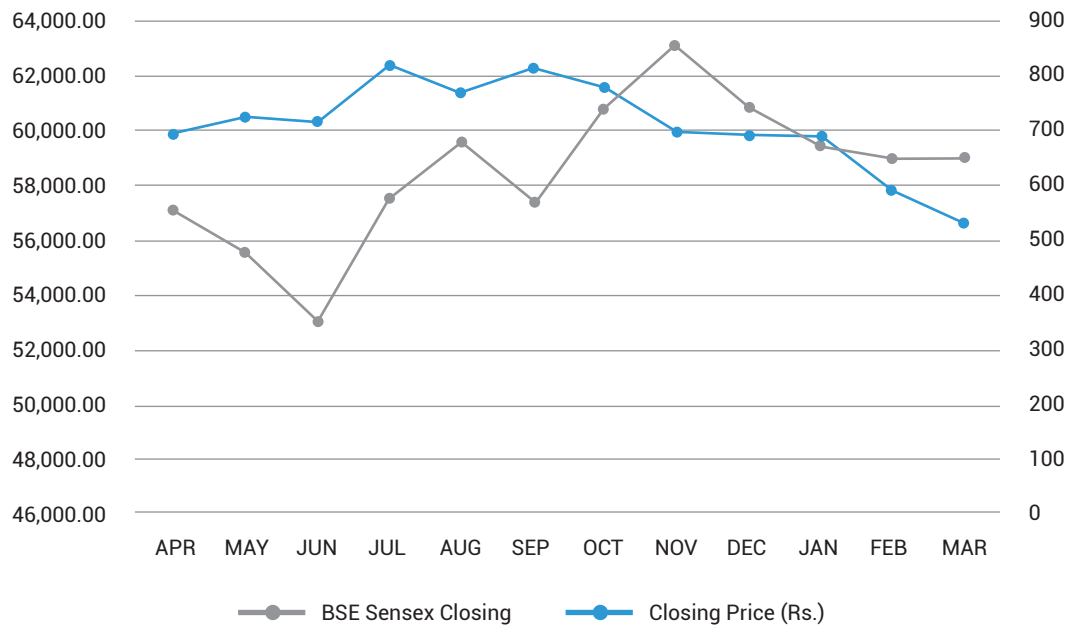
Month (2022-23)	NSE				
	High Price (₹)	Low Price (₹)	Closing Price (₹)	Volume (No. of shares)	NSE Nifty Closing
April, 2022	728.6	691	695.3	32,21,764	17102.55
May, 2022	730.8	703.75	725.45	16,75,101	16584.55
June, 2022	735	710.3	715.2	14,08,780	15780.25
July, 2022	830	810.3	818.75	65,93,953	17158.25
August, 2022	781	760	768.65	35,50,818	17759.30
September, 2022	823.95	804.65	815.55	45,96,096	17094.35
October, 2022	799.15	772.05	778.25	12,29,738	18012.20

## REPORT ON CORPORATE GOVERNANCE (Contd.)

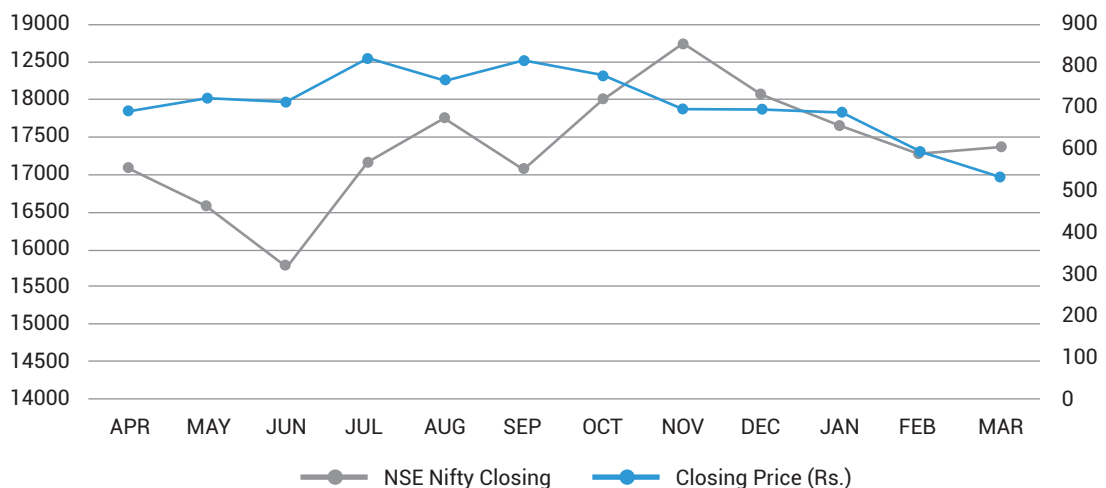
Month (2022-23)	NSE				
	High Price (₹)	Low Price (₹)	Closing Price (₹)	Volume (No. of shares)	NSE Nifty Closing
November, 2022	715.5	684	696.6	34,09,077	18758.35
December, 2022	699.9	690.1	694.45	13,83,424	18105.30
January, 2023	700	676.85	692.7	9,30,752	17662.15
February, 2023	601.65	582	593.7	13,42,183	17303.95
March, 2023	544.8	516	532.15	13,97,386	17359.75

[Source: This information is compiled from the data available from the website of BSE & NSE]

## Share Price on BSE vis-a-vis BSE Sensex



## Share Price on NSE vis-a-vis NSE Nifty



## REPORT ON CORPORATE GOVERNANCE (Contd.)

(x) The securities of the Company were available for trading on NSE & BSE and were not suspended for any period.

**(xi) Registrar and Share Transfer Agents (RTA):**

All work related to Share Registry, both in physical and electronic form, are handled by the Company's Registrar and Share Transfer Agent, whose name and contact details are as given below:

M/s. KFIN Technologies Limited (formerly KFIN Technologies Private Limited)

Selenium Tower B, Plot No.31 &32

Gachibowli, Financial District

Nanakramguda, Serilingampally

Hyderabad 500 032

Telangana, India

Tel: +91 40 6716 2222

E-mail: ahfl.ipo@kfintech.com

Website: <https://www.kfintech.com/>

**(xii) Share Transfer System:**

The Company's shares are traded under compulsory dematerialized mode, freely tradeable and the entire share transfer process is monitored by the Registrar and Share Transfer Agent of the Company. During the financial year under review, the RTA of the Company ensured compliance with all the procedural requirements with respect to transfer, transmission and transposition of shares and formalities with respect to name deletion, sub-division, consolidation, etc. Pursuant to the Regulation 40 of the Listing Regulations, as amended, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository.

During the year under review, the Company obtained following certificate(s) from a Practicing Company Secretary and submitted the same to the stock exchanges within stipulated time:

1. Certificate confirming due compliance of share transfer formalities by the Company pursuant to Regulation 40(9) of the Listing Regulations for the year ended 31st March, 2023 with the Stock Exchanges; and
2. Certificate regarding reconciliation of the share capital audit of the Company on quarterly basis.

As on the date of this report, all the holdings of the Company are in dematerialized form.

**(xiii) Distribution of shareholding on the basis of shareholders class as on 31st March, 2023:**

Category	No. of shareholders*		No. of shares	
	Total	%	Total	%
1-5000	105030	99.77	10057506	9.45
5001- 10000	133	0.13	966134	0.91
10001- 20000	47	0.04	655358	0.62
20001- 30000	14	0.01	339690	0.32
30001- 40000	6	0.01	218136	0.21
40001- 50000	4	0.00	181892	0.17
50001- 100000	10	0.01	662438	0.62
100001 & Above	25	0.02	93331408	87.71
<b>Total</b>	<b>105269</b>	<b>100</b>	<b>106412562</b>	<b>100</b>

\* Without consolidating the folios on the basis of PAN.

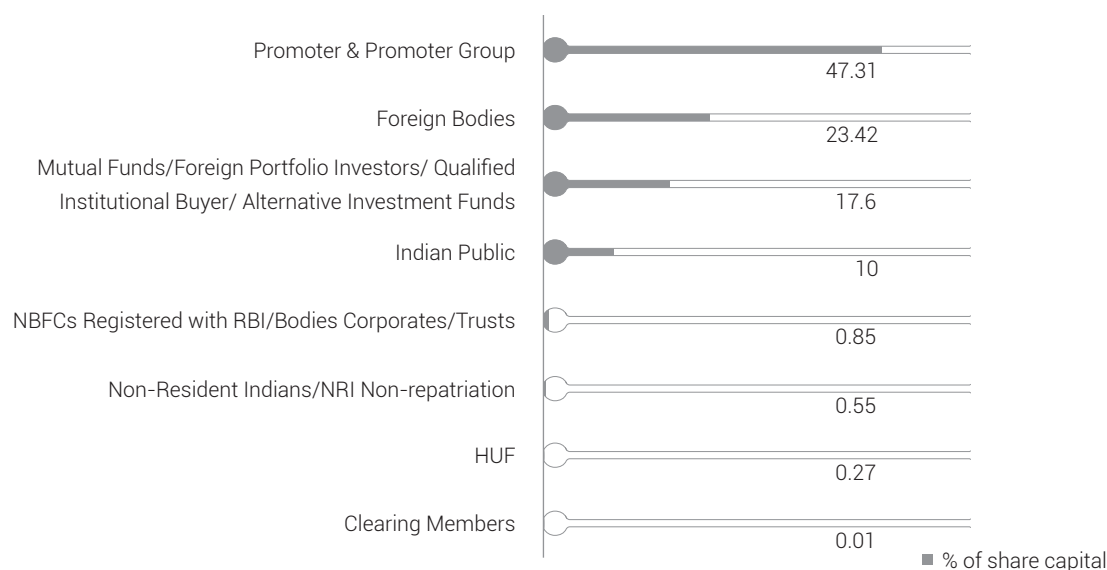
## REPORT ON CORPORATE GOVERNANCE (Contd.)

### (xiv) Distribution of Shareholding on the basis of ownership as on 31st March, 2023:

Category	No. of shares*	% of share capital
Promoter & Promoter Group	25,169,955	47.31
Mutual Funds/Foreign Portfolio Investors/ Qualified Institutional Buyer/ Alternative Investment Funds	9,365,440	17.60
Indian Public	5,318,648	10.00
NBFCs Registered with RBI/Bodies Corporates/Trusts	449,849	0.85
Non-Resident Indians/NRI Non-repatriation	291,721	0.55
Clearing Members	4,172	0.01
HUF	145,881	0.27
Foreign Bodies	1,24,60,615	23.42
<b>Total</b>	<b>5,32,06,281</b>	<b>100.00</b>

\*Details mentioned here are consolidated on PAN basis as per SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated December 19, 2017.

### Graphical representation of shareholding pattern on the basis of ownership:



### (xv) Dematerialization of shares and liquidity as on 31st March, 2023:

100% of the Company's equity shares are held in dematerialized form as on 31st March, 2023 details of which is given below:

Nature of holding	No. of Shares	Percentage (%) of share capital
Demat		
- NSDL	49,626,742	93.27
- CDSL	3,579,539	6.73
<b>Total</b>	<b>5,32,06,281</b>	<b>100.00</b>

(xvi) The Company has not issued any Global Depository Receipts (GDR)/American Depository Receipts (ADR)/Warrants or any other convertible instruments during the year.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

**(xvii) Commodity Price Risk/Foreign Exchange Risk and hedging activities:**

The Company does not deal in commodities and hence the disclosure pursuant to Listing Regulations are not applicable. For a detailed discussion on foreign exchange risk and hedging activities with regard to Company's revenue in foreign currency, please refer to Management Discussion and Analysis Report forming part of the Annual Report.

**(xviii) Plant Locations:**

<b>Jangalpur Plant</b> Jalan Industrial Complex, Gate No-1, NH-6, Jangalpur, Biparnapara, Begri, Howrah-711411, West Bengal	<b>Dhulagarh Plant</b> Master Plot No. PPF-1, Mouza Kandua, JL No-5, PS-Sankrail, Gram Panchayat Kandua, Howrah-711302, West Bengal
<b>Behala Plant - 1</b> 36/A/4 Burroshibtolla Main Road Factory, Behala, West Bengal	<b>Behala Plant - 2</b> 22 Burroshibtolla Main Road Factory, Behala, West Bengal
<b>Kasba Plant</b> P1 Kasba Industrial State, Phase 2, Kolkata -700 107, West Bengal	

*Note: The Company is coming up with two new manufacturing facilities at West Bengal, one situated in Panchla and another facility for radiation plant, fulfilment center and manufacturing situated in Amta.*

**(xix) Address for Correspondence:**

For any queries relating to the shares of the Company, correspondence may be addressed at:

**The Company Secretary**

Tarsons Products Limited

Room No. 902, BP- 3,

Salt Lake, Sector- V

Kolkata 700091, West Bengal, India

E-mail: investor@tarsons.com

Website: www.tarsons.com

**(xx)** The Credit Ratings obtained by the Company during the year are mentioned below which denotes high degree of safety regarding timely servicing of financial obligation:

Sl. No.	Name of the Credit Rating Agencies	Facilities	Revised Ratings	Previous Ratings
1.	CARE Ratings	Long Term Bank Facilities	CARE A+; Stable (Single A Plus; Outlook: Stable)	Reaffirmed CARE A+; Stable (Single A Plus; Outlook: Stable)
		Short Term Bank Facilities	CARE A1+ A One Plus	Revised from CARE A1 (A One)

**7. CODE OF CONDUCT**

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel ("the Code"). The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code requires Directors and Employees to act honestly, fairly, ethically, with integrity and conduct themselves in professional, courteous and respectful manner. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 also forms part of the Code of Conduct. The copy of the Code has been displayed on the Company's website at <https://tarsons.com/wp-content/uploads/2022/06/Code-of-Conduct-for-Directors-and-Senior-Management-of-the-Company.pdf>.

The Code has been duly circulated to all the members of the Board and Senior Management Personnel and all of them have affirmed compliance with the Code. A declaration to this effect duly signed by the Chairman and Managing Director is reproduced at the end of this report and marked as **Annexure A**.



## REPORT ON CORPORATE GOVERNANCE (Contd.)

### 8. CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders'. The code lays down the Guidelines and procedures to be followed and disclosures to be made while dealing with equity shares of the Company. A copy of the said Code is available on the Company's website at <https://tarsons.com/wp-content/uploads/2023/03/TPL-Insider-Trading-Policy-1.pdf>.

The Company has also adopted 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. A copy of the said Code is available on the Company's website at <https://tarsons.com/wp-content/uploads/2022/06/Code-of-practices-and-procedures-for-fair-disclosure-of-UPSI.pdf>.

### 9. CEO & CFO CERTIFICATION

A certificate from the Managing Director and the Chief Financial Officer of the Company with regard to compliance in terms of Regulation 17(8) of Listing Regulations has been annexed at the end of this report and marked as **Annexure B**. They have also provided quarterly certificates on financial results while placing the same before the Board pursuant to Regulation 33 of the SEBI Listing Regulations.

### 10. DISCLOSURES

- (i) There were no materially significant related party transactions, which may have potential conflict with the interest of the Company. The details of the related party transactions are set out in the notes to financial statements forming part of this Annual Report. All the transactions with related parties have been made at arm's length basis. The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and Listing Regulations, as amended. The policy can be accessed at <https://tarsons.com/wp-content/uploads/2022/04/Related-Party-Transactions-Policy.pdf>.
- (ii) The Company became listed Company w.e.f. 26th November, 2021. There were no instances of non-compliance, penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any other authority, from the date of listing. All applicable requirements were fully complied with.
- (iii) The Audit Committee and Board of Directors in their respective meeting held on 10th March, 2023 has approved the Extension of 6 (six) months in utilization of funds received during IPO towards object stated as Funding Capital Expenditure for the proposed expansion of manufacturing facility in Panchla, Howrah, West Bengal due to unforeseen delay in construction and delay in receiving the machineries/moulds. The same was disclosed to the stock exchanges on 10th March, 2023. The same can be accessed at <https://tarsons.com/wp-content/uploads/2023/03/Intimation-regarding-extension-of-timeline-in-utilization-of-funds-received-during-IPO.pdf>.
- (iv) The Company has adopted a Vigil Mechanism/Whistle Blower Policy as required under Section 177 of the Act and Regulation 22 of Listing Regulations, which is being reviewed by the Audit Committee of the Board. The Policy can be accessed at <https://tarsons.com/wp-content/uploads/2022/04/Whistle-Blower-Policy.pdf>.

The Audit Committee periodically reviews the existence and functioning of the mechanism. During the year, there was no reporting under the Vigil Mechanism/Whistle Blower Policy of the Company and no personnel were denied access to the Audit Committee.

- (v) The Company has complied with all the applicable mandatory requirements of the Listing Regulations during the financial year 2022-23.
- (vi) The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) referred to in Section 133 of the Act. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.
- (vii) The Policy for determining 'material' subsidiaries is available on the website of the Company at <https://tarsons.com/wp-content/uploads/2022/06/Policy-on-Material-Subsidiaries.pdf>. During the year under review, the Company has no material subsidiaries.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

- (viii) The Company has not raised any funds through preferential allotment or qualified institutions placement during the financial year 2022-23 as specified in Regulation 32(7A) of the Listing Regulations.
- (ix) The Company has obtained a certificate from M/s. Manisha Saraf & Associates, Practicing Company Secretary, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority in accordance with Listing Regulations. Copy of the Certificate is attached as **Annexure C**.
- (x) During the financial year 2022-23, there have been no circumstances where the Board of Directors of the Company have not accepted any recommendation made by any of the Committees of the Board.
- (xi) During the financial year 2022-23, the following payments were made to M/s. Price Waterhouse Chartered Accountants LLP, Statutory Auditors of the Company.

Particulars of payment	Amount (₹ in Million)
Statutory Audit Fee	2.00
Others	1.29
<b>Total</b>	<b>3.29</b>

- (xii) Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:  
The Company has in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this policy is to lay clear guidelines and provide right direction in case of any reported incidence of sexual harassment across the Company's offices, and take appropriate decision in resolving such issues. An Internal Complaints Committee (ICC) has been set up to redress the complaints received regarding sexual harassment.  
During the year under review, no complaints were received by the ICC under the aforesaid Act.
- (xiii) The Company has not made any loans and advances to any firms/companies in which any of the directors of the Company are interested during the year 2022-23.
- (xiv) The Company is fully compliant with Listing Regulations and there are no such non-compliances to report.  
The Company has also complied with all the mandatory requirements specified in Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- (xv) The Company does not have any shares in Demat suspense account or unclaimed suspense account.
- (xvi) The Company also strives to adhere and comply with the following discretionary requirements specified under Regulation 27(1) and Part E of the Schedule II of Listing Regulations, to the extent applicable:
- The quarterly and half yearly financial results are submitted to Stock Exchanges, published in newspapers and posted on the Company's website and are not sent to the shareholders separately.
  - The Company's financial statements for the year 2022-23 do not contain any audit qualification. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
  - The Chairman of the Company is an Executive Director.
  - The Internal Auditors of the Company report directly to the Audit Committee and are invited to be present as invitees at the Audit Committee meetings.

For and on behalf of the Board of Directors  
**For Tarsons Products Limited**  
*(Formerly known as Tarsons Products Private Limited)*

Place: Kolkata  
Date: 27th May, 2023

**Mr. Sanjive Sehgal**  
Chairman and Managing Director  
(DIN: 00787232)

**Mr. Rohan Sehgal**  
Whole Time Director  
(DIN: 06963013)

## REPORT ON CORPORATE GOVERNANCE (Contd.)

## ANNEXURE A

## DECLARATION

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I affirm that the Board members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for Directors and Senior Management Personnel, as applicable to them, for the year ended 31st March, 2023.

Place: Kolkata  
Date: 27th May, 2023

**Sanjive Sehgal**  
Chairman & Managing Director  
DIN: 00787232

## REPORT ON CORPORATE GOVERNANCE (Contd.)

## ANNEXURE B

## CERTIFICATE BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

The Board of Directors

**Tarsons Products Limited**

Martin Burn Business Park,  
Room No. 902 BP- 3, Salt Lake,  
Sector- V, Kolkata 700091

1. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2023 and that to the best of our knowledge and belief, we state that:
  - 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2022-23, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated, wherever applicable, to the Auditors and the Audit Committee:
  - i) significant changes in internal control over financial reporting during the year;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 27th May, 2023  
Place: Kolkata

**Sanjive Sehgal**  
Managing Director

**Santosh Kumar Agarwal**  
Chief Financial Officer  
& Company Secretary

**REPORT ON CORPORATE GOVERNANCE (Contd.)**
**ANNEXURE C**
**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,  
The Members of  
**TARSONS PRODUCTS LIMITED**  
Martin Burn Business Park,  
Room No. 902, BP-3, Salt Lake, Sector-V,  
Kolkata-700091

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Tarsons Products Limited** having **CIN: L51109WB1983PLC036510** and having registered office at Martin Burn Business Park, Room No. 902, BP-3, Salt Lake, Sector-V, Kolkata-700091 and (hereinafter referred to as "**the Company**"), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India ('SEBI'), Ministry of Corporate Affairs ('MCA') or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment in Company*
1.	Viresh Oberai	00524892	20/11/2018
2.	Sanjive Sehgal	00787232	25/07/1983
3.	Sucharita Basu De	06921540	10/05/2021
4.	Rohan Sehgal	06963013	01/09/2014
5.	Girish Paman Vanvari	07376482	10/05/2021
6.	Gaurav Pawan Kumar Podar	08387951	10/06/2019

\*the date of appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is 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 the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Manisha Saraf & Associates**  
**Practising Company Secretary**

**Manisha Saraf**

(Proprietor)

Membership No.: F 7607

Certificate of Practice No.: 8207

FRN: S2019VVB666200

UDIN: F007607E000390132

Date: 26th May, 2023

Place: Kolkata

## REPORT ON CORPORATE GOVERNANCE (Contd.)

**AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To the Members of **Tarsons Products Limited (Formerly known as Tarsons Products Private Limited)**

We have examined the compliance of conditions of Corporate Governance by **Tarsons Products Limited (Formerly known as Tarsons Products Private Limited)**, for the year ended 31st March, 2023 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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 Regulations, 2015.

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

For and on behalf of  
**Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number:  
012754N/N500016

**Amit Peswani**  
Partner

Membership No: 501213  
UDIN: 23501213BGUAVU5569

Place: Gurugram  
Date: 27th May, 2023

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

#### SECTION A: GENERAL DISCLOSURES

##### I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L51109WB1983PLC036510
2. Name of the Listed Entity	TARSONS PRODUCTS LIMITED
3. Year of incorporation	05/07/1983
4. Registered office address	Martin Burn Business Park, Room No. 902 BP- 3, Salt Lake, Sector - V, Kolkata, West Bengal - 700091
5. Corporate address	Martin Burn Business Park, Room No. 902 BP- 3, Salt Lake, Sector - V, Kolkata, West Bengal - 700091
6. E-mail	<a href="mailto:info@tarsons.com">info@tarsons.com</a> ; <a href="mailto:investor@tarsons.com">investor@tarsons.com</a>
7. Telephone	033-35220300
8. Website	<a href="http://www.tarsons.com">www.tarsons.com</a>
9. Financial year for which reporting is being done	1st April, 2022 to 31st March, 2023
10. Name of the Stock Exchange(s) where shares are listed	Bombay Stock Exchange (BSE) & National Stock Exchange (NSE)
11. Paid-up Capital	10,64,12,562 divided into 53,206,281 equity shares of ₹ 2 each
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Santosh Kumar Agarwal CFO & Company Secretary 033 3522-0300 <a href="mailto:info@tarsons.com">info@tarsons.com</a>
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	STANDALONE

##### II. Products/services

##### 14. Details of business activities (accounting for 90% of the turnover)

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing and Trading	Plastic products, non-metallic mineral products, rubber products, fabricated metal products and instruments.	100%

##### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Plastic products, non-metallic mineral products, rubber products, fabricated metal products and instruments.	2220	100%

##### III. Operations

##### 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	5	5	10
International	0	0	0

## Annexure I (Contd.)

## 17. Markets served by the entity.

## a. Number of locations

Locations	Number
National (No. of States)	28
International (No. of Countries)*	40+

\*We do not have any registered offices in international countries and the countries are served through the Head Office only.

b. What is the contribution of exports as a percentage of the total turnover of the entity?	33%
c. A brief on types of customers	Tarsons generates a substantial portion of its sales from two main customer segments: Contract Research Organizations (CRO) and Pharma. The remaining sales are derived from diverse sectors such as Diagnostics, Academia, Colleges, Universities, In-Vitro Fertilization (IVF), and Hospitals.

## IV. Employees

## 18. Details as at the end of Financial Year:

## a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	134	119	88.81	15	11.19
2.	Other than Permanent (E)	0	0	-	0	-
3.	Total employees (D + E)	134	119	88.81	15	11.19
<b>WORKERS</b>						
4.	Permanent (F)	579	579	100	0	0
5.	Other than Permanent (G)	0	0	-	0	-
6.	Total workers (F + G)	579	579	100	0	0

## b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	0	NIL			
2.	Other than Permanent (E)	0				
3.	Total differently abled employees (D + E)	0				
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	0	NIL			
5.	Other than permanent (G)	0				
6.	Total differently abled workers (F + G)	0				

## 19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.67
Key Management Personnel	1	0	0



## Annexure I (Contd.)

## 20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.73%	29.63%	15.38%	16.35%	38.10%	18.34%	5.56%	50.00%	9.18%
Permanent Workers	13.83%	0	13.83%	7.96%	0	7.96%	2.03%	0	2.03%

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

## 21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
Not Applicable				

## VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii) Turnover (in ₹)	2,81,34,05,588
(iii) Net worth (in ₹)	5,68,71,78,420

## VII. Transparency and Disclosures Compliances

## 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	-	0	0	-
Investors (other than shareholders)	Yes	0	0	-	0	0	-
Shareholders* *Majority	Yes	77	0	Majorly IPO related queries	488	0	All IPO related queries
Employees and workers	Yes	0	0	-	0	0	-
Customers	Yes	6	0	-	6	1	-
Value Chain Partners	Yes	0	0	-	0	0	-
Other (please specify)	-	-	-	-	-	-	-

## Annexure I (Contd.)

**24. Overview of the entity's material responsible business conduct issues**

**Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format**

<b>S. No.</b>	<b>Material issue identified</b>	<b>Indicate whether risk or opportunity (R/O)</b>	<b>Rationale for identifying the risk/opportunity</b>	<b>In case of risk, approach to adapt or mitigate</b>	<b>Financial implications of the risk or opportunity (Indicate positive or negative implications)</b>
1	Water and wastewater management	Risk	Water scarcity poses a significant risk to companies reliant on water-intensive operations, leading to operational disruptions and higher water procurement expenses. Additionally, manufacturing generates wastewater that requires treatment before disposal. Failure to comply with water quality regulations can result in compliance and mitigation costs.	With a strong commitment to water conservation, the Company will prioritize water stewardship through the implementation of conservation measures and the elimination of water wastage. The manufacturing process minimizes direct water consumption and utilizes hot water sparingly to reduce overall water usage. Furthermore, it will actively pursue water reuse and recycling initiatives to minimize fresh water consumption.. These initiatives demonstrate the Company's dedication to responsible water management, aiming to reduce environmental impact.	Negative
2	Energy and Emissions	Risk	The manufacturing industry employs a range of machinery, which requires substantial energy consumption and leads to substantial direct and indirect greenhouse gas (GHG) emissions, including carbon dioxide and methane from fuel usage. Additionally, manufacturing activities may generate air emissions such as sulphur dioxides (SO <sub>x</sub> ), nitrogen oxides (NO <sub>x</sub> ), and hazardous air pollutants.	Recognizing the significance of emissions and energy management, the Company conducts annual monitoring of fugitive air emissions, including greenhouse gases like CO <sub>2</sub> and Methane. It emphasizes procuring materials from local vendors whenever feasible to minimize product imports. Furthermore, the Company implements controlled and well-planned business travel, adhering to a "travelling light" policy.	Negative
3	Waste Management	Risk	As a routine aspect of company operations, waste is generated through machinery maintenance, office administration, and general operations. Inadequate waste handling can result in air pollution, climate change, and adverse ecological effects. Furthermore, it poses health and safety hazards to individuals exposed to the waste. Failure to comply with waste management regulations may result in substantial fines.	The Company focuses on waste reduction by implementing measures such as reusing waste whenever feasible. Additionally, it adopts standardized approaches, in compliance with environmental laws and guidelines, for the storage, transportation, and disposal of hazardous waste.	Negative

## Annexure I (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Employee Welfare and Engagement	Risk	Neglecting employee welfare and engagement can have detrimental effects on both individuals and the Company. Employees who perceive a lack of value, support, or engagement are prone to burnout, mental health problems, and physical ailments. This can lead to elevated absenteeism, decreased productivity, and higher turnover rates.	The Company implements diverse strategies to enhance employee engagement and satisfaction, such as offering training and development programs, providing comprehensive healthcare benefits, establishing grievance mechanisms to address concerns, and fostering career advancement and growth opportunities.	Negative
5	Occupational Health and Safety	Risk	The Company relies heavily on manual labour for maintenance, repairs, and on-site tasks, exposing workers to potential hazards associated with powered haulage and heavy machinery. As a result, there is an increased risk of accidents, falls, fatalities, and injuries. Temporary employees, lacking sufficient training and experience, are particularly vulnerable. Failure to prioritize worker health and safety can lead to fines, penalties, and legal or regulatory actions. Additionally, health and safety risks can cause project delays, downtime, increased project costs, and reduced profitability.	The Company is committed to continually enhancing its occupational health and safety practices, aiming to ensure the well-being and safety of its workers and employees. The Company prioritizes safety through a thorough hazard identification process, providing employees with health and safety training and equipping them with suitable safety gear to effectively mitigate risks and protect their well-being.	Negative
6	Product Quality & Safety	Opportunity	Ensuring premium product quality and safety, plastic product manufacturers can enhance their reputation, foster customer loyalty, gain a competitive advantage, mitigate liability risks, and comply with regulations. Investing in the quality and safety of their products is a key factor in ensuring the long-term success and sustainability.	-	Positive

## Annexure I (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Selling Practices & Product Labelling	Opportunity	Product labelling plays a crucial role in the manufacturing industry by providing vital information to consumers about product usage and safety precautions. Insufficient labelling can lead to consumer misuse or misunderstanding, potentially causing harm. Similarly, incorrect labelling can result in misidentification or misclassification of products, leading to disruptions in the supply chain, delays, and financial losses.	-	Positive
8	Labour Management	Risk	Companies that rely on on-site workers must implement effective labour management practices, considering factors such as workforce complexity (size, labour intensity, and operational locations), management-labour interaction, worker rights, and efforts to engage employees. Retention of skilled labour is particularly crucial to mitigate operational risks.	The Company prioritizes labour management through the implementation of well-defined policies and procedures related to employee benefits, compliance with labour standards and laws, provision of adequate training for job continuity, and various initiatives aimed at enhancing engagement and addressing worker grievances.	Negative
9	Human Rights	Risk	Companies that prioritize respect for human rights showcase their dedication to establishing sustainable and mutually beneficial relationships with stakeholders affected by their operations, including customers, communities, workers, and investors. This entails demonstrating genuine concern for the well-being of the individuals whose lives they touch.	The Company acknowledges the significance of human rights issues, including aspects such as minimum wages, a no-child labour policy, the elimination of forced labour, and the prevention of sexual harassment. It diligently monitors compliance and ensures adherence to all relevant standards and laws. The Company remains open to addressing any violations or concerns related to human rights.	Negative
10	Community Engagement and Development	Opportunity	By investing in the development of local communities, businesses contribute to the establishment of a stable, prosperous, and sustainable environment for their operations. This proactive approach not only benefits the community but also enhances the business's position by fostering a supportive local economy and expanding its customer base.	-	Positive

## Annexure I (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11	Anti-corruption & Bribery	Risk	Implementing robust anti-corruption and anti-bribery measures is crucial for a company to uphold ethical standards, maintain its reputation, mitigate legal and financial risks, ensure fair competition, and foster trust among stakeholders.	The Company adheres to a comprehensive anti-corruption and anti-bribery policy, which serves as a guiding principle for its code of conduct. Robust monitoring and reporting procedures are in place to ensure compliance with applicable laws, and a reporting mechanism is provided to address any violations that may occur.	Negative
12	Compliance and Business Ethics	Risk	Business ethics and management cover significant concerns such as fraud, executive misconduct, corruption, money laundering, and anti-trust violations. Violations can result in investigations, hefty fines, settlements, and reputational damage. Regulatory compliance ensures adherence to government regulations, building trust, credibility, reputation, and customer appeal. Non-compliance can lead to fines, legal consequences, and reputational harm.	The Company maintains ethical standards by establishing clear ethical principles. Compliance with relevant laws is ensured through stakeholder engagement, and any violations are actively monitored and reported. Non-compliance with ethical and compliance norms is treated with utmost seriousness by the Company, which also offers effective mechanisms for reporting any instances of non-compliance.	Negative
13	Corporate Governance	Risk	This topic assesses the influence of corporate governance and business ethics practices, including ownership, accounting, business ethics, and tax transparency, on the well-being and interests of shareholders and investors.	The Company's commitment to effective corporate governance is reflected in its well-defined policies. These policies encompass board diversity, a comprehensive code of conduct, clear guidelines for ownership, independent judgment, principles for resolving conflicts of interest, and conducting business with fairness and integrity.	Negative

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	<a href="https://tarsons.com/wp-content/uploads/2023/06/Tarsons-Business-Responsibility-and-Sustainability-Policy.pdf">https://tarsons.com/wp-content/uploads/2023/06/Tarsons-Business-Responsibility-and-Sustainability-Policy.pdf</a>								

## Annexure I (Contd.)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.  <i>*The policy is based on National Voluntary Guidelines on Social, Environmental &amp; Economical Responsibilities of Business released by Ministry of Corporate Affairs, Government of India.</i>	*	ISO 13485:2016  ISO 9001:2015	*	*	*	*	*	*	*
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<i>*We do not have mandated targets, commitments, or evaluation processes for all policies. We have procedures in place to track key parameters like shareholder complaints, employee satisfaction surveys, consumption of resources etc.</i>								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<b>Not Applicable.</b>  <i>*We track key parameters in policies and record them for learning and development to enhance our policies.</i>								

**Governance, leadership and oversight****7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**

Tarsons is a leading supplier of labware plastic ware in India with a strong vision to 'Grow business and become the most valued labware company in the Life Science space through world class performance, creating growing value of the Indian economy and the Company's stakeholders. 'Tarsons recognize the crucial role that environmental, social, and governance practices play in shaping a brighter future for the community. The Company is deeply committed towards achieving ESG related objectives and continues to prioritize ESG related agenda over the medium and long term with steps and actions plan set in small term goals.

The Company has formulated and follows EHS Policy and Environment Policy which emphasizes Social, Green, Pollution Control & Sustainability Initiatives. Tarsons also engages local units for its MSME procurement and strives to provide for equality by empowering people through capability-building and skill development. Tarsons upholds high governance standards and ensure manufactured products are made using safe and legally permissible raw materials, with suppliers, contractors, and business associates encouraged to maintain similar ethical standards. Tarsons firmly believe that employees and workers are the most valuable assets and play an integral role in success and hence promote a culture of respect, fairness, and inclusivity. To safeguard the rights and interests of employees, various policies including the code of conduct for employees and parties dealing with the Company, ethics policy, and sexual harassment policy, among others are adopted.

As an organization, Tarsons is committed to building upon progress and making further positive contributions to the environment, social and governance aspects in the future.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Rohan Sehgal (Whole-Time Director)
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, Rohan Sehgal (Whole time Director).  The Director holds the primary responsibility for overseeing Business Sustainability matters and making decisions regarding the implementation of Business Responsibility and Sustainability policies and providing directions on formulation of ESG strategy and monitoring the Company's progress and performance against the same.

## Annexure I (Contd.)

**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/ Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes, by the Director and/or Committees of the Board									Annually The policies are reviewed from time to time by the Board and/or Committees of the Board, wherever necessary, in pursuance of the amendments of Statutory Acts, rules and regulations governing the respective policies.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Director or Committee of the Board All the policies are reviewed in Compliance with statutory requirements of relevance to the principles.									Quarterly All the policies are reviewed in Compliance with statutory requirements of relevance to the principles.								

11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No	DNV	No	No	No	No	No	No	No

Note: The Policies are evaluated internally from time to time and updated whenever required.

**12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

## Annexure I (Contd.)

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

**PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**Essential Indicators****1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
<b>Board of Directors</b>	5	<p>During FY2023, various updates were made at the Board and Committee meetings. Independent Directors in their capacity as members of various Committees of the Board were informed on developments relating to diverse topics such as regulatory, economic and operating environmental changes, Corporate Governance, etc. Strategic presentations were made to the Directors, regularly on Company strategy, performance and growth plans. These presentations covered the entire range of business activities including macro-economic and market review, equity performance, earnings outlook, operational efficiencies, service and product offerings, update on sales performance, risk management framework, CSR initiatives, business sustenance and employee practices.</p> <p><b>Impact:</b> The training provided to the board of directors equips members with crucial knowledge and abilities that help them achieve their fiduciary duties, make wise choices, and overcome challenging organizational challenges. The directors' understanding of crucial concepts including corporate governance principles, strategic planning, risk management, and new market trends is improved through these training programmes. As a result, board members are better able to guide the organization towards sustainability and long-term growth.</p>	95%
<b>Key Managerial Personnel</b>	2	<p>The Company periodically updates and familiarizes employees on the following:</p> <ol style="list-style-type: none"> <li>1. Code of Conduct which covers aspects such as Corporate Governance</li> <li>2. Whistleblower Policy</li> <li>3. Policy on Prevention of Sexual Harassment</li> <li>4. Environmental, Social and Governance related compliances</li> </ol> <p><b>Impact:</b> These trainings provide managers with the necessary knowledge, skills, and tools to effectively lead their teams, make informed decisions, and drive operational excellence. By enhancing their understanding of leadership principles, strategic planning, communication, and problem-solving techniques, key management personnel are better equipped to handle complex challenges, foster a positive work culture, and achieve organizational goals</p>	100



## Annexure I (Contd.)

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Employees other than BoD and KMPs	3	<p>The Company periodically conducts several trainings and programmes for the wellbeing of the employees which inter alia includes the following:</p> <ol style="list-style-type: none"> <li>1. Health and Safety Training;</li> <li>2. Skill Upgradation Training;</li> <li>3. Workshop conducted under Prevention of Sexual Harassment (POSH Act, 2013)</li> </ol> <p><b>Impact:</b> Conducting trainings for employees on health and safety, skill development and Prevention of Sexual Harassment (POSH) has a profound impact on the well-being of individuals and the overall organizational culture. These trainings equip employees with the knowledge, skills, and awareness necessary to create a safe and healthy work environment. By providing education on proper safety protocols, emergency response procedures, and best practices for injury prevention, employees can actively contribute to maintaining a secure workplace.</p>	74%
Workers	2	<p>The Company periodically conducts several trainings and programmes for the wellbeing of the workers which inter alia includes the following:</p> <ol style="list-style-type: none"> <li>1. Health and Safety Training;</li> <li>2. Skill Upgradation Training;</li> </ol> <p>Impact: These trainings not only enhance the physical and psychological well-being of workers but also contribute to a more harmonious and productive work atmosphere. By prioritizing these trainings, organizations demonstrate their commitment to worker welfare, compliance with legal obligations, and the promotion of a supportive and inclusive workplace.</p>	73%

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format**

**Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on entity's website):**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine			NIL		
Settlement					
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment			NIL		
Punishment					

## Annexure I (Contd.)

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, Tarsons' Business Responsibility and Sustainability policy is committed to conduct it's business in accordance to ethical standards, which also highlights our stance on bribery and corruption and the responsibilities of those acting on its behalf. All individuals associated with Tarsons, including staff, consultants, contractors, and interns, are expected to uphold this commitment. The policy aims to prevent and identify bribery and corruption, with procedures to be followed if fraud is suspected.

Along with the Anti-Corruption and Anti-Bribery Policy, the Company has in place Whistle Blower Policy which provides the Stakeholders with a platform to report susceptible unethical behaviour, malpractices, wrongful conduct, fraud, violation of Company's Policy with direct access to the Top Management without any fear of reprisal. This in whole helps the Company in eliminating such malpractices at all levels and be ethical and policy compliant.

Link - <https://tarsons.com/wp-content/uploads/2023/06/Tarsons-Business-Responsibility-and-Sustainability-Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

NIL

## Annexure I (Contd.)

**Principle 2 Businesses Should Provide Goods and Services In A Manner That Is Sustainable And Safe****Essential Indicators**

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	Current Financial Year FY 2022-23	Previous Financial Year FY 2021-22	Details of improvements in environmental and social impacts
R&D	0	0	N.A.
Capex	0	0	N.A.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes

- b. **If yes, what percentage of inputs were sourced sustainably?**

80% to 90% of the raw material are sourced sustainably from the suppliers who are certified as compliant with ESG standards.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

The Company has an Environmental Management System Procedural Manual which provides guidelines on waste management practices to be followed for different categories of waste including Plastics, E-waste, Hazardous waste and any other waste. The Company is in process of tie-up with West Bengal Pollution Control Board (WBPCB) approved vendor for reusing, recycling and disposing of its wastes.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, Extended Producer Responsibility (EPR) is applicable to the entity's activities and the Company works in compliance with Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 & EPR guidelines. Our waste collection plan is in line with the EPR plan submitted to Pollution Control Board (PCB).

**PRINCIPLE 3 Businesses Should Respect And Promote The Well-Being Of All Employees, Including Those In Their Value Chains****Essential Indicators**

1. a. **Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number ©	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	119	101	84.87%	100	84.03%	N.A.	N.A.	119	100%	101	84.87%
Female	15	10	66.67%	9	60.0%	15	100%	N.A.	N.A.	10	66.67%
Total	134	111	82.83%	109	81.34%	15	100%	119	100%	111	82.83%
<b>Other than Permanent employees</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

## Annexure I (Contd.)

## b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number ©	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent workers</b>											
Male	579	139	24.0%	139	24.0%	0	0	0	0	139	24.0%
Female	0	0	0	0	0	0	0	0	0	0	0
Total	579	139	24.0%	139	24.0%	0	0	0	0	139	24.0%
<b>Other than Permanent workers</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

## 2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity*	100%	100%	N.A.	100%	100%	N.A.
ESI**	100%	100%	Y	100%	100%	Y
Others – Please Specify	-	-	-	-	-	-

\* Gratuity Not Deducted but deposited with LIC of India

\*\* Employees and Workers having gross salary of more than ₹ 21,000 are covered under Medclaim and Balance 100% covered under ESIC.

3. **Accessibility of workplaces Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

No.

The Company is fully committed to non-discrimination of any employee or worker on any grounds, whatsoever. The Company is in the process of developing infrastructure to provide a safe, accessible and collaborative environment for differently abled.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

The Company doesn't have any such specific policy, however the rights of employees and workers relating to Equal opportunity is well protected within the framework of Non-Discrimination Policy of the Company.

We don't discriminate in employment opportunities or practices on the basis of race, colour, religion, disability, national origin, genetic information, sex (including pregnancy), age, sexual orientation, gender (including gender identity and expression), marital status, protected veterans status, citizenship status or any other characteristic protected by applicable law.

However, The Company is in process of formulating a documented policy on Equal Employment Opportunity in accordance with the provisions of the Rights of Persons with Disability Act, 2016 read with the Rights of Persons with Disabilities Rules, 2017, and the Transgender Persons (Protection of Rights), 2019, read with the Transgender Persons (Protection of Rights) Rules, 2020.

## Annexure I (Contd.)

## 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	-	-	-
Female	-	-	-	-
Total	100%	-	-	-

## 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

The Company is committed to providing a safe and conducive work environment to all of its employees and associates. Transparency and openness are organizational values and are practiced across all levels. Employees are encouraged to share their concerns with their Reporting Manager or the members of the senior management. The Company has an open-door approach, wherein any employee irrespective of hierarchy has access to the senior management, encourages an amicable and fair resolution of grievances. In addition, our whistle blower policy allows all our employees to report any kind of suspected or actual misconduct in the organization in an anonymous manner. Stakeholders other than permanent employees of the Company can raise their grievances via e-mail to the concerned person/management. The non-permanent employees and workers communicate their grievances through their respective supervisors, which are further communicated to the Company for further action and resolution.

The Company has formulated a Policy on Prevention of Sexual Harassment at Workplace for prevention, prohibition and redressal of sexual harassment at workplace and Internal Complaints Committee has also been set up to redress any such complaints received.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Same as stated above
Other than Permanent Workers	Not Applicable
Permanent Employees	Same as stated above
Other than Permanent Employees	Not Applicable

## 7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association (s) or Union(D)	% (D/C)
Total Permanent Employees						
- Male						
- Female						
Total						
Permanent Workers						
- Male						
- Female						

NIL

## Annexure I (Contd.)

## 8. Details of training given to employees and workers:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	119	95	79.83%	85	71.43%	112	87	77.67%	84	75.00%
Female	15	12	80.00	11	73.33%	13	10	76.92%	9	69.23%
Total	134	107	79.85%	96	71.64%	125	97	77.60%	93	74.40%
<b>Workers</b>										
Male	579	457	78.92%	437	75.47%	433	318	73.44%	327	75.51%
Female	0	0	0	0	0	0	0	0	0	0
Total	579	457	78.92%	437	75.47%	433	318	73.44%	327	75.51%

## 9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	119	119	100%	112	112	100%
Female	15	15	100%	13	13	100%
Total	134	134	100%	125	125	100%
<b>Workers</b>						
Male	579	579	100%	433	433	100%
Female	0	0	-	0	0	-
Total	579	579	100%	433	433	100%

## 10. Health and safety management system:

## a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes.

The Company believes occupational health and safety is a pre-requisite for our employees and workers for their well-being and safety. It helps in attracting and retaining quality talent, besides being the duty of the Company as a responsible corporate citizen.

The Company has stringent guidelines to ensure safety of employees and visitors. Frequent equipment checks, such as air conditioners, chillers, UPS, stabilizers, and DG, are performed to mitigate any wear and tear caused by ongoing operation.

We also conduct Fire Drill Training at all our factories which equips personnel to respond to any fire that can occur in the premises. Fire extinguishers are kept stocked to ensure that they can be used effectively in the event of an emergency. All our factory sites, corporate offices have smoke detectors and fire alarm systems.

Other than the stated above the Company routinely conducts health and safety assessment for identification of any hazard risks. Additionally, also maintains an aspect and impact register to make further improvements along with conducting routing safety inspections.

Tarsons is currently in the process of implementing an Occupational Health & Safety management system that covers various aspects, including an Environmental Health & Safety Policy, documents such as an Employee Manual and Emergency Preparedness Plan, social audits, and management review meetings.

## Annexure I (Contd.)

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Tarsons employs several processes to routinely identify work-related hazards and assess risks. These include hazard identification and risk assessment, maintaining a register for aspect and impact analysis, utilizing checklists, and conducting safety inspections and observations.

**c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	1	2
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

Tarsons has implemented several measures to ensure a safe and healthy workplace. These include having a firefighting system in place, providing safety personal protective equipment (PPE), conducting awareness training for employees, establishing an onsite emergency plan, conducting risk analysis of environment and safety incidents/accidents, and displaying safety requirements visually.

Tarsons' plants, facilities and manufacturing equipment are designed based on careful consideration of statutory requirements, for healthy and safety workplace, applicable Indian and International Standards. One of the key focus areas remain safety of employees and investing in technologies and processes to avoid and minimize the manual interfaces with machines. The Company continued to invest in automation of processes with minimal human interventions.

**13. Number of Complaints on the following made by employees and workers:**

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

## Annexure I (Contd.)

**14. Assessments for the year:**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Health and safety practices	60%
Working Conditions	100%

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

No major safety-related incidents.

Tarsons has taken corrective action to address safety-related incidents and significant risks/concerns identified through assessments of health & safety practices and working conditions. This includes providing safety personal protective equipment (PPE) such as earplugs, safety belts, suitable gloves, and masks to employees working in high noise zones, elevated heights, and hazardous environments. Improvement in health and safety practices is a continuous process to uphold our occupational health and safety practices. CCTV was also installed for strengthening the surveillance.

**PRINCIPLE 4: Businesses Should Respect The Interests Of And Be Responsive To All Its Stakeholders****Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

The Company's senior management, in collaboration with multiple departments, has recognized the significance of various stakeholders for the organization. These stakeholders encompass shareholders, employees, customers, society, bankers, suppliers, vendors, and the government. To foster trust, transparency, and meet their expectations, the Company actively engages with these stakeholders. Valuing their feedback and inputs, the Company considers them crucial in making informed business decisions, ultimately promoting inclusive growth through the active participation of all stakeholders.

List of identified stakeholders :

1. Shareholders
2. Employees
3. Customers
4. Suppliers & Vendors
5. Bankers
6. Society
7. Government

**2. List of stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

<b>Stakeholder Group</b>	<b>Whether identified as Vulnerable &amp; Marginalized Group (Yes/No)</b>	<b>Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)</b>	<b>Frequency of engagement (Annually/Half yearly/Quarterly/others – please specify)</b>	<b>Purpose and scope of engagement including key topics and concerns raised during such engagement</b>
<b>Shareholders</b>	No	Email, SMS, Newspaper, Website, Stock Exchanges, Investor Calls, SCORES, ROC Filings	Quarterly & Event Based	To ensure timely dissemination of information regarding the Company's affairs and to effectively resolve grievances raised by stakeholders.



## Annexure I (Contd.)

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/Half yearly/Quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
<b>Employees</b>	No	Email, SMS, Notice Board	Monthly & Event Based	To enhance employee satisfaction and engagement by providing regular updates on the Company's affairs, resolving grievances promptly, conducting comprehensive career development reviews, and fostering increased employee engagement.
<b>Customers</b>	No	Email, SMS, Website	Event Based	To ensure effective communication with customers by regularly sharing updates on the launch of new products, introducing new product features, and actively engaging in communication regarding customer experience and feedback.
<b>Suppliers/Vendors</b>	No	Email, SMS, Website	Event Based	To address the needs and expectations, resolve supply chain issues, provide necessary awareness and training, ensure regulatory compliance, and facilitate detailed discussions on the scope of work and other pertinent details with suppliers and vendors.
<b>Bankers</b>	No	Email, SMS, Website, Newspaper, Stock Exchanges, ROC Filings	Quarterly & Event Based	To provide timely updates on the affairs of the Company and establish robust banking networks to effectively meet the financial needs of the organization.
<b>Society</b>	No	Website, One on One meet,	Event Based	To provide regular updates on the affairs of the Company, resolve community grievances effectively, and actively engage in corporate social responsibility (CSR) activities.
<b>Government</b>	No	Email, Website, Newspaper, Stock Exchanges, ROC Filings	Quarterly & Event Based	The purpose of engaging with the government is to provide updates on the Company's activities, actively promote public policies, and seek necessary clarifications when required.

## Annexure I (Contd.)

**PRINCIPLE 5 Businesses Should Respect and Promote Human Rights****Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. employees workers covered (B)	% (B/A)	Total (C)	No. employees workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	134	120	89.55%	125	108	86.40%
Other than permanent	0	0	0	0	0	0
Total Employees	134	120	89.55%	125	108	86.40%
<b>Workers</b>						
Permanent	579	523	90.32%	433	375	86.66%
Other than permanent	0	0	0	0	0	0
Total Workers	579	523	90.32%	433	375	86.66%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No. (C)	% (C/A)		No.(E)	% (E/D)	No.(F)	% (F/D)
<b>Employees</b>										
Permanent	134	0	0	134	100%	125	0	0	125	100%
Male	119	0	0	119	100%	112	0	0	112	100%
Female	15	0	0	15	100%	13	0	0	13	100%
Other than permanent	0	-	-	-	-	0	-	-	-	-
Male	0	-	-	-	-	0	-	-	-	-
Female	0	-	-	-	-	0	-	-	-	-
<b>Workers</b>										
Permanent	579	0	0	579	100%	433	0	0	433	100%
Male	579	0	0	579	100%	433	0	0	433	100%
Female	0	0	0	0		0	0	0	0	0
Other than permanent	0	-	-	-	-	0	-	-	-	-
Male	0	-	-	-	-	0	-	-	-	-
Female	0	-	-	-	-	0	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	12,00,000	1	12,00,000
Key Managerial Personnel	1	84,65,462	0	0
Employees other than BoD and KMP	118	6,24,617	15	3,84,934
Workers	579	193613	0	0

## Annexure I (Contd.)

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes.

The Company provides various mechanism for addressing human rights violations. Tarsons is compliant to human rights laws and regulations, and any violation or issues can be reported through our whistle blower policy and POSH policy mechanisms. Tarsons upholds human rights values in the system and forms a critical part of the business.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Tarsons upholds principles of equal opportunity, fair treatment, and zero tolerance for unlawful discrimination or harassment, including sexual harassment, among its employees. The Company ensures compliance with human rights principles through policies such as the Code of Conduct for Employees and Parties dealing with the Company, Ethics Policy, and other internal policies that protect the rights and interests of its employees.

Tarsons consider human rights due diligence as an integral part of business operations. We are committed to preventing any violations of human rights within our sphere of influence and have implemented robust measures to uphold this commitment.

**6. Number of Complaints on the following made by employees and workers:**

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. Adequate safeguards against victimization of complainants shall be provided. The Company strictly prohibits any attempt of retaliation by anyone against any employee who raises a concern under the policy in good faith. Cases related to prevention of sexual harassment at work place are treated with utmost sensitivity and confidentially in line with the guidelines of the Sexual Harassment of Women at Work Place (prevention, prohibition and redressal) Act 2013.

**8. Do human rights requirements form part of your business agreements and contracts?(Yes/No)**

Yes,

Human rights requirements form a part of the Company's business agreements and contracts as and where relevant.

**9. Assessments for the year:**

	%age of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

## Annexure I (Contd.)

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Not applicable

**PRINCIPLE 6: Businesses Should Respect and Make Efforts To Protect And Restore The Environment****Essential Indicators****1. Details of total energy consumption (in Giga Joules) and energy intensity, in the following format:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	43,185.31	37,819.81
Total fuel consumption (B)	1,373.91	1,314.62
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	44,559.22	39,134.43
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	1.58	1.30
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not Applicable

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	5,895	4,420
(ii) Groundwater	42.72	37.2
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	5,937.72	4,457.2
Total volume of water consumption (in kilolitres)	5,937.72	4,457.2
Water intensity per rupee of turnover (Water consumed / turnover)	2.11	1.48
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

No

## Annexure I (Contd.)

## 5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Nox	Ug/m3	46.55	48.25
Sox	Ug/m3	8.7	10.7
Particulate matter (PM)	Ug/m3	62.45	111.1
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	Miligram per cubic metre	0.01	0.03
Hazardous air pollutants (HAP)	Microgram per cubic metre	-	-
Others– please specify Particulate Matter (PM) (at 10 uM)	Ug/m3	116.2	250.2

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes.  
Mitra S.K. Private Limited

## 6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) &amp; its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	331.35	288.45
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	9,716.70	8,509.46
Total Scope 1 and Scope 2 emissions per rupee of turnover		3.57	2.92

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

## 7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, Tarsons implements several measures to promote environmental sustainability and reduce its carbon footprint. These include yearly monitoring of fugitive air emissions, controlled business travel with a "traveling light" policy, procuring materials from local vendors to reduce imports, minimizing direct water consumption in manufacturing, promoting cloud storage and video conferencing to reduce travel, and encouraging digital skills in the workplace to reduce paper usage. These efforts reflect Tarsons' commitment to environmentally responsible practices and help reduce overall GHG emissions.

Tarsons is committed to utilizing renewable energy and towards this end is planning to install the rooftop solar panels to power its factories, which will help in reducing our carbon footprint and ensuring reduction in global warming, decreasing the burning of limited fossil fuels, curbing CO<sub>2</sub> emissions, preventing pollution and keeping a check on obtuse deforestation.

## Annexure I (Contd.)

**8. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	322.23	254.11
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	6.66	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G) Used oil and empty barrels/containers	1.8	1.5
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	330.69	255.61
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	8.2	3.4
(iii) Other recovery operations	-	-
Total	8.2	3.4
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	0.77
(iii) Other disposal operations	331.18	260.85
Total	331.18	261.62
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Tarsons has defined Environmental Management System Procedure Manual. Procedures of Waste Management (ESP 11), describes ways to manage and dispose different types of waste generated. Classification of waste is important as a first step, which mainly includes Office waste, plastics waste, E-waste, Liquid waste. Further they are identified as degradable or non-degradable. Disposal responsibility is identified according to the classification of waste. Appropriate dustbins, disposal storage are allocated for proper disposal through a third party vendors.

For hazardous waste disposal, Tarsons has a well defined waste management practice to appropriately store and dispose off safely through vendors. The practices are in line with the guidelines of the Central Pollution Control Board (CPCB).

## Annexure I (Contd.)

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval /clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not applicable				

**PRINCIPLE 7 Businesses, When Engaging in Influencing Public and Regulatory Policy, Should Do So In A Manner That Is Responsible And Transparent**

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations.  
2
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Chamber of Commerce	National
2	Plastic Export Promotion Council	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
NIL		

**PRINCIPLE 8 Businesses Should Promote Inclusive Growth and Equitable Development**

**Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable					

## Annexure I (Contd.)

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
NIL						

**3. Describe the mechanisms to receive and redress grievances of the community.**

Tarsons considers the community a key stakeholder for the inclusive development of a society. There is regular engagement with key community institutions and representatives to redress their grievances, if any. Furthermore, any community person can redress their grievance through our whistle-blower policy mechanisms.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs/ small producers	4.82%	3.64%
Sourced directly from within the district and neighbouring districts	54.14%	37.33%

**PRINCIPLE 9 Businesses Should Engage With and Provide Value To Their Consumers In A Responsible Manner**

**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Tarsons has a defined mechanism to receive and respond to consumer complaints and feedback and the same is recorded for reference and review purposes.

Various team members are involved at different stages to handle consumer concerns including members from sales, marketing, quality and production.

Complaints are received via verbal/written/email mode of communication. The complaints are then registered, and the root cause is identified. Furthermore, a determination of correction and corrective action is taken. Corrective action taken is intimated to the customer and review/feedback is taken. Lastly, the effectiveness of corrective action is taken to understand the satisfaction of the customer which is followed by closing of that particular query.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	-
Safe and responsible usage	70%
Recycling and/or safe disposal	30%

**3. Number of consumer complaints in respect of the following:**

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	



## Annexure I (Contd.)

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	6	0	Customer complaints pertaining to product-related issues	6	1	Customer complaints pertaining to product-related issues

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	0	Not applicable
Forced recalls	0	Not applicable

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes.

Tarsons has an Information Technology Policy which is available on the secured intranet of the Company.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Not applicable

# Independent Auditor's Report

## To the Members of Tarsons Products Limited (Formerly Tarsons Products Private Limited)

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

1. We have audited the accompanying financial statements of Tarsons Products Limited (Formerly Tarsons Products Private Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

#### Basis for Opinion

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

#### Key audit matters

4. 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 our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Revenue recognition as per Ind AS 115</p> <p>Refer to Note 2.12 (Significant Accounting Policies) and Note 20 (Revenue from Operations) of the financial statements</p> <p>The Company's revenue for the year ended March 31, 2023 is 2,832.48 millions.</p> <p>The Company recognises revenue from sale of products in accordance with the accounting principles prescribed under Ind AS 115, "Revenue from contracts with customers". Revenue is measured at the transaction price allocated to the performance obligation net of trade discounts, volume rebates, and excluding taxes or duties collected and is recognised at a time when the company satisfies a performance obligation by transferring control of the products being sold to the customer.</p> <p>The control in respect of sale of products is transferred when the products are delivered to the customers in accordance with the terms of contract with the customer i.e., either when the goods are shipped or delivered to the specific location.</p>	<p>Our audit procedures included the following:</p> <ol style="list-style-type: none"> <li>a) We evaluated the design and tested operating effectiveness of the relevant controls with respect to revenue recognition.</li> <li>b) We assessed the appropriateness of the revenue recognition accounting policy in line with Ind AS 115 "Revenue from Contracts with Customer".</li> <li>c) We performed substantive testing of revenue transactions on sample basis, recorded during the year by testing the underlying documents which included contracts with the customers, shipping documents (e.g., lorry receipts, bill of lading, Airway bill etc.) and customer acknowledgments, as applicable.</li> <li>d) We assessed the different types of delivery terms agreed by the Company with its customers to evaluate the point of time when control of the products being sold is transferred to the customer either through shipment of goods or through delivery of goods to specific location and determine whether performance obligation specified in the underlying contract is satisfied.</li> </ol>

## Independent Auditor's Report (Contd.)

Key audit matter	How our audit addressed the key audit matter
We identified revenue recognition as a key audit matter as revenue is significant to the financial statements owing to its large volume and results in greater audit effort to address the matter.	<p>e) We tested, on a sample basis, specific revenue transactions recorded, before and after the financial year end date, by testing the underlying shipping documents and customer acknowledgements, as applicable.</p> <p>f) We examined, on a sample basis, credit notes issued after the year end, wherever applicable to determine whether the revenue has been recognised in the appropriate financial period.</p> <p>Based on the above procedures performed, no significant exception was noted by us in the revenue recognised by the Company during the year.</p>

### Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report along with its Annexures included in the Company's Annual Report, 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.

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

### Responsibilities of management and those charged with governance for the financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's responsibilities for the audit of the financial statements

8. 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.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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

## Independent Auditor's Report (Contd.)

for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.
10. 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.
  11. 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.
  12. 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.

### Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.

## Independent Auditor's Report (Contd.)

- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2023.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries [Refer Note 43(vii) to the financial statements];
  - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries [Refer Note 43(vii) to the financial statements]; and
  - (c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year.
  - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.
15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016

**Amit Peswani**  
Partner

Membership Number 501213  
UDIN: 23501213BGUAVS8982

Kolkata  
May 27, 2023

## Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Tarsons Products Limited (Formerly Tarsons Products Private Limited) on the financial statements as of and for the year ended March 31, 2023

### Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Tarsons Products Limited (Formerly Tarsons Products Private Limited) ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

2. 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

#### Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Annexure A to Independent Auditor's Report (Contd.)

### Inherent Limitations of Internal Financial Controls with reference to financial statements

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

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, 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 issued by ICAI.

For **Price Waterhouse Chartered Accountants LLP**

Firm Registration Number: 012754N/N500016

Chartered Accountants

**Amit Peswani**

Partner

Membership Number: 501213

Kolkata  
May 27, 2023

## Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Tarsons Products Limited (Formerly Tarsons Products Private Limited) on the financial statements as of and for the year ended 31st March 2023

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3(a) to the financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 50 million, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are not in agreement with the unaudited books of account as set out below [Also refer Note 43(ii) to the financial statements].

Name of the Bank	Aggregate working capital limits sanctioned (Rs in millions)	Nature of Current Asset offered as Security	Quarter ended	Amount disclosed as per quarterly return/statement (Rs in millions)	Amount disclosed as per quarterly return/statement (Rs in millions)	Difference (Rs in millions)	Reasons for difference
HDFC Bank Limited/ Axis Bank Limited	310 from each of banks	Refer below*	June 30, 2022	2,412.80	2,503.60	(90.80)	Difference in Current Assets. Refer Note 1 for the reasons
			June 30, 2022	410.50	408.84	1.66	Difference in Current Liabilities. Refer Note 1 for the reasons

\* First Pari Passu hypothecation charge created over the entire current assets and moveable fixed assets of the Company both present and future, except exclusively financed by other banks/financial institution and factory land and building at Domjur, Kasba, Sankrail and Office Building at Jasmine Tower, Kolkata.



## Annexure B to Independent Auditor's Report (Contd.)

Note-1: The Bank returns were prepared and filed before the completion of all financial statement closure activities including Ind AS related adjustments/ reclassifications as applicable, which led to these differences between the final books of accounts and the bank return prepared based on provisional books of accounts.

Note 2: Returns/statements for the quarter ended 31st March, 2023 are yet to be submitted and as represented by the management, it would be appropriately filed by the Company subsequent to the issue of the financial statements by the Board of Directors which has been agreed by the Company with the respective banks.

- iii. (a) The Company has not made investments during the year in any Company/ firm / Limited Liability Partnership. The Company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any Company / firm / Limited Liability Partnership/ other party other than unsecured loan to 7 employees. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to aforesaid loans to employees are as per the table given below:

	<b>Loans (Rs in millions)</b>
Aggregate amount granted/ provided during the year	0.46
- Others (Employees)	
Balance outstanding as a balance sheet date in respect of the above case	0.28
- Others (Employees)	

[Also refer Note 43 (xiv) to the financial statements]

- (b) In respect of the aforesaid loans (which are interest free), the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
- (c) In respect of the aforesaid loans, the schedule of repayment of principal has been stipulated, and the employees are repaying the principal amounts, as stipulated in a regular manner. Employee loans are interest free in nature and accordingly, the payment of interest is not applicable.
- (d) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- (e) There were no loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.
- (f) The loans granted during the year, had stipulated the scheduled repayment of principal and the same were not repayable on demand. There were no loans/advances in nature of loans which were granted during the year to promoter/related parties.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Tax deducted at source (TDS) for which there were large number of serious delays, the Company is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. However, there are no arrears of Tax deducted at Source outstanding as at March 31, 2023, for a period of more than six months from the date they became payable. Also, refer Note 33 to the financial statements regarding management's assessment on certain matters relating to provident fund.

## Annexure B to Independent Auditor's Report (Contd.)

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. [Also refer Note 43(xiii) to the financial statements]
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Further, refer Note 41 to the financial statements regarding utilisation of proceeds from initial public offer undertaken in previous financial year, during the current financial year in accordance with Board Resolution.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

## Annexure B to Independent Auditor's Report (Contd.)

- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group [as defined in the Core Investment Companies (Reserve Bank) Directions 2016] does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company. [Refer Note 43(xix) to the financial statements]
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios [Also refer Note 43 (xx) to the financial statements], ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016

**Amit Peswani**

Partner

Membership Number 501213

UDIN: 23501213BGUAVS8982

Kolkata  
May 27, 2023

## Balance Sheet

as at 31st March, 2023

(All amounts in Rupees Million, unless otherwise stated)

Particulars	Notes	As at	
		31st March, 2023	31st March, 2022
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	3(a)	2,177.15	1,814.33
Right-of-use assets	3(b)	66.22	66.94
Capital work-in-progress	3(c)	1,189.67	322.45
Intangible assets	3(d)	5.12	6.64
Intangible assets under development	3(e)	-	-
Financial assets			
i. Other financial assets	4	40.52	59.12
Current tax assets	5	21.97	24.99
Other non-current assets	6	1,235.85	702.54
<b>Total Non-Current Assets</b>		<b>4,736.50</b>	<b>2,997.01</b>
<b>Current Assets</b>			
Inventories	7	1,143.73	823.74
Financial assets			
i. Trade receivables	8	657.97	651.78
ii. Cash and cash equivalents	9	590.58	774.42
iii. Bank balances other than cash and cash equivalents	10	9.09	83.77
iv. Other financial assets	4	0.56	0.58
Other current assets	6	118.40	110.96
<b>Total Current Assets</b>		<b>2,520.33</b>	<b>2,445.25</b>
<b>TOTAL ASSETS</b>		<b>7,256.83</b>	<b>5,442.26</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11	106.41	106.41
Other equity	12	5,586.62	4,791.89
<b>Total Equity</b>		<b>5,693.03</b>	<b>4,898.30</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial liabilities			
i. Borrowings	13	806.91	93.45
ii. Lease liabilities	3(b)	0.48	0.45
iii. Other financial liabilities	15	0.43	1.03
Deferred tax liabilities (Net)	16	54.12	43.57
Other non-current liabilities	19	72.71	56.32
<b>Total Non-Current Liabilities</b>		<b>934.65</b>	<b>194.82</b>
<b>Current Liabilities</b>			
Financial liabilities			
i. Borrowings	13	299.50	122.72
ii. Lease liabilities	3(b)	0.03	0.03
iii. Trade payables	14		
(A) Total outstanding dues of micro enterprises and small enterprises		10.70	10.07
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		85.77	119.45
iv. Other financial liabilities	15	154.85	35.12
Provisions	17	20.10	14.92
Current tax liabilities	18	19.29	-
Other current liabilities	19	38.91	46.83
<b>Total Current Liabilities</b>		<b>629.15</b>	<b>349.14</b>
<b>Total Liabilities</b>		<b>1,563.80</b>	<b>543.96</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,256.83</b>	<b>5,442.26</b>

Significant accounting policies

2

The accompanying notes are an integral part of these Financial Statements

This is the Balance Sheet referred to in our report of even date.

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration No. 012754N/N500016

**Amit Peswani**

Partner

Membership No. 501213

**For and on behalf of the Board of Directors of Tarsons Products Limited**

**(Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**

**Sanjive Sehgal**

Chairman &

Managing Director

DIN: 00787232

**Rohan Sehgal**

Whole-Time Director

DIN: 06963013

**Santosh Kumar Agarwal**

Chief Financial Officer

and Company Secretary

Place: Kolkata

Date: 27th May, 2023

Place: Kolkata

Date: 27th May, 2023

## Statement of Profit and Loss

for the year ended 31st March, 2023

(All amounts in Rupees Million, unless otherwise stated)

Particulars	Notes	Year ended	
		31st March, 2023	31st March, 2022
Revenue from operations	20	2,832.48	3,007.94
Other income	21	119.34	84.67
<b>Total Income</b>		<b>2,951.82</b>	<b>3,092.61</b>
<b>EXPENSES</b>			
Cost of materials consumed	22	711.16	695.91
Purchases of stock-in-trade	23	95.91	105.23
Changes in inventories of finished goods, work-in-progress, stock-in-trade and scrap	24	(156.53)	(172.12)
Employee benefits expense	25	340.70	314.08
Finance costs	26	44.67	42.16
Depreciation and amortization expense	27	285.09	219.61
Other expenses	28	543.62	537.85
<b>Total Expenses</b>		<b>1,864.62</b>	<b>1,742.72</b>
<b>Profit before tax</b>		<b>1,087.20</b>	<b>1,349.89</b>
Income tax expense:			
Current Tax	29	269.51	332.48
Deferred Tax	29	10.55	10.77
<b>Total Income tax expense</b>		<b>280.06</b>	<b>343.25</b>
<b>Profit for the year</b>		<b>807.14</b>	<b>1,006.64</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to Profit or Loss</b>			
- Remeasurements of post-employment benefit obligations	30	(16.58)	2.75
- Income Tax on above	29	4.17	(0.69)
<b>Total Other Comprehensive Income for the year, net of tax</b>		<b>(12.41)</b>	<b>2.06</b>
<b>Total Comprehensive Income for the year (comprising Profit and Other Comprehensive Income for the year)</b>		<b>794.73</b>	<b>1,008.70</b>
<b>Earnings per equity share (Nominal value of ₹ 2/share)</b>			
Basic earning per share (In ₹)	34	15.17	19.46
Diluted earning per share (In ₹)	34	15.17	19.46

The accompanying notes are an integral part of these Financial Statements

This is the Statement of Profit and Loss referred to in our report of even date.

**For Price Waterhouse Chartered Accountants LLP**  
 Firm Registration No. 012754N/N500016

**For and on behalf of the Board of Directors of Tarsons Products Limited (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**

**Amit Peswani**  
 Partner  
 Membership No. 501213

**Sanjive Sehgal**  
 Chairman &  
 Managing Director  
 DIN: 00787232

**Rohan Sehgal**  
 Whole-Time Director  
 DIN: 06963013

**Santosh Kumar Agarwal**  
 Chief Financial Officer  
 and Company Secretary

Place: Kolkata  
 Date: 27th May, 2023

Place: Kolkata  
 Date: 27th May, 2023

## Statement of Cash Flows

(All amounts in Rupees Million, unless otherwise stated)

Particulars	Notes	For the year ended	
		31st March, 2023	31st March, 2022
<b>Cash flow from operating activities</b>			
Profit before tax		1,087.20	1,349.89
<b>Adjustments for:</b>			
Depreciation and amortization expense	27	285.09	219.61
Profit on sale of Property, plant and equipments (net)	21	(2.67)	(0.42)
Allowance/(Reversal) of allowance for expected credit loss (net)	28	(4.39)	2.82
Unrealized foreign exchange differences		(6.04)	(6.46)
Interest income	21	(28.94)	(13.14)
Finance costs (excluding interest on lease liabilities)	26	44.62	42.11
Interest on lease liabilities	26	0.05	0.05
Deferred government grant		(12.68)	(8.11)
Other non-cash expenses		-	0.18
<b>Operating cash flow before working capital changes</b>		<b>1,362.24</b>	<b>1,586.53</b>
<b>Change [(increase)/ decrease] in operating assets</b>			
Trade receivable		2.25	(178.23)
Inventories		(319.99)	(357.01)
Other financial assets		18.66	(30.48)
Other assets		(7.44)	47.88
<b>Change [increase/ (decrease)] in operating liabilities</b>			
Trade payable		(31.07)	59.67
Other financial liabilities		(3.35)	11.22
Other liabilities		(10.87)	26.50
Provisions		(11.41)	2.36
<b>Cash generated from operations</b>		<b>999.02</b>	<b>1,168.44</b>
Income taxes paid		(243.03)	(333.77)
<b>Net cash inflow/(outflow) from operating activities (A)</b>		<b>755.99</b>	<b>834.67</b>
<b>Cash flows from investing activities</b>			
Payment for purchase of Property, plant & equipments and intangible assets		(1,899.68)	(1,319.69)
Proceeds from sale of Property, plant & equipments		10.62	0.99
Fixed deposits realized (original maturity more than 3 months)		69.93	1,739.40
Fixed deposits placed (original maturity more than 3 months)		-	(1,808.70)
Interest received		33.65	8.55
<b>Net cash inflow/(outflow) from investing activities (B)</b>		<b>(1,785.48)</b>	<b>(1,379.45)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of equity shares		-	1,497.01
Share issue expenses		-	(40.35)
Proceeds from long term borrowings		1,051.68	433.21
Repayment of long term borrowings		(150.74)	(330.03)
Payment of lease liabilities (including interest)		(0.03)	(0.03)
Proceeds from working capital demand loans		88.98	2,360.00

**Statement of Cash Flows (Contd.)**  
*(All amounts in Rupees Million, unless otherwise stated)*

Particulars	Notes	For the year ended	
		31st March, 2023	31st March, 2022
Payment of working capital demand loans		(99.03)	(2,581.47)
Finance costs paid		(45.25)	(42.59)
<b>Net cash inflow/(outflow) from financing activities (C)</b>		<b>845.61</b>	<b>1,295.75</b>
<b>Net increase/(decrease) in Cash and cash equivalents (A + B +C)</b>		<b>(183.88)</b>	<b>750.97</b>
Cash and cash equivalents at the beginning of the year		774.42	23.32
Exchange gain/(loss) on translation of foreign currency Cash and cash equivalent		0.04	0.13
<b>Cash and cash equivalents at end of the year</b>		<b>590.58</b>	<b>774.42</b>
<b>Non-cash investing and financing activities</b>			
(a) Issue of bonus shares to existing shareholders		0.00	99.96
<b>Reconciliation of Cash and cash equivalents as per the statement of cash flows</b>			
Cash and cash equivalents as per above comprise of the following			
Cash on hand		0.31	0.37
<b>Balances with banks</b>			
In current accounts		58.97	86.91
In fixed deposit accounts (Original maturity less than 3 months)		531.30	687.14
<b>Balances per Statement of Cash Flows</b>		<b>590.58</b>	<b>774.42</b>

**Notes:**

- Figures in brackets represent cash outflows.
- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows" as notified under the Companies (Indian Accounting Standard) Rules, 2015.

The accompanying notes are an integral part of these Financial Statements

This is the Statement of Cash flow referred to in our report of even date.

**For Price Waterhouse Chartered Accountants LLP**  
 Firm Registration No. 012754N/N500016

**For and on behalf of the Board of Directors of Tarsons Products Limited**  
**(Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**

**Amit Peswani**  
 Partner  
 Membership No. 501213

**Sanjive Sehgal**  
 Chairman &  
 Managing Director  
 DIN: 00787232

**Rohan Sehgal**  
 Whole-Time Director  
 DIN: 06963013

**Santosh Kumar Agarwal**  
 Chief Financial Officer &  
 Company Secretary

Place: Kolkata  
 Date: 27th May, 2023

Place: Kolkata  
 Date: 27th May, 2023

## Statement of Changes in Equity

(All amounts in Rupees Million, unless otherwise stated)

### A. Equity Share capital

Particulars	Notes	Equity share capital	
		Number	Amount
<b>Balance as at 1st April, 2021</b>		<b>1,92,228</b>	<b>1.92</b>
Changes in Equity share capital during the year	11	5,30,14,053	104.49
<b>Balance as at 31st March, 2022</b>		<b>5,32,06,281</b>	<b>106.41</b>
<b>Balance as at 1st April, 2022</b>		<b>5,32,06,281</b>	<b>106.41</b>
Changes in Equity share capital during the year	11	-	-
<b>Balance as at 31st March, 2023</b>		<b>5,32,06,281</b>	<b>106.41</b>

### B. Other equity

Particulars	Notes	Reserves and surplus				Total
		Securities premium	Retained earnings	Amalgamation Reserve	Capital Redemption Reserve	
<b>Balance as at 1st April, 2021</b>		<b>17.40</b>	<b>2,418.12</b>	<b>5.86</b>	<b>0.08</b>	<b>2,441.46</b>
Profit for the year		-	1,006.64	-	-	<b>1,006.64</b>
Other comprehensive income for the year, net of tax		-	2.06	-	-	<b>2.06</b>
<b>Total comprehensive income for the year</b>		<b>17.40</b>	<b>3,426.82</b>	<b>5.86</b>	<b>0.08</b>	<b>3,450.16</b>
Amount received on fresh issue of equity shares		1,492.48	-	-	-	<b>1,492.48</b>
Amount utilized for share issue expenses	12	(50.79)	-	-	-	<b>(50.79)</b>
52 Bonus shares issued for every one equity share held by equity shareholders during the year		-	(99.96)	-	-	<b>(99.96)</b>
<b>Balance as at 31st March, 2022</b>		<b>1,459.09</b>	<b>3,326.86</b>	<b>5.86</b>	<b>0.08</b>	<b>4,791.89</b>
<b>Balance as at 1st April, 2022</b>		<b>1,459.09</b>	<b>3,326.86</b>	<b>5.86</b>	<b>0.08</b>	<b>4,791.89</b>
Profit for the year		-	807.14	-	-	<b>807.14</b>
Other comprehensive income for the year, net of tax		-	(12.41)	-	-	<b>(12.41)</b>
<b>Total comprehensive income for the year</b>		<b>1,459.09</b>	<b>4,121.59</b>	<b>5.86</b>	<b>0.08</b>	<b>5,586.62</b>
<b>Balance as at 31st March, 2023</b>		<b>1,459.09</b>	<b>4,121.59</b>	<b>5.86</b>	<b>0.08</b>	<b>5,586.62</b>

The accompanying notes are an integral part of these Financial Statements

This is the Statement of Changes in Equity referred to in our report of even date.

**For Price Waterhouse Chartered Accountants LLP**  
Firm Registration No. 012754N/N500016

**For and on behalf of the Board of Directors of Tarsons Products Limited**  
**(Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**

**Amit Peswani**  
Partner  
Membership No. 501213

**Sanjive Sehgal**  
Chairman &  
Managing Director  
DIN: 00787232

**Rohan Sehgal**  
Whole-Time Director  
DIN: 06963013

**Santosh Kumar Agarwal**  
Chief Financial Officer  
and Company Secretary

Place: Kolkata  
Date: 27th May, 2023

Place: Kolkata  
Date: 27th May, 2023



## Notes to the financial statements for the year ended 31st March, 2023

(All amounts in Rupees Millions, unless otherwise stated)

### 1. CORPORATE INFORMATION

Tarsons Products Limited (formerly Tarsons Products Private Limited) (here in after referred to as "the Company" or "Tarsons") is a Public limited company domiciled in India, with its registered office situated at Martin Burn Business Park, Plot -3, BP Block, Sector V, Bidhannagar, Kolkata, West Bengal 700 091. The Company has been incorporated under the provisions of Companies Act, 1956. The Company is engaged in manufacturing and selling of plastic laboratory products and certain scientific instruments. The Company caters to both domestic and international markets. The Company had only one subsidiary company named Inlabpro Pte. Limited established in Republic of Singapore which has got dissolved during the current financial year and consequently its name have been struck off on 6th June , 2022 under the laws of Singapore. The Subsidiary company was not having any operations and the Company neither had transferred any money nor did any transaction with this subsidiary.

The total revenue and total comprehensive income (comprising of profit and other comprehensive income) of the subsidiary for the period from 1st April , 2022 to 6th June, 2022 was Nil and the net assets of the subsidiary as on the date of dissolution i.e. 6th June, 2022 was ₹ 0.00 Million. Since the only subsidiary of the Company has got dissolved before the year ended 31st March, 2023 and the impact of the subsidiary on the financial statements was not material, the Company has not prepared/presented the consolidated financial statements for the year ended 31st March , 2023.

### 2. SIGNIFICANT ACCOUNTING POLICIES

This note provides basis of preparation and a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Basis of preparation

##### (i) Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The financial statements were authorized for issue by the Company's Board of Directors on 27th May, 2023.

##### (ii) Functional and presentation currency

The functional and presentational currency of the Company is Indian Rupee (₹). These financial statements are presented in Indian Rupees (₹). All amounts have been rounded-off to the nearest Millions upto two decimal places, unless otherwise indicated.

##### (iii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- (a) certain financial assets and liabilities that is measured at fair value and
- (b) defined benefit plans – plan assets measured at fair value

##### (iv) New and amended standards adopted by the Company

The Ministry of Corporate Affairs had vide notification dated 23rd March, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1st April, 2022. These amendments did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

##### (v) New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31st March, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1st April, 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

## Notes to the financial statements for the year ended 31st March, 2023 (Contd.)

(All amounts in Rupees Millions, unless otherwise stated)

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. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

### (vi) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- Estimated useful life of property, plant and equipment – Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.
- Estimation of defined benefit obligation – Measurement of defined benefit obligation and related under plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality. Refer Note 30.
- Impairment of trade receivable: The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation.
- Determination of lease term - In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

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.

## 2.2 Property, plant and equipment

### (i) Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

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.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**Notes to the financial statements for the year ended 31st March, 2023 (Contd.)**  
(All amounts in Rupees Millions, unless otherwise stated)

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within Other Income.

**(ii) Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

**(iii) Depreciation methods, Estimated Useful Lives and Residual Value**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written-down value method and is recognized in the statement of profit and loss. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

<b>Asset</b>	<b>Useful Life</b>
Building	30 to 60 Years
Plant and Machinery and Moulds	15 Years
Electricals Equipment and Fittings	10 Years
Computers	3 Years
Furniture & Fixtures	10 Years
Office Equipments	5 Years
Vehicles	8 Years

Leasehold improvements (included under the block of assets as specified above) are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

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

The residual values are considered by the Management as per the limits specified in Part A of Schedule II of the Companies Act, 2013.

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

**2.3 Capital Work in Progress**

Expenditure incurred on construction of assets which are not ready for their intended use are carried at cost less impairment (if any), under Capital work-in-progress. The cost includes the purchase cost of materials, including

import duties and non-refundable taxes, interest on borrowings used to finance the construction of the asset and any directly attributable costs of bringing an asset ready for their intended use.

**2.4 Intangible Assets and Intangible Assets under development**

**(i) Software**

Intangible assets acquired are reported at cost less accumulated amortization and accumulated impairment losses.

Cost associated with maintaining software programmes are recognized as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software

## Notes to the financial statements for the year ended 31st March, 2023 (Contd.)

(All amounts in Rupees Millions, unless otherwise stated)

- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

Expenditure incurred on development of an intangible assets which are not ready for their intended use are carried at cost less impairment (if any), under Intangible Assets under development.

### (ii) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

### (iii) Amortization methods and periods

Amortization is charged on a written down basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Computer softwares are amortized over the useful life of 5 years.

## 2.5 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

## 2.6 Leases

### As a lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

## Notes to the financial statements for the year ended 31st March, 2023 (Contd.)

(All amounts in Rupees Millions, unless otherwise stated)

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Tarsons Products Limited, which does not have recent third party financing
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortizing loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Company entities use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and Finance cost. The Finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

### 2.7 Financial assets

#### (i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Recognition

Regular way purchases and sales of financial assets are recognized on trade-date, being the date on which the Company commits to purchase or sale the financial asset.

#### (iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

## Notes to the financial statements for the year ended 31st March, 2023 (Contd.)

(All amounts in Rupees Millions, unless otherwise stated)

### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in Other income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in Other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in Other income.

### Equity Instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognized in profit or loss as Other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in Other income in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### (iv) Derecognition

A financial asset is derecognized only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

**Notes to the financial statements for the year ended 31st March, 2023 (Contd.)**  
*(All amounts in Rupees Millions, unless otherwise stated)*

**(v) Income recognition**

**Dividend**

Dividends are received from Financial assets at fair value through profit or loss and at FVOCI. Dividends are recognized as Other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

**Interest income**

Interest income from financial assets at fair value through profit or loss is disclosed as Interest income within other income. Interest income on Financial assets at amortized cost and Financial assets at FVOCI is calculated using the effective interest method is recognized in the statement of profit and loss as part of Other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for Financial assets that subsequently become credit-impaired. For credit-impaired Financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

**(vi) Offsetting**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or 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 Company or the counterparty.

**2.8 Impairment**

**(a) Impairment of financial assets**

The Company recognizes loss allowances for expected credit losses on:

- Financial assets measured at amortized cost; and
- Financial assets measured at FVOCI- debt investments.

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

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are measured at amortized cost. The Company does not have any financial assets which are carried at fair value through profit or loss or at FVOCI. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all Other financial assets (i.e. cash and bank balances and Other financial assets), expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized, is recognized as an impairment gain or loss in the statement of profit and loss.

**2.9 Impairment of other assets**

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes 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 groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**Notes to the financial statements for the year ended 31st March, 2023 (Contd.)**  
*(All amounts in Rupees Millions, unless otherwise stated)*

**2.10 Inventories**

Inventories are measured at the lower of cost and net realizable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Cost is determined using the First-in-First out (FIFO) method in respect of Raw Materials, Stock-in-trade, Packing Materials and Consumable Stores and spares. The cost of work-in progress and finished goods comprises cost of purchase, cost of conversion and other costs including appropriate production overheads, incurred in bringing such inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

The comparison of cost and net realizable value is made on an item-by-item basis.

**2.11 Foreign Currency Translation**

**(i) Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (₹), which is Tarsons Products Limited's functional and presentation currency.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within Other income /(expense).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

**2.12 Revenue Recognition**

Revenue from sale of products is recognized at the point in time when control of the products is transferred to the customer, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

The Company recognizes revenue from the sale of products at the transaction price allocated to the performance obligation which is the price specified in the contract, net of returns and allowances, trade discounts, volume rebates and excluding taxes or duties collected. Such provisions give rise to variable consideration and are estimated at contract inception and updated thereafter. Revenue from value added services, namely freight and shipping insurance, is recognized as and when services are rendered, as per the terms agreed with the customers.

- a. A refund liability is recognized for expected volume discounts payable for sales made till the end of the reporting period.
- b. If a customer pays consideration before the Company transfers goods or services to the customer, an advance from customers (contract liability) is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.



## Notes to the financial statements for the year ended 31st March, 2023 (Contd.)

(All amounts in Rupees Millions, unless otherwise stated)

- c. The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money since the Company does not have any significant financing element included in the sales made.

### 2.13 Employee Benefits

#### (i) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### (ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards publicly administered provident fund as per the government regulation. The contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

#### (iii) Defined benefit plans

The Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

The liability or asset recognized in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in statement of profit and loss as past service cost.

#### (iv) Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

### 2.14 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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

## Notes to the financial statements for the year ended 31st March, 2023 (Contd.)

(All amounts in Rupees Millions, unless otherwise stated)

### (i) Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

### (ii) Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

## 2.15 Provisions and Contingencies

### (i) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

### (ii) Contingencies

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefit is probable.

**Notes to the financial statements for the year ended 31st March, 2023 (Contd.)**  
*(All amounts in Rupees Millions, unless otherwise stated)*

**2.16 Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognized initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method, less loss allowance.

**2.17 Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are generally paid within 30 to 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**2.18 Borrowings**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**2.19 Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks and financial institutions (including surplus balance in the cash credit accounts), other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

**2.20 Earnings Per Share**

- (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year

**Notes to the financial statements for the year ended 31st March, 2023 (Contd.)**

*(All amounts in Rupees Millions, unless otherwise stated)*

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

**2.21 Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. Refer Note 36 for details on segment information presented.

**2.22 Government Grant**

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income such as duty drawbacks and other export benefit entitlements are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment (Export Promotion Capital Goods) are included in non-current and current liabilities (as applicable) as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

**2.23 Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The transaction costs incurred with respect to the IPO of the Company has been recognized as an asset to the extent considered recoverable from the selling shareholders. Remaining costs were allocated between new issue of shares and listing of existing equity shares. The costs attributable to listing of existing shares have been recognized in profit or loss. The remaining costs attributable to new issuance of shares have been recorded as a deduction from equity.

**2.24 Rounding off amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Million rupees upto two decimal places as per the requirement of Schedule III, unless otherwise stated.

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 3(A) PROPERTY, PLANT AND EQUIPMENT

Description	Gross Carrying amount			Accumulated depreciation				Net Carrying amount
	As at 1st April, 2022 (At cost/deemed cost)	Additions	Disposals	As at 31st March, 2023 (At cost/deemed cost)	For the Year	Disposals	As at 31st March, 2023	As at 31st March, 2023
Freehold Land [Refer Note 43(xi) and 3(a)(iv)]	471.17	-	-	471.17	-	-	-	471.17
Buildings [Refer Note 43(xi)]	190.09	9.83	-	199.92	12.53	-	66.44	133.48
Plant and Equipment	810.91	417.86	1.28	1,227.49	127.76	0.86	396.46	831.03
Moulds	924.45	204.73	-	1,129.18	130.82	-	423.18	706.00
Furniture & Fixtures	21.29	8.40	-	29.69	4.88	-	12.05	17.64
Office Equipments	3.43	3.08	-	6.51	0.78	-	2.73	3.78
Computer	6.16	1.48	-	7.64	1.80	-	5.48	2.16
Vehicles	21.99	8.24	14.15	16.08	4.28	6.62	4.19	11.89
<b>Total</b>	<b>2,449.49</b>	<b>653.62</b>	<b>15.43</b>	<b>3,087.68</b>	<b>282.85</b>	<b>7.48</b>	<b>910.53</b>	<b>2,177.15</b>

Description	Gross Carrying amount			Accumulated depreciation				Net Carrying amount
	As at 1st April, 2021 (At cost/deemed cost)	Additions	Disposals	As at 31st March, 2022 (At cost/deemed cost)	For the Year	Disposals	As at 31st March, 2022	As at 31st March, 2022
Freehold Land [Refer Note 43(xi) and 3(a)(iv)]	253.68	217.49	-	471.17	-	-	-	471.17
Buildings [Refer Note 43(xi)]	174.92	15.17	-	190.09	11.90	-	53.91	136.18
Plant and Equipment	506.31	304.60	-	810.91	86.78	-	269.56	541.35
Moulds	587.90	336.55	-	924.45	108.14	-	292.36	632.09
Furniture & Fixtures	13.02	8.27	-	21.29	3.11	-	7.17	14.12
Office Equipments	2.74	0.69	-	3.43	0.32	-	1.95	1.48
Computer	3.89	2.27	-	6.16	1.63	-	3.68	2.48
Vehicles	16.77	10.74	5.52	21.99	5.64	4.95	6.53	15.46
<b>Total</b>	<b>1,559.23</b>	<b>895.78</b>	<b>5.52</b>	<b>2,449.49</b>	<b>217.52</b>	<b>4.95</b>	<b>635.16</b>	<b>1,814.33</b>

#### Notes

- (i) Refer to Note 13 for information on Property, plant and equipment hypothecated as security by the Company.
- (ii) Aggregate amount of depreciation has been included under "Depreciation and amortization expense" in the Statement of Profit and Loss (Refer Note 27).
- (iii) Refer Note 32 for disclosure of contractual commitments for the acquisition of Property, plant and equipments.
- (iv) In respect of the Company's land at Jangalpur on which the factory is located, the complete approval under the West Bengal Land Reforms Act, 1955, for conversion of use from agricultural to non agricultural purpose is yet to be received.

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 3 (B) LEASES

#### The Company as a Lessee

The Company has a lease contract for certain land and buildings having lease term between 75 to 99 years. Generally, the Company is restricted from assigning or subleasing the leased assets. Lease term are negotiated on an individual basis and contain wide range of different terms and condition. The lease agreements do not impose any covenants other than security interests in the leased assets that are held by lessor. Leased assets may not be used as a security for borrowing purposes. The Company has also certain leases of buildings with lease term of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases. The following is the movement of ROU assets for the year 31st March, 2023:

Description	Gross Carrying amount				Accumulated depreciation			Carrying amount (net)	
	As at 1st April, 2022	Additions	Disposals/ Terminations	As at 31st March, 2023	As at 1st April, 2022	For the Year	Deletion		As at 31st March, 2023
Land	4.36	-	-	4.36	0.17	0.04	-	0.21	4.15
Building	64.52	-	-	64.52	1.77	0.68	-	2.45	62.07
<b>Total</b>	<b>68.88</b>	<b>-</b>	<b>-</b>	<b>68.88</b>	<b>1.94</b>	<b>0.72</b>	<b>-</b>	<b>2.66</b>	<b>66.22</b>

The following is the movement of ROU assets for the year 31st March, 2022:

Description	Gross Carrying amount				Accumulated depreciation			Carrying amount (net)	
	As at 1st April, 2021	Additions	Disposals/ Terminations	As at 31st March, 2022	As at 1st April, 2021	For the Year	Deletion		As at 31st March, 2022
Land	4.36	-	-	4.36	0.12	0.05	-	0.17	4.19
Building	64.52	-	-	64.52	1.10	0.67	-	1.77	62.75
<b>Total</b>	<b>68.88</b>	<b>-</b>	<b>-</b>	<b>68.88</b>	<b>1.22</b>	<b>0.72</b>	<b>-</b>	<b>1.94</b>	<b>66.94</b>

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 3 (B) LEASES (CONTD.)

The break-up of current and non-current lease liabilities is as follows :

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non-Current	0.48	0.45
Current	0.03	0.03
	<b>0.51</b>	<b>0.48</b>

The following is the movement of lease liabilities:

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Balance at the beginning</b>	0.48	0.47
Additions	-	-
Finance cost accrued during the year	0.05	0.05
Payments of Lease liabilities	(0.03)	(0.03)
<b>Balance at the end</b>	<b>0.51</b>	<b>0.48</b>

#### Amount recognized in statement of profit and loss

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(i) Depreciation expense on Right-of -use of Assets (Note 27)	0.72	0.72
(ii) Interest expense on lease liabilities (Note 26)	0.05	0.05
(iii) Expense relating to short term leases (Note 28)	7.01	3.86
(iv) Expense relating to low value leases	-	-

#### Notes

- (i) The Company does not have any lease of low value assets.
- (ii) Extensions and termination options are included in major lease contracts of Company. These are used to maximize operational flexibility in terms of managing the assets used in the Company's operations. In case of building, Company have extension rights to extend the lease for two terms of 99 years which has not been considered for determining the lease term in absence of reasonable certainty.
- (iii) There are no residual value guarantees in relation to any lease contracts.
- (iv) In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in lease term if the lease is reasonably certain to be extended (or not terminated). Most extension options in buildings have not been included in lease liability, because the Company could replace the assets without significant cost or disruption. The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or significant change in circumstances occurs, which affect this assessment and that is within the control of lessee.
- (v) The Company had a total cash outflow of ₹ 0.03 Million for leases for the year ended 31st March, 2023 (Previous year: ₹ 0.03 Million)

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 3(C) CAPITAL WORK-IN-PROGRESS

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Opening balance</b>	322.45	215.00
Add: Addition during the year	1,520.84	1,003.23
Less: Transfer during the year	(653.62)	(895.78)
<b>Closing Balance</b>	<b>1,189.67</b>	<b>322.45</b>

#### (i) Capital work in progress ageing schedule as at 31st March, 2023

Particulars	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	548.84	640.83	-	-	1,189.67
Projects temporarily suspended [Refer Note (ii) below]	-	-	-	-	-

#### Capital work in progress ageing schedule as at 31st March, 2022

Particulars	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	269.46	1.84	-	-	271.30
Projects temporarily suspended [Refer Note (ii) below]	-	-	29.04	22.11	51.15

#### (ii) Completion Schedule for Capital work in progress whose completion is overdue compared to its original plan

As at 31st March, 2023	Amount in Capital work in progress to be capitalized in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
None	-	-	-	-	-

#### Completion Schedule for Capital work in progress whose completion is overdue compared to its original plan

As at 31st March, 2022	Amount in Capital work in progress to be capitalized in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Serological Pipette manufacturing facility	-	51.15	-	-	51.15

#### (iii) There are no Capital work in progress which has exceeded its cost compared to its original plan



Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 3(D) INTANGIBLE ASSETS

Description	Gross Carrying amount			Accumulated depreciation			Net Carrying amount	
	As at 1st April, 2022 (At cost)	Additions	Disposals	As at 31st March, 2023	For the Year	Disposals	As at 31st March, 2023	As at 31st March, 2022
Computer Software	8.01	-	-	8.01	1.52	-	2.89	5.12
<b>Total</b>	<b>8.01</b>	<b>-</b>	<b>-</b>	<b>8.01</b>	<b>1.52</b>	<b>-</b>	<b>2.89</b>	<b>5.12</b>

Description	Gross Carrying amount			Accumulated depreciation			Net Carrying amount	
	As at 1st April, 2021 (At cost)	Additions	Disposals	As at 31st March, 2022	For the Year	Disposals	As at 31st March, 2022	As at 31st March, 2021
Computer Software	-	8.01	-	8.01	1.37	-	1.37	6.64
<b>Total</b>	<b>-</b>	<b>8.01</b>	<b>-</b>	<b>8.01</b>	<b>1.37</b>	<b>-</b>	<b>1.37</b>	<b>6.64</b>

#### Notes

(i) Aggregate amount of amortization has been included under "Depreciation and Amortization expense" in the Statement of Profit and Loss (Refer Note 27).

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 3(E) INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Opening balance</b>	-	5.83
Add: Addition during the year	-	2.19
Less: Transfer during the year	-	(8.02)
<b>Closing balance</b>	-	-

#### Notes

- (i) There are no Intangible assets under development as at 31st March, 2023 and 31st March, 2022. Accordingly, disclosure on ageing at the end of reporting period and completion schedule of overdue projects or projects which has exceeded its cost compared to original plan has not been given.

### 4 OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Non-Current</b>		
Security deposits	39.84	58.49
Long term deposits with banks (with maturity of more than 12 months)	0.68	0.63
<b>Total</b>	<b>40.52</b>	<b>59.12</b>

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Current</b>		
Loan to employees [Refer Note 43(xiv)]	0.56	0.58
<b>Total</b>	<b>0.56</b>	<b>0.58</b>

### 5 CURRENT TAX ASSETS

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance tax [Net of Provision of ₹ 1291.21 Million (31st March, 2022: ₹ 1291.60 Million)]	21.97	24.99
<b>Total</b>	<b>21.97</b>	<b>24.99</b>

### 6 OTHER ASSETS

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Non-current</b>		
Capital advances	1,235.85	702.54
<b>Total</b>	<b>1,235.85</b>	<b>702.54</b>

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

## 6 OTHER ASSETS (CONTD.)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Current</b>		
Advance to suppliers for goods and services	47.09	55.04
Prepaid expenses	2.73	4.73
Prepaid CSR expenses	1.25	19.80
Export benefit receivable	6.98	18.49
Advance with public bodies (Goods and service tax, excise duty etc.)	61.02	13.09
Other advances	-	0.48
	<b>119.07</b>	<b>111.63</b>
Less: Provision for doubtful advances with public bodies	(0.67)	(0.67)
<b>Total</b>	<b>118.40</b>	<b>110.96</b>

## 7 INVENTORIES

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw materials	428.87	306.88
Work-in-progress	134.75	4.12
Finished goods	422.27	405.21
Stock in trade	81.13	72.48
Packing materials	54.88	29.00
Consumable stores and spares	19.77	4.18
Scrap	2.06	1.87
<b>Total</b>	<b>1,143.73</b>	<b>823.74</b>

(i) Refer Note 13 for information on inventories hypothecated as security by the Company.

(ii) There are no goods in transit as at 31st March, 2023 and as at 31st March, 2022

## 8 TRADE RECEIVABLES

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Current</b>		
<b>Unsecured, considered good</b>		
Trade receivables from contract with customers	657.97	656.17
Less: Allowance for expected credit losses	-	(4.39)
<b>Total</b>	<b>657.97</b>	<b>651.78</b>

### Break up of security details

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	657.97	656.17
Trade receivables which have significant increase in Credit Risk	-	-
Trade receivables - Credit Impaired	-	-
<b>Total</b>	<b>657.97</b>	<b>656.17</b>
Less: Allowance for expected credit losses	-	(4.39)
<b>Total</b>	<b>657.97</b>	<b>651.78</b>

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 8 TRADE RECEIVABLES (CONTD.)

The Company uses a provision matrix to determine impairment loss on portfolio of its Trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the Trade receivables and is adjusted for forward- looking estimates. At regular intervals, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

#### (i) Movement in the expected credit loss allowance

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance at the beginning of the year	4.39	1.64
Movement in expected credit loss allowance on Trade receivables calculated at lifetime expected credit losses	(4.39)	2.75
<b>Provision at the end of the year</b>	<b>-</b>	<b>4.39</b>

#### (ii) Expected credit loss for Trade receivables under simplified approach

Outstanding for following periods from the due date	As at 31st March, 2023		
	Gross	Expected Credit loss	Net credit risk
Unbilled	-	-	-
Not due	586.45	-	586.45
Less than 6 months	68.91	-	68.91
6 months to 1 year	1.24	-	1.24
1-2 years	1.37	-	1.37
2-3 years	-	-	-
more than 3 years	-	-	-
<b>Total</b>	<b>657.97</b>	<b>-</b>	<b>657.97</b>

Outstanding for following periods from the due date	As at 31st March, 2022		
	Gross	Expected Credit loss	Net credit risk
Unbilled	-	-	-
Not due	545.06	-	545.06
Less than 6 months	109.05	2.74	106.31
6 months to 1 year	2.06	1.65	0.41
1-2 years	-	-	-
2-3 years	-	-	-
more than 3 years	-	-	-
<b>Total</b>	<b>656.17</b>	<b>4.39</b>	<b>651.78</b>

#### (iii) Trade receivables ageing schedule as at 31st March, 2023

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled Dues	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	586.45	68.91	1.24	1.37	-	-	657.97
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

## 8 TRADE RECEIVABLES (CONTD.)

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled Dues	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-

### Trade receivables ageing schedule as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled Dues	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	545.06	109.05	2.06	0.00	-	-	656.17
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-

(iv) There are no outstanding receivables due from directors or other officers of the Company or any of them either severally or jointly with any other person or debt due by firms or private companies respectively in which any director is a partner or a director or member.

(v) Refer Note 31 for information about credit risk and market risk on receivables.

(vi) Refer Note 13 for information on Trade receivable hypothecated as security by the Company

## 9 CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2023	As at 31st March, 2022
Cash on hand	0.31	0.37
Unrestricted Balances with banks		
- in current accounts (Refer Note (i) below)	58.97	86.91
- in term deposit accounts with original maturity period not more than three months	531.30	687.14
<b>Total</b>	<b>590.58</b>	<b>774.42</b>

### Notes

(i) Balance with banks on current accounts includes balance of Initial Public Offer (IPO) proceeds of ₹ 21.69 Million (31st March, 2022: ₹ 51.44 Million) which will be utilised as stated in the prospectus for IPO.

(ii) There are no repatriation restriction with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

## 10 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Unrestricted Balances with banks</b>		
- Balances in term deposit account with original maturity period of more than three months and not more than twelve months	9.09	
<b>Held as margin money</b>		
- Balances in term deposit account with original maturity period of more than three months and not more than twelve months	-	83.77
<b>Total</b>	<b>9.09</b>	<b>83.77</b>

## 11 EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Authorized equity share capital</b>		
10,00,00,000 (31st March, 2022: 10,00,00,000) class A and class B equity shares of ₹ 2 (31st March, 2022: ₹ 2) each [Refer Note (f) below]	200.00	200.00
	<b>200.00</b>	<b>200.00</b>
<b>Issued, subscribed and paid-up equity share capital</b>		
5,32,06,281 (31st March, 2022 : 5,32,06,281) equity shares of ₹ 2 (31st March, 2022: ₹ 2) each [Refer Note (f) below]	106.41	106.41
<b>Total [A]</b>	<b>106.41</b>	<b>106.41</b>

Number of shares have been disclosed in absolute terms.

### (a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number	Amount	Number	Amount
<b>Equity shares</b>				
At the commencement of the year (Class A equity shares)	5,32,06,281	106.41	1,92,228	1.92
Shares split from Face Value of ₹ 10 to ₹ 2 each for every Class A equity shares [Refer Note (f) below]	-	-	7,68,912	-
52 Bonus equity shares issued for every one Class A equity share held by equity shareholders during the year [Refer Note (e) below]	-	-	4,99,79,280	99.96
Fresh Issue of equity shares through initial public offer	-	-	22,65,861	4.53
<b>Total</b>	<b>5,32,06,281</b>	<b>106.41</b>	<b>5,32,06,281</b>	<b>106.41</b>

### (b) Rights, Preferences and Restrictions

#### Equity Shares

The Company has two class of equity shares having a par value of ₹10 per share. Class A shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

'Class B' 8,013 equity shares of ₹10 each were issued and allotted to Clear Vision Investment Holding Pte. Limited on 18th March, 2020 pursuant to conversion of 22,00,000 Compulsorily Convertible Debentures with the condition that if the Company fails to complete a buyback within 30 days of serving the exercise notice, Clear Vision Investment

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
*(All amounts in Rupees Millions, unless otherwise stated)*

## 11 EQUITY SHARE CAPITAL (CONTD.)

Holding Pte Limited shall be entitled to exercise its voting right on such shares. Class B equity shares have been bought back by the Company during the year ended 31st March, 2021.

### (c) Particulars of shareholders holding more than 5% shares of Equity Shares

Name of the shareholder	As at 31st March, 2023		As at 31st March 2022	
	Number of shares held	% holding	Number of shares held	% holding
Sanjive Sehgal	1,43,54,248	26.98	1,43,54,248	26.98
Rohan Sehgal	1,08,00,347	20.30	1,08,00,347	20.30
Clear Vision Investment Holdings Pte Limited	1,24,60,615	23.42	1,24,60,615	23.42

### (d) Particulars of Promoters shareholding

#### Shareholding of promoters as on 31st March, 2023

Promoter name	Number of shares	% of total shares	% change during the year
Sanjive Sehgal	1,43,54,248	26.98	-
Rohan Sehgal	1,08,00,347	20.30	-
<b>Total</b>	<b>2,51,54,595</b>	<b>47.28</b>	

#### Shareholding of promoters as on 31st March, 2022

Promoter name	Number of shares	% of total shares	% change during the year
Sanjive Sehgal	1,43,54,248	26.98	(0.08)
Rohan Sehgal	1,08,00,347	20.30	(0.07)
<b>Total</b>	<b>2,51,54,595</b>	<b>47.28</b>	

- (e) A bonus issue was made to the shareholders of the Company as of the record date 25th June, 2021 in the ratio of 52:1, pursuant to Board of Director's and Shareholders' resolutions passed in their meeting held on 14th June, 2021 and 16th June, 2021, respectively. Pursuant to this, the Company has issued 4,99,79,280 Class A bonus equity shares of ₹ 2 each.
- (f) The equity shares of the Company were sub-divided from equity shares of face value of ₹ 10 each into equity shares of face value of ₹ 2 each, pursuant to Board of Director's and Shareholders' resolutions passed in their meeting held on 14th June, 2021 and 16th June, 2021 respectively. The record date for the aforementioned subdivision was 25th June, 2021.
- (g) The Company has bought back 8,013 Class B equity shares having face value of ₹ 10 each during the year ended 31st March, 2021.
- (h) No equity shares were allotted as fully paid up pursuant to contract without payment being received in cash.

## 12 OTHER EQUITY

Particulars		As at 31st March, 2023	As at 31st March, 2022
Securities premium	(i)	1,459.09	1,459.09
Amalgamation Reserve	(ii)	5.86	5.86
Capital Redemption Reserve	(iii)	0.08	0.08
Retained earnings	(iv)	4,121.59	3,326.86
<b>Total other equity</b>		<b>5,586.62</b>	<b>4,791.89</b>

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

## 12 OTHER EQUITY (CONTD.)

### (i) Securities premium

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Opening balance</b>	1,459.09	17.40
Add: Amount received on Fresh Issue of Equity Shares through Initial Public Offer	-	1,492.48
Less: Amount utilized for shares issue expenses (Refer Note 40)	-	(50.79)
<b>Closing balance</b>	<b>1,459.09</b>	<b>1,459.09</b>

### (ii) Amalgamation Reserve

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Opening balance</b>	5.86	5.86
Changes during the year	-	-
<b>Closing balance</b>	<b>5.86</b>	<b>5.86</b>

### (iii) Capital Redemption Reserve

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Opening balance	0.08	0.08
Changes during the year	-	-
<b>Closing balance</b>	<b>0.08</b>	<b>0.08</b>

### (iv) Retained earnings

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Opening balance</b>	3,326.86	2,418.12
Add: Profit during the year	807.14	1,006.64
Less: Utilized for issuing 52 Bonus equity shares issued for every one Class A equity share held by equity shareholders during the year	-	(99.96)
Add: Items of other comprehensive income recognized directly in retained earnings and will not be reclassified to Profit or Loss		
- Remeasurement of Post employment defined benefit obligation (net of tax)	(12.41)	2.06
<b>Closing balance</b>	<b>4,121.59</b>	<b>3,326.86</b>
<b>Total other equity</b>	<b>5,586.62</b>	<b>4,791.89</b>

#### Nature and purpose of reserves

##### (i) Securities premium:

Amounts received on issue of shares in excess of the par value has been classified as securities premium (net of utilization). The Security premium is utilized in accordance with the provisions of the Companies Act, 2013.

##### (ii) Amalgamation Reserve:

Amalgamation reserve has been recorded by the Company to give effect to the scheme of amalgamation approved by the Hon'ble High Court of Calcutta for amalgamation of G.R.Packsys Private Limited (Transferor Company) with the Company (Transferee Company) with effect from 1st April, 2012.



Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

## 12 OTHER EQUITY (CONTD.)

### (iii) Capital Redemption Reserve:

Capital Redemption Reserve has arisen on buy back of equity shares pursuant to the provisions of the Companies Act, 2013. The capital redemption reserve account may be applied by the Company, in paying up unissued shares of the Company to the members as fully paid bonus shares.

### (iv) Retained earnings:

The cumulative gain or loss arising from the operations which is retained by the Company is recognized and accumulated under the heading "Retained Earnings". At the end of the year, the profit after tax and Other comprehensive income is transferred from the Statement of Profit and Loss to retained earnings. Other comprehensive income comprises actuarial gains and losses on defined benefit obligation.

## 13 BORROWINGS

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Non-Current</b>		
<b>Secured</b>		
<b>Term Loans</b>		
<b>From Banks</b>		
Rupee Loan [Refer Note (b) below]	1,106.51	206.19
Less: Current Maturities of Long Term Debts (included in current borrowings)	(299.50)	(112.67)
<b>Total</b>	<b>807.01</b>	<b>93.52</b>
Less: Interest accrued	(0.10)	(0.07)
<b>Total</b>	<b>806.91</b>	<b>93.45</b>

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Current</b>		
<b>Secured</b>		
<b>Loans Repayable on demand</b>		
<b>From Banks</b>		
Cash Credit Loan [Refer Note (c) below]	-	10.05
Current Maturities of Long Term Debts	299.50	112.67
<b>Total</b>	<b>299.50</b>	<b>122.72</b>

### (a) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Cash and cash equivalents	590.58	774.42
Current borrowings	(299.50)	(122.72)
Non-current borrowings	(806.91)	(93.45)
Lease liabilities	(0.51)	(0.48)
<b>Net Cash &amp; Cash Equivalent/ (debt)</b>	<b>(516.34)</b>	<b>557.77</b>

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 13 BORROWINGS (CONTD.)

Particulars	Other assets	Liabilities from financing activities		Net
	Cash and cash equivalents	Non-current and Current borrowings	Lease liabilities	
	A	B		
<b>Net (Debt)/Cash and Cash Equivalent as at 31st March, 2021</b>	23.32	334.54	0.47	(311.69)
Cash flows	750.97	(117.89)	(0.03)	868.89
Foreign exchange adjustments	0.13	-	-	0.13
New leases	-	-	-	-
Finance cost	-	42.11	0.04	(42.15)
Interest paid	-	(42.59)	-	42.59
<b>Net (Debt)/Cash and Cash Equivalent as at 31st March, 2022</b>	<b>774.42</b>	<b>216.17</b>	<b>0.48</b>	<b>557.77</b>
Cash flows	(183.88)	890.87	(0.03)	(1,074.71)
Foreign exchange adjustments	0.04	-	-	0.04
New leases	-	-	-	-
Finance cost	-	44.62	0.06	(44.68)
Interest paid	-	(45.25)	-	45.25
<b>Net (Debt)/Cash and Cash Equivalent as at 31st March, 2023</b>	<b>590.58</b>	<b>1,106.41</b>	<b>0.51</b>	<b>(516.34)</b>

(b) Repayment schedule of borrowings and assets pledged as security as at 31st March, 2023 and 31st March, 2022

Name of Bank/ Financial Institution	Loan Amount	Repayment Schedule	No of Installments	Interest Rate	Installment Amount	Security
Axis Bank -Term Loan	₹ 213.00 (31st March, 2022: ₹ 194.24)	Quarterly	Total - 14 (Outstanding 8)	Repo+220 bps	(i) Equal amount of principal installments - ₹ 27.50 , (ii) Last amount of principal installment ₹ 20.50	Term loan from banks are secured by way of first pari passu hypothecation charge created over the: (i) Entire current assets and movable fixed assets of the Company, both present and future, except exclusively financed by other Banks/Financial Institutions. (ii) Factory land and buildings at Domjur, Kasba, Sankrail and Office Building at Jasmine Tower, Kolkata.
HDFC Bank - Term loan	₹ 9.18 (31st March, 2022: Nil)	Quarterly	Total - 8 (Outstanding 5)	T Bills+190 bps	Equal amount of principal installments - ₹ 1.84	(i) Entire current assets and movable fixed assets of the Company, both present and future, except exclusively financed by other Banks/Financial Institutions. (ii) Factory land and buildings at Domjur, Kasba, Sankrail and Office Building at Jasmine Tower, Kolkata.
Federal Bank - Term loan	₹ 19.20 (31st March, 2022: Nil)	Quarterly	Total - 2 (Outstanding 2)	Repo+Spread 1.65%	(i) Equal amount of principal installments - ₹ 16.67 , (ii) Last amount of principal installment ₹ 2.53	Exclusive Charge on movable fixed assets purchased/financed from proceeds of Loan

**Notes to the financial statements for the year ended 31st March, 2023 (Contd.)**
*(All amounts in Rupees Millions, unless otherwise stated)*
**13 BORROWINGS (CONTD.)**

<b>Name of Bank/ Financial Institution</b>	<b>Loan Amount</b>	<b>Repayment Schedule</b>	<b>No of Installments</b>	<b>Interest Rate</b>	<b>Installment Amount</b>	<b>Security</b>
ICICI Bank - Term loan (Tranche -1)	₹ 122.12 (31st March, 2022: Nil)	Monthly	Total - 66 (Outstanding 62)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 1.97	Term loan from banks are secured by way of first pari passu hypothecation charge created over the entire current assets and exclusive Charge on movable assets purchased from proceeds of Loan
ICICI Bank - Term loan (Tranche -2)	₹ 36.64 (31st March, 2022: Nil)	Monthly	Total - 66 (Outstanding 62)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.59	
ICICI Bank - Term loan (Tranche -3)	₹ 112.06 (31st March, 2022: Nil)	Monthly	Total - 66 (Outstanding 63)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 1.78	
ICICI Bank - Term loan (Tranche -4)	₹ 44.77 (31st March, 2022: Nil)	Monthly	Total - 66 (Outstanding 63)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.71	
ICICI Bank - Term loan (Tranche -5)	₹ 83.05 (31st March, 2022: Nil)	Monthly	Total - 66 (Outstanding 63)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 1.32	
ICICI Bank - Term loan (Tranche -6)	₹ 29.59 (31st March, 2022: Nil)	Monthly	Total - 66 (Outstanding 63)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.47	
ICICI Bank - Term loan (Tranche -7)	₹ 61.96 (31 March 2022: Nil)	Monthly	Total - 66 (Outstanding 64)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.97	
ICICI Bank - Term loan (Tranche -8)	₹ 17.16 (31st March, 2022: Nil)	Monthly	Total - 66 (Outstanding 64)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.27	
ICICI Bank - Term loan (Tranche -9)	₹ 55.84 (31st March, 2022: Nil)	Monthly	Total - 66 (Outstanding 65)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.86	

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 13 BORROWINGS (CONTD.)

Name of Bank/ Financial Institution	Loan Amount	Repayment Schedule	No of Installments	Interest Rate	Installment Amount	Security
ICICI Bank - Term loan (Tranche -10)	₹ 11.22 (31st March, 2022: Nil)	Monthly	Total - 66 (Outstanding 66)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.17	
ICICI Bank - Term loan (Tranche -11)	₹ 100.98 (31st March, 2022: Nil)	Monthly	Total - 66 (Outstanding 66)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 1.53	
ICICI Bank - Term loan (Tranche -12)	₹ 188.00 (31st March, 2022: Nil)	Monthly	Total - 66 (Outstanding 66)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 2.85	
Axis Bank -Car Loan*	₹ Nil (31st March, 2022: ₹ 7.73)	Monthly	Total - 60 (Outstanding Nil)	7.45%	Equated Monthly Installments (EMI) - ₹ 0.18	Secured against hypothecation of vehicles purchased/ financed from proceeds of loan.
HDFC Bank -Car Loan	₹ 3.12 (31st March, 2022: ₹ 4.22)	Monthly	Total - 60 (Outstanding 30)	7.50%	Equated Monthly Installments (EMI) - ₹ 0.11	Secured against hypothecation of vehicles purchased/ financed from proceeds of loan.

\* Prepaid during the year

**(c) Repayment schedule of current borrowings and assets pledged as security as at 31st March, 2023 and 31st March, 2022**

- A. Cash Credit and Working Capital Demand Loans facilities of Axis Bank and HDFC Bank are secured by way of pari passu first hypothecation charge created over the:
- Entire current assets and movable fixed assets of the Company, both present and future, except exclusively financed by other Banks/Financial Institutions.
  - Factory land and buildings at Domjur, Kasba, Sankrail and Office Building at Jasmine Tower, Kolkata.
- B. Cash Credit and Working Capital Demand Loans facilities of ICICI Bank are secured by way of pari passu first hypothecation charge created over the:
- Entire current assets of the Company both present and future, except exclusively finance by other Banks.

### 14 TRADE PAYABLES

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Current</b>		
Total outstanding dues of micro enterprises and small enterprises [Refer Note (i) below]	10.70	10.07
Total outstanding dues of creditors other than micro enterprises and small enterprises	85.77	119.45
<b>Total Trade payables</b>	<b>96.47</b>	<b>129.52</b>

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

#### 14 TRADE PAYABLES (CONTD.)

##### (i) Dues to Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued on Office Memorandum dated 26th August, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31st March, 2023 has been made in the financial statements based on information received and available with the Company.

Particulars	As at 31st March, 2023	As at 31st March, 2022
i) The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	10.70	10.07
ii) The amount of interest paid by the Company along with the payment made to the supplier beyond the appointed day during each year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during each year) but without adding the interest specified under this Act.	-	-
iv) Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure.	-	-

##### ii) Trade payables aging schedule as at 31st March, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues Micro, Small and Medium Enterprises	-	10.70	-	-	-	-	10.70
(ii) Undisputed dues Others	14.09	48.65	22.66	0.37	-	-	85.77
(iii) Disputed dues - Micro, Small and Medium Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>14.09</b>	<b>59.35</b>	<b>22.66</b>	<b>0.37</b>	<b>-</b>	<b>-</b>	<b>96.47</b>

##### Trade payables aging schedule as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues Micro, Small and Medium Enterprises	-	10.07	-	-	-	-	10.07
(ii) Undisputed dues Others	12.84	86.78	19.38	0.36	0.09	-	119.45
(iii) Disputed dues - Micro, Small and Medium Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>12.84</b>	<b>96.85</b>	<b>19.38</b>	<b>0.36</b>	<b>0.09</b>	<b>-</b>	<b>129.52</b>

(iii) There are no Trade payables to related parties as at 31st March, 2023 and as at 31st March, 2022

(iv) Refer Note 31 for information about liquidity risk on Trade payables.

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

## 15 OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Non-Current</b>		
Security deposit	0.43	1.03
<b>Total</b>	<b>0.43</b>	<b>1.03</b>
<b>Particulars</b>	<b>As at 31st March, 2023</b>	<b>As at 31st March, 2022</b>
<b>Current</b>		
Capital creditors	124.41	1.96
Interest accrued on borrowings	0.10	0.07
Payable to employees	30.34	33.09
<b>Total</b>	<b>154.85</b>	<b>35.12</b>

## 16 DEFERRED TAX LIABILITIES

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Deferred tax liabilities</b>		
Property plant & Equipment	53.20	45.12
Right of use asset	1.63	0.98
Intangible assets	0.15	0.46
Borrowings	0.37	0.21
<b>Total deferred tax liabilities</b>	<b>55.35</b>	<b>46.77</b>
<b>Deferred tax assets</b>		
Lease liabilities	0.13	0.12
Trade receivables	1.10	1.10
Provision for Gratuity	-	1.98
<b>Total deferred tax assets</b>	<b>1.23</b>	<b>3.20</b>
<b>Net deferred tax liabilities/ (Asset)</b>	<b>54.12</b>	<b>43.57</b>

Movement of deferred tax assets / liabilities presented in the balance sheet for each of the period presented

For the year ended 31st March, 2023	As at 1st April, 2022	Recognized in profit or loss	Recognized in Other Comprehensive Income	As at 31st March, 2023
<b>Deferred tax liability on:</b>				
Property plant & Equipment	45.12	8.08	-	53.20
Right of use asset	0.98	0.65	-	1.63
Intangible assets	0.46	(0.31)	-	0.15
Borrowing	0.21	0.16	-	0.37
<b>Gross deferred tax liabilities (A)</b>	<b>46.77</b>	<b>8.58</b>	<b>-</b>	<b>55.35</b>
<b>Deferred tax assets on:</b>				

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

## 16 DEFERRED TAX LIABILITIES (CONTD.)

For the year ended 31st March, 2023	As at 1st April, 2022	Recognized in profit or loss	Recognized in Other Comprehensive Income	As at 31st March, 2023
Lease liabilities	0.12	0.01	-	0.13
Trade receivables	1.10	(0.00)	-	1.10
Provision for Gratuity	1.98	(1.98)	-	-
<b>Gross deferred tax assets (B)</b>	<b>3.20</b>	<b>(1.97)</b>	-	<b>1.23</b>
<b>Net deferred tax liabilities/ (assets) (A-B)</b>	<b>43.57</b>	<b>10.55</b>	-	<b>54.12</b>
For the year ended 31st March, 2022	As at 1st April, 2021	Recognized in profit or loss	Recognized in Other Comprehensive Income	As at 31st March, 2022
<b>Deferred tax liability on:</b>				
Property plant & Equipment	36.16	8.96	-	45.12
Right of use asset	0.14	0.84	-	0.98
Intangible assets	-	0.46	-	0.46
Borrowing	0.29	(0.08)	-	0.21
<b>Gross deferred tax liabilities (A)</b>	<b>36.59</b>	<b>10.18</b>	-	<b>46.77</b>
Lease liabilities	0.12	0.00	-	0.12
Trade receivables	0.88	0.22	-	1.10
Provision for Gratuity	2.79	(0.81)	-	1.98
<b>Gross deferred tax assets (B)</b>	<b>3.79</b>	<b>(0.59)</b>	-	<b>3.20</b>
<b>Net deferred tax liabilities/ (assets) (A-B)</b>	<b>32.80</b>	<b>10.77</b>	-	<b>43.57</b>

## 17 PROVISIONS

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Current</b>		
<b>Provision for employee benefits</b>		
Employee benefit obligation - Gratuity (Refer Note 30)	12.51	7.84
Provisions for compensated absences	7.59	7.08
<b>Total</b>	<b>20.10</b>	<b>14.92</b>

## 18 CURRENT TAX LIABILITIES

Other liabilities	As at 31st March, 2023	As at 31st March, 2022
<b>Current</b>		
Provision for Income Tax [Net of Tax Deducted At Source and Advance Tax ₹ 246.03 Million (31st March, 2022: ₹ Nil)]	19.29	-
<b>Total</b>	<b>19.29</b>	-

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

## 18 CURRENT TAX LIABILITIES (CONTD.)

Current tax liabilities/(Current tax assets)	As at 31st March, 2023	As at 31st March, 2022
<b>Opening Balance</b>	(24.99)	(24.39)
Add: Current tax payable for the year	265.34	333.17
Less: Taxed Paid	(243.03)	(333.77)
<b>Closing Balance</b>	<b>(2.68)</b>	<b>(24.99)</b>

## 19 OTHER LIABILITIES

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Non-current</b>		
Deferred government grant	72.71	56.32
<b>Total</b>	<b>72.71</b>	<b>56.32</b>
<b>Current</b>		
Statutory dues including provident fund and tax deducted at source	10.41	22.58
Advances from customers (Contract liabilities)	15.45	14.15
Deferred government grant	13.05	10.10
<b>Total</b>	<b>38.91</b>	<b>46.83</b>
<b>Government grants</b>		
	<b>As at</b>	<b>As at</b>
	<b>31st March, 2023</b>	<b>31st March, 2022</b>
<b>(Assets)/liabilities at the beginning of the year (net)</b>	47.93	16.89
Add: Grants during the year	63.23	65.24
Less: Realized to profit and loss	(32.38)	(34.20)
<b>(Assets)/liabilities at the end of the year (net)</b>	<b>78.78</b>	<b>47.93</b>

## 20 REVENUE FROM OPERATIONS

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
Sale of products	2,813.62	2,991.90
<b>Other Operating Revenues:</b>		
Sale of scrap	18.86	16.04
	<b>2,832.48</b>	<b>3,007.94</b>

### Particulars of sale of products

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
Manufactured goods		
- Plastic products	2,497.05	2,647.95
- Instruments & equipments	116.80	91.27
	<b>2,613.84</b>	<b>2,739.22</b>



Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

## 20 REVENUE FROM OPERATIONS (CONTD.)

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
Traded goods		
- Plastic products	172.43	216.07
- Instruments & equipments	27.35	36.61
	<b>199.78</b>	<b>252.68</b>
	<b>2,813.62</b>	<b>2,991.90</b>

### Notes:

1. Refer Note 36 for disaggregation of revenue by geographical region.
2. The contract liabilities of ₹ 14.15 Million (31st March, 2022: ₹ 2.46 Million) are recognized as revenue during the year.
3. Reconciliation of revenue recognized with contract price:

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
Contracted price	2,823.73	3,007.43
Adjustments:		
Refund liabilities and discounts	10.11	15.53
Revenue from contracts with customers	<b>2,813.62</b>	<b>2,991.90</b>

## 21 OTHER INCOME

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
Foreign exchange fluctuation (Net)	54.66	36.19
Interest income on financial assets measured at amortized cost	28.94	13.14
Profit on sale of Property, plant and equipment	2.67	0.42
Government grants [Refer Note (i) below]	32.38	34.20
Miscellaneous income	0.69	0.72
	<b>119.34</b>	<b>84.67</b>

### Note

- (i) Government grants are related to investments of the Company in Property, plant and equipment. The Company is required to export six times of duty saved (Grant) over a period of six years alongwith maintaining normal level of export during the said period. The Company also benefits from incentive received from the Government on export of goods such as duty drawbacks and other export benefit entitlements. There are no unfulfilled conditions or other contingencies attached to these grants.

## 22 COST OF MATERIALS CONSUMED

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
<b>Plastic Granules &amp; Components</b>		
Inventories at the beginning of the year	306.88	137.40
Add: Purchases during the year	833.15	865.39
Less: Inventories at the end of the year	(428.87)	(306.88)
	<b>711.16</b>	<b>695.91</b>

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 23 PURCHASES OF STOCK-IN-TRADE

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
Plastic products and instruments	95.91	105.23
	<b>95.91</b>	<b>105.23</b>

### 24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, STOCK-IN-TRADE AND SCRAP

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
<b>Inventories at the beginning of the year</b>		
Finished Goods	405.21	217.73
Work-in-progress	4.12	7.06
Stock in Trade	72.48	85.67
Scrap	1.87	1.10
<b>Total (A)</b>	<b>483.68</b>	<b>311.56</b>
<b>Inventories at the end of the year</b>		
Finished goods	422.27	405.21
Work-in-progress	134.75	4.12
Stock in Trade	81.13	72.48
Scrap	2.06	1.87
<b>Total (B)</b>	<b>640.21</b>	<b>483.68</b>
<b>(Increase) / Decrease in Inventories (A-B)</b>	<b>(156.53)</b>	<b>(172.12)</b>

### 25 EMPLOYEE BENEFIT EXPENSE

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
Salaries, wages and bonus etc.	316.79	294.83
Contribution to provident and other funds (Refer Note 30)	21.86	17.03
Staff welfare expenses	2.05	2.22
	<b>340.70</b>	<b>314.08</b>

### 26 FINANCE COSTS

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
(a) Interest expenses		
i) On financial liabilities measured at amortized cost i.e. Borrowings	42.43	39.22
ii) On lease liabilities	0.05	0.05
iii) On others	1.38	0.48
(b) Other borrowing costs	0.81	2.41
	<b>44.67</b>	<b>42.16</b>

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
 (All amounts in Rupees Millions, unless otherwise stated)

## 27 DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
Depreciation on Property, plant and equipment [Refer Note 3(a)]	282.85	217.52
Amortization of Intangible assets [Refer Note 3(d)]	1.52	1.37
Depreciation on Right-of-use assets [Refer Note 3(b)]	0.72	0.72
	<b>285.09</b>	<b>219.61</b>

## 28 OTHER EXPENSES

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
Consumption of packing materials	124.01	161.00
Consumption of consumable Stores and spares	7.85	10.62
Assembly and sterilization Charges	34.97	36.08
Power and fuel	98.86	98.29
Freight & forwarding	61.39	57.85
Sales promotion expenses	42.96	20.45
Auditors' remuneration [Refer Note 28(a) and 28(b)]	3.29	4.80
Insurance [Refer Note 28(b)]	15.38	10.31
Rent	7.01	3.86
Rates and taxes	1.88	1.88
Repairs		
To Plant & machinery	23.94	34.45
To Moulds	3.37	11.48
To Buildings	13.56	4.40
To Others	2.87	2.47
Travelling and conveyance [Refer Note 28(b)]	26.00	12.13
Donation	0.06	0.06
Professional fees [Refer Note 28(b)]	14.51	11.58
IPO expenses [Refer Note 28(b)]	-	8.45
Expenditure towards CSR activities (Refer Note 37)	18.55	13.32
Allowance/(Reversal) of allowance for expected credit loss (net)	(4.39)	2.75
Miscellaneous expenses [Refer Note 28(b)]	47.55	31.62
	<b>543.62</b>	<b>537.85</b>

## 28(A) REMUNERATION TO AUDITORS

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
<b>As Auditors</b>		
Statutory audit fees	2.00	2.00
Limited review fees	0.85	0.53
<b>In Other Capacity</b>		
IPO related service [Including ₹ 1.66 Million pertaining to Company's share of IPO related expenses]	-	10.65

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 28(A) REMUNERATION TO AUDITORS (CONTD.)

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
Other services - certification	0.15	0.55
Reimbursement of expenses (including relating to IPO related services)	0.29	0.75
	<b>3.29</b>	<b>14.48</b>
Less: Recovered from Selling Shareholders	-	(9.68)
	<b>3.29</b>	<b>4.80</b>

### 28(B) IPO EXPENSES

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
Auditors' Remuneration for IPO related services (including ₹ 0.69 Million relating to Reimbursement of expenses and ₹ 1.74 Million relating to taxes)	-	13.08
Insurance	-	1.50
Travelling and Conveyance	-	0.44
Professional Fees	-	241.65
Miscellaneous Expenses	-	179.85
Less: Recovered from Selling Shareholders (Refer Note 40)	-	(375.62)
Less: Adjusted with equity (Refer Note 40)	-	(50.79)
	-	<b>10.11</b>

### 29 INCOME TAX EXPENSE

#### Income tax expense recognized in statement of profit or loss

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
<b>Current tax</b>		
In respect of Current Year	269.51	332.48
<b>Deferred tax</b>		
Decrease / (increase) in deferred tax assets	1.97	0.59
(Decrease) / increase in deferred tax liabilities	8.58	10.18
<b>Total deferred tax expense/(benefit)</b>	<b>10.55</b>	<b>10.77</b>
<b>Income tax expense recognized in statement of Profit and Loss</b>	<b>280.06</b>	<b>343.25</b>

#### B. Income tax recognized in other comprehensive income

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
Income tax on remeasurement of the net defined benefit liability/asset	(4.17)	0.69
	<b>(4.17)</b>	<b>0.69</b>

#### C. Reconciliation of effective tax rate

Particulars	For the Year ended	
	31st March, 2023	31st March, 2022
Profit before income tax expense	1,087.20	1,349.89
<b>Tax at Indian tax rate of 25.168%</b>	<b>273.63</b>	<b>339.74</b>
(i) Tax effects of amounts which are not deductible (taxable) in calculating taxable income:		
(i) Tax effects of amounts which are not deductible (taxable) in calculating taxable income:	4.68	3.93
(ii) Others	1.75	(0.42)
<b>Income tax expense</b>	<b>280.06</b>	<b>343.25</b>

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 30 EMPLOYEE BENEFIT OBLIGATIONS

#### (i) Post-employment obligations

##### Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per scheme, the Gratuity Trust fund managed by the Life Insurance Corporation of India, makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary (half month's salary) depending upon the tenure of service subject to a revised maximum limit of amount payable under Payment of Gratuity Act, 1972. Liabilities with regard to the Gratuity plan are determined by actuarial valuation as set out in Note 2.13 based upon which the Company makes contribution to the Gratuity fund.

The amounts recognized in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Total
<b>Liability/(assets) as at 31st March, 2021</b>	<b>30.01</b>	<b>18.94</b>	<b>11.07</b>
Current service cost	3.58	-	3.58
<b>Total service cost</b>	<b>3.58</b>	<b>-</b>	<b>3.58</b>
Interest expense on Defined Benefit Obligation	1.99	-	1.99
Interest income on plan assets	-	1.40	(1.40)
<b>Total net interest</b>	<b>1.99</b>	<b>1.40</b>	<b>0.59</b>
<b>Total amount recognized in profit or loss</b>	<b>5.57</b>	<b>1.40</b>	<b>4.17</b>
<b>Remeasurements</b>			
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(0.92)	-	(0.92)
Experience (gains)/losses	(1.98)	-	(1.98)
Return on Plan Assets (Greater) / Less than Discount rate	-	(0.15)	0.15
<b>Total amount recognized in other comprehensive income</b>	<b>(2.90)</b>	<b>(0.15)</b>	<b>(2.75)</b>
Employer contribution	-	4.65	(4.65)
Benefit payouts from plan	(0.64)	(0.64)	0.00
<b>Liability/(assets) As at 31st March, 2022</b>	<b>32.04</b>	<b>24.20</b>	<b>7.84</b>
Current service cost	4.11	-	4.11
<b>Total service cost</b>	<b>4.11</b>	<b>-</b>	<b>4.11</b>
Interest expense on Defined Benefit Obligation	2.20	-	2.20
Interest income on plan assets	-	2.21	(2.21)
<b>Total net interest</b>	<b>2.20</b>	<b>2.21</b>	<b>(0.01)</b>
<b>Total amount recognized in profit or loss</b>	<b>6.31</b>	<b>2.21</b>	<b>4.10</b>
<b>Remeasurements</b>			
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(1.03)	-	(1.03)
Experience (gains)/losses	17.84	-	17.84
Return on Plan Assets (Greater) / Less than Discount rate	-	0.23	(0.23)
<b>Total amount recognized in other comprehensive income</b>	<b>16.81</b>	<b>0.23</b>	<b>16.58</b>
Employer contribution	-	16.01	(16.01)
Benefit payouts from plan	(1.24)	(1.24)	-
<b>Liability/(assets) As at 31st March, 2023</b>	<b>53.92</b>	<b>41.41</b>	<b>12.51</b>

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 30 EMPLOYEE BENEFIT OBLIGATIONS (CONTD.)

	As at 31st March, 2023	As at 31st March, 2022
<b>Disclosed under Note 17: Provisions</b>	<b>12.51</b>	<b>7.84</b>

The net liability presented above related to funded and unfunded plans are as follows:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Present value of funded obligations	53.92	32.04
Fair value of plan assets	41.41	24.20
<b>Net Defined Benefit Liability / (Asset)</b>	<b>12.51</b>	<b>7.84</b>

#### Major categories of plan assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Pooled assets with an insurance company (Life Insurance Corporation of India) - conventional products	100%	100%

#### Significant actuarial assumptions

Particulars	As at 31st March, 2023	As at 31st March, 2022
Discount rate	7.20%	7.00%
Salary escalation	8.00%	8.00%
Withdrawal rate	5.00%	5.00%
Weighted average duration of Defined Benefit Obligation (Years)	9 years	9 years
Mortality	IALM (2006-08) Ultimate	

#### Notes:

IALM represents Indian assured lives mortality.

#### Sensitivity analysis

As at 31st March, 2023	% impact on Defined Benefit Obligation	Increase/(Decrease) in Defined Benefit Obligation liability
Discount rate +100 basis points	(9.00%)	(4.68)
Discount rate -100 basis points	10.00%	5.50
Salary escalation rate +100 basis points	10.00%	5.38
Salary escalation rate -100 basis points	(9.00%)	(4.69)

31st March, 2022	% impact on DBO	Increase/(Decrease) in DBO liability
Discount rate +100 basis points	(9.00%)	(2.77)
Discount rate -100 basis points	10.00%	3.26
Salary escalation rate +100 basis points	10.00%	3.20
Salary escalation rate -100 basis points	(9.00%)	(2.77)

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(All amounts in Rupees Millions, unless otherwise stated)

### 30 EMPLOYEE BENEFIT OBLIGATIONS (CONTD.)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

The following payments are expected contribution to the defined benefit plans in the future years:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Expected contribution for the next annual reporting period	5.74	3.43

The expected maturity profile of undiscounted gratuity obligations:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Within 1 year	5.74	3.43
1-2 year	4.28	2.02
2-3 year	3.73	3.25
3-4 year	4.31	2.56
4-5 year	5.76	3.08
5-10 years	38.49	24.84

#### Risk Exposure

The Gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

##### (a) Interest rate risk

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

##### (b) Salary inflation risk

Higher than expected increases in salary will increase the defined benefit obligation.

##### (c) Demographic risk

This is the risk of variability of returns due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

#### (ii) Defined Contribution Plan

The Company has certain Defined Contribution Plans viz. Provident Fund and Employees' State Insurance. Contributions are made to provident fund for employees. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the year towards defined contribution plan is ₹ 15.34 Million (Previous year: ₹ 9.93 Million). The Company has also contributed ₹ 2.39 Million (Previous year: ₹ 2.73 Million) towards Employees' State Insurance Scheme which has been recognized as an expense and included under 'Contribution to provident and other fund' (Note 25)..

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 31 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

#### A Accounting classifications and fair values

The fair values of financial assets and liabilities are included at the amount 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. Methods and assumptions used to estimate the fair values are consistent with those used in the year ended 31st March, 2022

This section explains 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 values are disclosed in 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 three levels prescribed under the accounting standard. An explanation of each level follows below.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) and rely as little as possible on entity specific estimates.

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market rate.

The following table shows the carrying amounts and fair values of Financial assets and financial liabilities, including their levels in the fair value hierarchy

#### As at 31st March, 2023

Particulars	Carrying value			
	FVTPL	FVOCI	Amortized costs	Total carrying amount
<b>Financial assets</b>				
Trade receivables	-	-	657.97	657.97
Cash and cash equivalents	-	-	590.58	590.58
Other bank balances	-	-	9.09	9.09
Other financial assets	-	-	41.09	41.09
	-	-	<b>1,298.73</b>	<b>1,298.73</b>
<b>Financial liabilities</b>				
Borrowings	-	-	1,106.41	1,106.41
Trade payables	-	-	96.46	96.46
Lease liabilities	-	-	0.51	0.51
Other financial liabilities	-	-	155.27	155.27
	-	-	<b>1,358.65</b>	<b>1,358.65</b>

#### As at 31st March, 2022

Particulars	Carrying value			
	FVTPL	FVOCI	Amortized costs	Total carrying amount
<b>Financial assets</b>				
Trade receivables	-	-	651.78	651.78
Cash and cash equivalents	-	-	774.42	774.42
Other bank balances	-	-	83.77	83.77
Other financial assets	-	-	59.70	59.70
	-	-	<b>1,569.67</b>	<b>1,569.67</b>
<b>Financial liabilities</b>				
Borrowings	-	-	216.17	216.17
Trade payables	-	-	129.52	129.52
Lease liabilities	-	-	0.48	0.48
Other financial liabilities	-	-	36.15	36.15
	-	-	<b>382.32</b>	<b>382.32</b>



Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 31 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

The Company has not separately disclosed the fair values for Financial assets and liabilities other than borrowings measured at amortized cost because their carrying amounts are a reasonable approximation of the fair values. Further, management assessed that the carrying amount of certain security deposits(non current) and bank deposits (non current) approximates to their fair values as the difference between the carrying amount and the fair value is not expected to be significant.

Assets and liabilities which are measured at amortized cost for which fair values are disclosed as on 31st March, 2023:

Particulars	Fair value			
	Level 1	Level 2	Level 3	Total
Borrowings	-	-	1,106.51	1,106.51
	-	-	<b>1,106.51</b>	<b>1,106.51</b>

Assets and liabilities which are measured at amortized cost for which fair values are disclosed as on 31st March, 2022:

	Fair value			
	Level 1	Level 2	Level 3	Total
Borrowings	-	-	206.19	206.19
	-	-	<b>206.19</b>	<b>206.19</b>

**Notes:**

- (i) Management uses its best judgement in estimating the fair value of its financial in estimating the fair value of its financials instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sales transactions as of respective dates. As such, the fair value of financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.
- (ii) The Company policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of reporting period. There have been no transfers between Level 1, Level 2 and Level 3 from 31st March, 2022 to 31st March, 2023.

#### B Measurement of fair values

Valuation technique used to determine fair values:

Discounted cash flow valuation technique has been used to value financial instruments, as applicable.

#### C Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk(C)(ii) ;
- Liquidity risk(C)(iii) ; and
- Market risk (C)(iv)

##### i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has constituted the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 31 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

#### ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk encompasses both the direct risks of default and the risk of deterioration of credit worthiness as well as concentration risk. Credit risk arises from cash held with banks and financial institutions, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the Financial assets. The objective of managing counterparty credit risk is to prevent losses in Financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. None of the financial instruments of the Company result in material concentration of credit risk.

#### Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The Company assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Outstanding customer receivables are regularly monitored.

None of the customer accounted for more than 10% of the receivable as at 31st March, 2023 and 31st March, 2022.

#### Cash and cash equivalents and Security deposits

Credit risk on Cash and cash equivalents is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The Company periodically monitors the recoverability and credit risks of its Other financial assets including security deposits. The Company evaluates 12-month expected credit losses for all the Financial assets and the risk assessed is insignificant for the Company.

#### iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are Cash and cash equivalents, and the cash flow that is generated from operations. The Company has managed its liquidity and working capital requirements through cash generated from operations and through intermittent short term and long term borrowings.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows.

<b>31st March 2023</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>More than 2 years</b>
Borrowings	299.50	267.89	539.02
Trade payables	96.46	-	-
Lease liabilities	0.03	0.03	23.47
Other financial liabilities	154.85	-	0.43
	<b>550.84</b>	<b>267.92</b>	<b>562.92</b>
<b>31st March, 2022</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>More than 2 years</b>
Borrowings	122.72	87.05	6.40
Trade payables	129.52	-	-
Lease liabilities	0.03	0.03	23.50
Other financial liabilities	35.12	-	1.03
	<b>287.39</b>	<b>87.08</b>	<b>30.93</b>

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 31 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31st March, 2023	As at 31st March, 2022
-Non fund based	799.82	519.56
-Expiring within one year (other facilities)	1,410.00	879.95
-Expiring beyond one year (bank loans)	758.42	335.55

#### iv. 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 conditions. Market risk comprises of three types of risks: interest rate risk, price risk and currency risk. The Company is not exposed to any factors arising due to price risk. Financial instruments affected by market risk includes Trade receivable/payable, Other financial assets and liabilities. The Company is not exposed to any significant market risks.

##### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of change in market interest rates relates primarily to its debt interest obligations. Its borrowings are at floating rates and its future cash flows will fluctuate because of changes in market interest rates.

##### Interest Rate Risk Exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Variable rate borrowings	1,103.29	204.22

##### Sensitivity Analysis

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates:

Particulars	For the year ended 31st March, 2023		For the year Ended 31st March, 2022	
	Impact on Profit before Tax	Impact on post tax Equity	Impact on Profit before Tax	Impact on post tax Equity
Interest Rates - Increase by 50 basis points (50 bps)	(5.52)	(4.13)	(1.02)	(0.76)
Interest Rates - Decrease by 50 basis points (50 bps)	5.52	4.13	1.02	0.76

##### Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company operates in international markets and therefore is exposed to foreign currency risk arising from foreign currency transactions. The exposure relates primarily to the Company's operating activities (when the revenue or expense is denominated in foreign currency) and borrowings in foreign currencies, if any. The foreign exchange loss/(gain) is recognized in Statement of Profit and Loss.

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 31 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

The Company's exposure to foreign currency risk at the end of the reporting period:

Particulars	As at 31st March, 2023					As at 31st March, 2022				
	₹ Equivalent of					₹ Equivalent of				
	USD	EURO	CHF	JPY	SGD	USD	EURO	CHF	JPY	SGD
Trade receivables	173.69	36.33	-	-	-	224.52	76.84	-	-	-
Cash & Cash Equivalents	10.49	0.40	-	-	0.02	20.02	12.69	-	-	-
	<b>184.18</b>	<b>36.73</b>	<b>-</b>	<b>-</b>	<b>0.02</b>	<b>244.54</b>	<b>89.53</b>	<b>-</b>	<b>-</b>	<b>-</b>
Trade payables	22.11	1.90	0.82	48.45	-	15.72	0.93	1.13	-	-
	<b>22.11</b>	<b>1.90</b>	<b>0.82</b>	<b>48.45</b>	<b>-</b>	<b>15.72</b>	<b>0.93</b>	<b>1.13</b>	<b>-</b>	<b>-</b>

#### Sensitivity Analysis

The sensitivity of profit or loss to changes in the exchange rates:

Particulars	For the year ended 31st March, 2023		For the year Ended 31st March, 2022	
	Impact on Profit before Tax	Impact on post tax Equity	Impact on Profit before Tax	Impact on post tax Equity
<b>USD Sensitivity</b>				
₹/USD- Increase by 10%	16.21	12.13	22.88	17.12
₹/USD- Decrease by 10%	(16.21)	(12.13)	(22.88)	(17.12)
<b>EUR Sensitivity</b>				
₹/EUR- Increase by 10%	3.48	2.61	8.86	6.63
₹/EUR- Decrease by 10%	(3.48)	(2.61)	(8.86)	(6.63)
<b>CHF Sensitivity</b>				
₹/CHF- Increase by 10%	(0.08)	(0.06)	(0.11)	(0.08)
₹/CHF- Decrease by 10%	0.08	0.06	0.11	0.08
<b>JPY Sensitivity</b>				
₹/JPY- Increase by 10%	(4.85)	(3.63)	-	-
₹/JPY- Decrease by 10%	4.85	3.63	-	-
<b>SGD Sensitivity</b>				
₹/SGD- Increase by 10%*	0.00	0.00	-	-
₹/SGD- Decrease by 10%*	(0.00)	(0.00)	-	-

\* Amount below rounding off norms

#### v. Capital Management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
 (All amounts in Rupees Millions, unless otherwise stated)

### 31 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

Consistent with others in the industry, the Company monitors capital on the basis of the following Net Debt-Equity ratio:

Net debt (total borrowings and lease liabilities net of Cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet)

**The Net Debt- Equity ratios were as follows:**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Equity	5,693.03	4,898.30
Debt/(Cash and Cash Equivalent)(net) (Refer Note 13)	516.34	(557.77)
<b>Debt/(Cash and Cash Equivalent)(net) to Equity Ratio</b>	<b>0.09</b>	<b>(0.11)</b>

### 32 CONTINGENT LIABILITIES AND COMMITMENTS

#### (a) Contingent liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
Claims against the Company not acknowledged as debts	-	-

#### (b) Capital and other commitments

Particulars	As at 31st March, 2023	As at 31st March, 2022
Estimated amount of contracts remaining to be executed on Capital Account and not provided for [Net of Advances of ₹ 1,111.44 (31 March 2022: ₹ 702.54)]	2,600.94	1,294.48

- 33** The Hon'ble Supreme Court of India in its judgment in the matter of Vivekananda Vidyamandir & Others Vs The Regional Provident Fund Commissioner (II) West Bengal laid principles in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. Based on assessment performed by the management of the impact of aforesaid judgement and the related circular dated 20th March, 2019 issued by the EPFO, the order did not result in any material impact on these financial statements. The Management will continue to assess the impact of further developments relating to retrospective application of the Hon'ble Supreme Court's judgement taking into account the additional guidance as and when issued by the statutory authorities and deal with it accordingly.

### 34 EARNINGS PER SHARE (EPS)

The following table sets forth the computation of basic and diluted earnings per share:

Earnings	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Profit for the year attributable to equity shareholders for calculation of basic EPS	807.14	1,006.64
Effect of dilutive potential equity shares	-	-
<b>Profit for the year attributable to equity shareholders for calculation of diluted EPS</b>	<b>807.14</b>	<b>1,006.64</b>
<b>Shares</b>		
Weighted average number of equity shares outstanding during the year for calculation of basic EPS (Numbers in Million)	53.21	51.74
Effect of dilutive potential equity shares	-	-
<b>Weighted average number of equity shares for calculation of diluted EPS</b>	<b>53.21</b>	<b>51.74</b>
<b>Basic earnings per share</b>	<b>15.17</b>	<b>19.46</b>
<b>Diluted earnings per share</b>	<b>15.17</b>	<b>19.46</b>

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 35 RELATED PARTY DISCLOSURES

#### A Names of related parties and description of relationship

##### (i) Where control exist:

###### Subsidiary

Inlabpro Pte. Limited, Republic of Singapore (Upto 6 June, 2022)

##### (ii) Other Related Parties with whom transactions have taken place during the current or previous year:

Key Management Personnel:	
Mr. Sanjive Sehgal	Chairman and Managing Director
Mr. Rohan Sehgal	Whole-time Director
Mr. Ashok Kumar Duggar	Non-Executive Director (upto 26th July, 2021)
Mr. Suresh Prabhala	Non-Executive Director (upto 26th July, 2021)
Mr. Gaurav Pawan Kumar Poddar	Non-Executive Nominee Director
Mr. Viresh Oberoi	Non-Executive Independent Director
Mr. Girish Paman Vanvari	Non-Executive Independent Director (with effect from 10th May, 2021)
Mrs. Sucharita Basu De	Non-Executive Independent Director (with effect from 10th May, 2021)
Mr. Santosh Kumar Agarwal	Chief Financial Officer (with effect from 1st October, 2019) and Company Secretary & Compliance Officer (with effect from 7th February, 2022)

#### Investors in respect of which the Company is a joint arrangement (with effect from 5th July, 2018 till 29th July, 2021):

Clear Vision Investment Holdings Pte Limited, Republic of Singapore

Mr. Sanjive Sehgal

Mr. Rohan Sehgal

#### Investor in respect of which the Company is an Associate (with effect from 29th July, 2021)

Clear Vision Investment Holdings Pte Limited, Republic of Singapore

#### Individual having significant influence over the Company (with effect from 29th July, 2021)

Mr. Sanjive Sehgal and

Mr. Rohan Sehgal

#### Enterprise over which key management personal exercise significant influence:

M/s A.K.Duggar & Co (upto 26th July, 2021)

#### B. The following transactions were carried out with the related parties in the ordinary course of business:

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Mr. Sanjive Sehgal</b>		
Short-term employee benefits	42.50	42.50
Post employment benefits	-	-
Reimbursement of Expenses	0.99	-
Issue of 1,45,74,820 Bonus Equity Shares [Refer Note 11(e)]	-	-
<b>Mr. Rohan Sehgal</b>		
Short-term employee benefits	37.50	37.50
Post employment benefits	-	-
Reimbursement of Expenses	3.63	-
Issue of 1,09,00,500 Bonus Equity Shares [Refer Note 11(e)]	-	-

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 35 RELATED PARTY DISCLOSURES (CONTD.)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Mr. Santosh Agarwal</b>		
Short-term employee benefits	8.17	7.20
Post employment benefits (Gratuity and Contribution to Provident Fund)	0.29	0.24
Reimbursement of Expenses	0.37	-
<b>Mr. Viresh Oberai</b>		
Director Fees	1.20	1.16
<b>Mr. Girish Paman Vanvari</b>		
Director Fees	1.20	1.07
<b>Mrs. Sucharita Basu De</b>		
Director Fees	1.20	1.07
<b>Clear Vision Investment Holdings Pte Limited, Republic of Singapore</b>		
Payment towards fractional shares	-	0.01
Issue of 2,44,89,660 Bonus Equity Shares [Refer Note 11(e)]	-	-
<b>A.K Duggar &amp; Co.</b>		
Profession Service Charges	-	0.90

#### C. Outstanding Balances (Receivable)/ Payable

Particulars	As at 31st March, 2023	As at 31st March, 2022
Mr. Sanjive Sehgal	0.01	-
Mr. Rohan Sehgal	3.50	-
Mr. Santosh Agarwal	1.88	1.83

- (i) All outstanding balances are unsecured and repayable in cash.
- (ii) All transactions were made at normal commercial terms and conditions and at market rates following the principles of Arm's length

### 36 SEGMENT REPORTING

The Company is primarily engaged in the business of manufacturing and selling of plastic laboratory products and certain scientific instruments, which represents a single business. The Company does not distinguish revenues, costs and expenses between segments in its internal reporting, and reports costs and expenses by nature as a whole. The Board of Directors of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM reviews the financial statements when making decisions about allocating resources and assessing performance of the Company as a whole and hence, the Company has only one reportable segment. The Company operates and manages its business as a single segment. The Company sells its products in overseas markets however, in absence of any single significant market, CODM reviews geographical operations as "Within India" and "Outside India". The information in respect of these is given below:

The Company is domiciled in India. The amount of revenue from external customers broken down by the location of the customers is shown in the table below:

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
India	1,889.73	1,998.98
Outside India	923.89	992.92
<b>Total</b>	<b>2,813.62</b>	<b>2,991.90</b>

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

### 36 SEGMENT REPORTING (CONTD.)

The total non-current assets other than financial instruments broken down by location of assets is shown below

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
India	4,695.98	2,937.89
Outside India	-	-
<b>Total</b>	<b>4,695.98</b>	<b>2,937.89</b>

### 37 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit of the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities.

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Expenditure Related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII there of:		
(a) Gross Amount Required to be Spent by the Company during the year	18.55	13.32
(b) Amount approved by the Board to be spent on CSR activities	18.55	13.32
(c) Amount Spent during the year on:		
(i) Construction/ Acquisition of any Asset	-	-
(ii) On purposes other than (i) above		
- Amount set-off from Prepaid CSR of preceding financial year	18.55	13.32
- In Cash	-	-
- Yet to be paid in Cash	-	-

#### Details of ongoing CSR projects under section 135 (6) of the Act

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Opening Balance</b>		
With the Company	-	-
In separate CSR Unspent account	-	-
	-	-
<b>Amount required to be spent during the year</b>	-	-
<b>Amount spent during the year</b>		
From the Company's bank account	-	-
From separate CSR Unspent account	-	-
	-	-
<b>Closing Balance</b>		
With the Company	-	-
In separate CSR Unspent account	-	-
	-	-



Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
 (All amounts in Rupees Millions, unless otherwise stated)

### 37 CORPORATE SOCIAL RESPONSIBILITY (CONTD.)

#### Details of CSR expenditure under section 135(5) of the Act in respect of other than ongoing projects

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Opening Balance unspent</b>	-	-
Amount deposited in a specified fund of Schedule VII of the Act within 6 months	-	-
Amount required to be spent during the year	18.55	13.32
Amount spent during the year	-	-
Amount set-off from Prepaid CSR of preceding financial year	18.55	13.32
<b>Closing Balance unspent</b>	-	-

#### Details of excess CSR expenditure under section 135(5) of the Act

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Opening Balance excess spent</b>	19.80	33.12
Amount required to be spent during the year	18.55	13.32
Amount spent during the year	-	-
Amount set-off from the preceding financial year	18.55	13.32
<b>Closing Balance excess spent</b>	1.25	19.80

- 38** The Board of Directors of the Company, in its meeting held on 10th May, 2021, approved the resolution to initiate the conversion of the company from a private limited company to a public company in view of its plans to approach the capital markets and have its shares listed on the stock exchanges. The requisite approvals have been obtained under the Companies Act, 2013 and the company was converted to a public limited company on 14th June, 2021.
- 39** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent on 29th September, 2020. The Code has been published in the Gazette of India and subsequently on 13th November, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 40** During the year ended 31st March, 2022, the Company has completed its initial public offer (IPO) of 1,54,65,861 equity shares of face value of ₹ 2 each at an issue price of ₹ 662 per share aggregating to ₹ 10,234.74 Million, comprising fresh issue of 22,65,861 shares aggregating to ₹ 1,496.34 Million and offer for sale of 1,32,00,000 shares by selling shareholders aggregating to ₹ 8,738.40 Million. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on 26th November, 2021.

The Company has incurred ₹ 436.52 Million as IPO related expenses and allocated such expenses between the Company ₹ 60.90 Million (₹ 71.14 Million inclusive of GST) and selling shareholders ₹ 375.62 Million. Such amounts were allocated based on agreement between the Company and selling shareholders and in proportion to the total proceeds of the IPO. Out of Company's share of expenses of ₹ 60.90 Million (₹ 71.14 Million inclusive of GST) ₹ 50.79 Million has been adjusted to securities premium.

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

- 41 The Company has received an amount of ₹ 1,497.01 Million from proceeds out of fresh issue of equity shares. The utilization of net IPO Proceeds is summarized as below:

S. No	Objects of the issue	Original Amount proposed to be utilized as per the offer document	Revised Amount proposed to be utilized	Amount utilized up to 31st March, 2023	Amount unutilized as on 31st March, 2023
(i)	Repayment/prepayment of certain borrowings of the Company <b>[Refer Note (a) below]</b>	785.40	785.40	785.40	-
(ii)	Funding a part of the capital expenditure for the new manufacturing facility at Panchla, West Bengal <b>[Refer Note (b) below]</b>	620.00	620.00	256.35	363.65
(iii)	General corporate purposes <b>[Refer Note (c) below]</b>	16.21	20.47	20.47	-
(iv)	Offer related expenses in relation to the IPO <b>[Refer Note (c) below]</b>	74.73	71.14	71.14	-
	<b>Total [(i) to (iv)]</b>	<b>1,496.34</b>	<b>1,497.01</b>	<b>1,133.36</b>	<b>363.65</b>

- (a) The Company has made repayment of one of the installment of the borrowings which were proposed to be repaid out of the IPO proceeds amounting to ₹ 5.53 Million from own internal accruals before receipt of IPO proceeds. The Company has utilized this amount for repayment of other loan from the same lender after obtaining approval from the Audit Committee and Board of Directors of the Company.
- (b) Amount unutilized as at the 31st March, 2023 were invested in the fixed deposits with scheduled commercial bank (except ₹ 21.69 Million as closing balance in the monetary agency account with Axis bank).
- (c) The Company has utilized (i) unspent offer related expenses amounting to ₹ 3.59 Million and (ii) amount received on lower subscription of Employee Reserved Shares amounting to ₹ 0.67 Million towards the General Corporate Purpose after taking approval from the Audit Committee and Board of Directors of the Company. Consequent to this the revised amount utilized towards General Corporate Purpose has increased from ₹ 16.21 Million to ₹ 20.47 Million.
- (d) The Company has earned total interest of ₹ 29.88 Million (including accrued interest of ₹ 0.70 Million) on deployment of IPO proceeds pending utilization in the fixed deposit with scheduled bank. The Company has utilized total interest amounting to ₹ 29.18 Million for the purpose for which the underlying funds were intended to be utilized per the offer document. The utilization amount of net proceeds as summarized above are excluding the amount of interest utilized.
- 42 The Audit Committee and the Board of Directors of the Company in their respective meetings held on 10th March, 2023 considered and approved the extension of six months in utilization of funds received from the IPO towards funding a part of the capital expenditure for the new manufacturing facility at Panchla, West Bengal due to unforeseen delay in construction and delay in receiving machines and moulds. The revised estimated time for utilization of proceeds is as given below:

Sl No.	Particulars of activities	Completion Date as per Offer Document	Revised Date	Delay (No. of days/ months)
(i)	Civil design and construction	31st January, 2023	31st July, 2023	6 months
(ii)	Erection and pre-commissioning activities	31st July, 2023	31st January, 2024	6 months
(iii)	Commissioning commencement	1st August, 2023	31st January, 2024	6 months

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

**43 OTHER REGULATORY INFORMATION REQUIRED BY SCHEDULE III**

**(i) Details of benami property held**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) [formerly Benami Transactions (Prohibition) Act, 1988 (45 of 1988)] and Rules made thereunder.

**(ii) Borrowing secured against current assets**

The Company has been sanctioned working capital limits in excess of ₹ 50 Million on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts except for the following quarters:

Bank	Quarter	Nature of Current Asset offered as Security	Nature of Current Assets/ Liabilities where differences were observed	Amount as per books of account	Amount disclosed as per quarterly return/ statement	Amount of difference	Amount of difference
HDFC Bank Limited/ Axis Bank Limited	30th June, 2022	Refer below*	Current assets	2,503.60	2,412.80	(90.80)	Note 1
			Current liabilities	408.84	410.50	1.66	
	30th June, 2021	Refer below*	Current assets	1,411.90	1,402.40	(9.50)	
			Current liabilities	759.03	695.70	(63.33)	
			Revenue from operations	688.73	688.70	(0.03)	
	30th September, 2021	Refer below*	Current assets	1,815.17	1,828.20	13.03	
			Current liabilities	903.61	905.50	1.89	
			Revenue from operations	1,445.37	1,445.30	(0.07)	
	31st December, 2021	Refer below*	Current assets	2,865.81	2,871.10	5.29	
			Current liabilities	810.90	808.70	(2.20)	
	31st March, 2022	Refer below*	Current assets	2,445.25	2,446.70	1.45	
			Current liabilities	349.14	348.30	(0.84)	

**Note 1**

The Bank returns were prepared and filed before the completion of all financial statement closure activities including Ind AS related adjustments/ reclassifications as applicable, which led to these differences between the final books of accounts and the bank return based on provisional books of accounts.

**Note 2**

Returns/Statement for the quarter ended 31st March, 2023 is yet to be submitted and it would be appropriately filed by the Company subsequent to the issue of these financial statements by the Board of Directors which has been agreed by the Company with the respective banks.

**\*Nature of Current Asset offered as Security**

First Pari Passu hypothecation charge created over the entire current assets and moveable fixed assets of the Company both present and future, except exclusively financed by other banks/financial institution and factory land and building at Domjur, Kasba, Sankrail and Office Building at Jasmine Tower, Kolkata.

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

**43 OTHER REGULATORY INFORMATION REQUIRED BY SCHEDULE III (CONTD.)**

**(iii) Wilful defaulter**

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

**(iv) Relationship with struck off companies**

The Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

**(v) Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017

**(vi) Compliance with approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**(vii) Utilization of borrowed funds and share premium**

- A. The Company has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the Company shall:
- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
  - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**(viii) 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.

**(ix) Details of crypto currency or virtual currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the current and previous financial year.

**(x) Valuation of Property, plant and equipment, right-of-use assets and intangible assets**

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

**(xi) Title deeds of immovable properties not held in name of the Company**

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 to the financial statements, are held in the name of the Company.

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
*(All amounts in Rupees Millions, unless otherwise stated)*

**43 OTHER REGULATORY INFORMATION REQUIRED BY SCHEDULE III (CONTD.)**

**(xii) Registration of charges or satisfaction with the Registrar of Companies**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

**(xiii) Utilization of borrowings availed from banks**

The borrowings obtained by the Company from banks have been applied for the purposes for which such loans were taken. Further, no funds raised on a short-term basis have been used for long-term purposes by the Company.

**(xiv) Investments/loans/advances in nature of loans/guarantee/security to Company / firm / Limited Liability Partnership/ other party**

The Company has not made investments during the year in any Company/ firm / Limited Liability Partnership. The Company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any Company / firm / Limited Liability Partnership/ other party during the year other than unsecured loans to 7 employees. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to aforesaid loans to employees are as per the table given below:

Particulars	Amount
Aggregate amount granted/ provided during the year	
- Others (Employees)	0.46
Balance outstanding as a balance sheet date in respect of the above case	
- Others (Employees)	0.28

There are no loans and advances in the nature of loans granted to promoters, directors, KMPs, and the related parties (as defined under Companies Act, 2013) or other parties (including employees) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment during the current or previous year. Loans granted to employees are unsecured in nature and are interest free. In respect of these loans, the schedule of repayment of principal amount has been stipulated and the employees are repaying the principal amount as stipulated in a regular manner. The terms and conditions under which these loans were granted are not prejudicial to the interest of the Company and no amount of loan is overdue for more than ninety days.

**(xv) Pending litigations**

The Company does not have any pending litigations which would impact its financial position.

**(xvi) Foreseeable losses on long term contracts**

The Company has long term contracts as at 31st March, 2023 for which there were no material foreseeable losses. The Company did not have any derivative contract.

**(xvii) Amount required to be transferred to the Investor Education and Protection Fund**

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2023.

**(xviii) Back up of books and accounts**

The books of account and other relevant books and papers maintained in electronic mode by the Company are accessible in India, at all times, so as to be usable for subsequent reference. The back-up of the books of account and other books and papers of the company maintained in electronic mode are kept in servers physically located in India on a daily basis.

**(xix) Core Investment Company**

The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Further, the Group [as defined in the Core Investment Companies (Reserve Bank) Directions 2016] does not have any CICs, which are part of the Group.

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

43 (XX) ANALYTICAL RATIOS:

Ratio

Particulars	31st March, 2023	31st March, 2022	% change from 31st March, 2022 to 31st March, 2023	Reasons for variance of more than 25% in above ratios
Current ratio (no of times)	4.01	7.00	(42.80%)	The change in ratio is due to: (i) Increase in current liability due to increase in borrowings (current maturities of long term debts) as at year end and (ii) Increase in capital creditors as at the year end.
Debt-Equity Ratio (no of times)	0.19	0.04	339.47%	The change in ratio is due to increase in long term borrowings from banks received during the year
Debt Service Coverage ratio (no of times)	1.01	5.83	(82.68%)	The change in ratio is due to: (i) Decrease in earnings during the year and (ii) Increase in long term borrowings from banks received during the year.
Return on Equity Ratio (%)	15.24	27.42	(44.42%)	The change in ratio is due to: (i) Decrease in earnings during the year and (ii) Increase in average equity due to fresh issue of equity shares during the previous year.
Inventory Turnover ratio (no of times)	2.88	4.66	(38.22%)	The change in ratio is due to: (i) Decrease in revenue from operations during the year and (ii) Increase in inventories as at the year end
Trade receivable Turnover Ratio (no of times)	4.33	5.36	(19.32%)	-
Trade payable Turnover Ratio (no of times)	12.91	15.77	(18.15%)	-
Net Capital Turnover Ratio (no of times)	1.42	2.14	(33.73%)	The change in ratio is due to: (i) Decrease in revenue from operations during the year and (ii) Increase in average working capital
Net Profit Ratio (%)	28.50	33.47	(14.85%)	-

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

**43 (XX) ANALYTICAL RATIOS: (CONTD.)**

Particulars	31st March, 2023	31st March, 2022	% change from 31st March, 2022 to 31st March, 2023	Reasons for variance of more than 25% in above ratios
Return on Capital Employed (%)	18.25	32.70	(44.18%)	The change in ratio is due to: (i) Decrease in earnings during the year and (ii) Increase in capital employed as at the year end due to increase in long term borrowings from banks received during the year and fresh issue of equity of shares during the previous year.
Return on Investment (%)	15.60	25.58	(39.02%)	The change in ratio is due to: (i) Decrease in earnings during the year and (ii) Increase in investment in fixed assets as at the year end.

**Elements of Ratio**

Ratios	Numerator	Denominator	31st March, 2023		31st March, 2022	
			Numerator	Denominator	Numerator	Denominator
Current ratio (no of times)	Current Assets	Current Liabilities	2,520.33	629.15	2,445.25	349.14
Debt-equity ratio (no of times)	Gross Debt = Debt (Borrowing) + Lease liabilities + Interest Accrued on Borrowings	Total Equity	1,107.02	5,693.03	216.73	4,898.30
Debt Service Coverage ratio (no of times)	Earning for debt service = Profit for the year + Finance cost + Depreciation and amortization expense + Allowance for Expected Credit Loss (net) + Provision for Doubtful Advances +/- Profit/Loss on sale of assets +/- Deferred government grant	Debt (Borrowing) + Lease Liabilities + Interest Accrued on Borrowings	1,117.16	1,107.02	1,262.63	216.73
Return on Equity (%)	Profit for the year	Average Total Equity	807.14	5,295.66	1,006.64	3,670.84
Inventory Turnover ratio (no of times)	Revenue from operations	Average Inventory	2,832.48	983.73	3,007.94	645.35

Notes to the financial statements for the year ended 31st March, 2023 (Contd.)  
(All amounts in Rupees Millions, unless otherwise stated)

**43 (XX) ANALYTICAL RATIOS: (CONTD.)**

Ratios	Numerator	Denominator	31st March, 2023		31st March, 2022	
			Numerator	Denominator	Numerator	Denominator
Trade receivable Turnover Ratio (no of times)	Revenue from operations	Average Trade receivable	2,832.48	654.87	3,007.94	561.07
Trade payable Turnover Ratio (no of times)	Total credit Purchases	Average Trade payable	1,458.53	112.99	1,492.40	94.63
Net Capital Turnover Ratio (no of times)	Revenue from operations	Average Working Capital = Current Assets - Current Liabilities	2,832.48	1,993.64	3,007.94	1,403.07
Net Profit (%)	Profit for the year	Revenue from operations	807.14	2,832.48	1,006.64	3,007.94
Return on Capital Employed (%)	Earning before Interest and Tax = Profit Before Tax + Finance cost	Capital employed = Equity + Debt (Borrowings) - Cash and Cash Equivalents	1,131.87	6,200.38	1,392.05	4,256.84
Return on Investment (%)	Earning before Interest and Tax = Profit Before Tax + Finance cost	Total assets	1,131.87	7,256.83	1,392.05	5,442.26

This is the Notes to Accounts referred to in our report of even date.

**For Price Waterhouse Chartered Accountants LLP**  
Firm Registration No. 012754N/N500016

**For and on behalf of the Board of Directors of Tarsons Products Limited**  
(Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)

**Amit Peswani**  
Partner  
Membership No. 501213

**Sanjive Sehgal**  
Chairman &  
Managing Director  
DIN: 00787232

**Rohan Sehgal**  
Whole-Time Director  
DIN: 06963013

**Santosh Kumar Agarwal**  
Chief Financial Officer  
and Company Secretary

Place: Kolkata  
Date: 27th May, 2023

Place: Kolkata  
Date: 27th May, 2023



## TARSONS PRODUCTS LIMITED

(Formerly known as Tarsons Products Private Limited)  
 CIN: L51109WB1983PLC036510  
 Registered Office: Martin Burn Business Park, Room No. 902, BP- 3,  
 Salt Lake, Sector- V, Kolkata-700091, West Bengal, India  
 Phone: 033-35220300, Email – [info@tarsons.com](mailto:info@tarsons.com)  
 Website: [www.tarsons.com](http://www.tarsons.com)

## NOTICE

**NOTICE** is hereby given that the **40th (Fortieth)** Annual General Meeting (AGM) of the members of **TARSONS PRODUCTS LIMITED (Formerly known as Tarsons Products Private Limited)** ('the Company') will be held on **Friday, 14th July, 2023 at 11:00 A.M. (IST)** through Video Conferencing or Other Audio-Visual Means (VC/OAVM) [Deemed venue: Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector- V, Kolkata-700091] to transact the following businesses:

### ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2023, together with the reports of the Board of Directors and the Auditors thereon.**
2. **To appoint a director in place of Mr. Rohan Sehgal (DIN: 06963013), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.**
3. **To appoint Auditors and fix their remuneration.**

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

**"RESOLVED THAT** pursuant to provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and based on the recommendation of the Audit Committee and endorsement thereof by the Board of Directors, M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants (FRN 012754N/ N500016) be and is hereby appointed as the Statutory Auditor of the Company, to hold office for a second term of five (5) consecutive years commencing from the conclusion of this 40th Annual General Meeting(AGM) till the conclusion of the 45th Annual General Meeting of the Company to be held in Financial Year 2028-29, and the Board of Directors be and is hereby authorized to finalize the terms and conditions of their re-appointment, including fixing their remuneration in connection with Statutory Audit and/or continuous audit and the remuneration so fixed may be paid at such intervals during the year as may be decided by the Board/Committee of the Board in consultation with them."

### SPECIAL BUSINESS:

4. **To re-appoint Mr. Viresh Oberai (DIN: 00524892), as an Independent Director of the Company.**

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Viresh Oberai (DIN: 00524892) who holds office upto 19th November, 2023, be and is hereby re-appointed as an Independent Director of the Company, for a second term of 5 (Five) consecutive years commencing from 20th November, 2023 to 19th November, 2028, and he shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Mr. Viresh Oberai be paid such remuneration/fees and/ or commission as the Board of Directors may approve considering the recommendations made by the Nomination and Remuneration Committee and subject to such limits, prescribed or as may be prescribed from time to time, to be received in the capacity of Non-Executive Independent Director.

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

**5. To re-appoint Mr. Sanjive Sehgal (DIN: 00787232), as a Managing Director and Chairman of the Company.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of Nomination and Remuneration Committee and review by the Audit Committee and as decided by the Board of Directors, the approval of the members be and is hereby accorded for the re-appointment and terms of appointment including remuneration of Mr. Sanjive Sehgal (DIN: 00787232) as the Chairman and Managing Director of the Company, for a further period of 5 (Five) years, commencing from 26th July, 2023 to 25th July, 2028, liable to retire by rotation, and upon the terms and conditions as set out in the Explanatory Statement annexed to this Notice, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure within the overall limits of section 197 of the Act.

**RESOLVED FURTHER THAT** Board of Directors (which shall be deemed to include a Committee of the Board) be and is hereby authorized to alter and vary the terms and conditions of the said re-appointment and remuneration in such manner, as may be agreed to between the Board and Mr. Sanjive Sehgal and do all such acts, deeds and things, which may be considered necessary or expedient to give effect to the aforesaid Resolution."

**6. To re-appoint Mr. Rohan Sehgal (DIN: 06963013), as a Whole Time Director of the Company.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of Nomination and Remuneration Committee and review by the Audit Committee and as decided by the Board of Directors, the approval of the members be and is hereby accorded for the re-appointment and terms of appointment including remuneration of Mr. Rohan Sehgal (DIN: 06963013) as the Whole Time Director of the Company, for a further period of 5 (Five) years, commencing from 26th July, 2023 to 25th July, 2028, liable to retire by rotation, and upon the terms and conditions as set out in the Explanatory Statement annexed to this Notice, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure within the overall limits of section 197 of the Act.

**RESOLVED FURTHER THAT** Board of Directors (which shall be deemed to include a Committee of the Board) be and is hereby authorized to alter and vary the terms and conditions of the said re-appointment and remuneration in such manner, as may be agreed to between the Board and Mr. Rohan Sehgal and do all such acts, deeds and things, which may be considered necessary or expedient to give effect to the aforesaid Resolution."

**7. To approve the 'Tarsons Products Limited- Employee Stock Option Plan 2023'.**

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Rules made thereunder, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, ("SEBI SBEB & SE Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), including any statutory modification or re-enactment thereof for the time being in force, the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions, sanctions as may be necessary and subject to such condition(s) and modification(s) as may be prescribed or imposed while granting such approval(s), permission(s) and sanction(s) by the above authorities and pursuant to the recommendation of Nomination and Remuneration Committee ("NRC") and the Board of Directors of the Company at its meetings held on 12th June, 2023, approval of the members' of the Company be and is hereby accorded to the introduction and implementation of **'Tarsons Products Limited- Employee Stock Option Plan 2023' ("ESOP 2023"/"Plan")** and authorized the Board of Directors of the Company (**hereinafter referred to as the "Board"** which term shall be deemed to include any Committee, including the Nomination and Remuneration

**Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution and under Regulation 5 of the SEBI SBEB & SE Regulation 2021)** to create, and grant from time to time, in one or more tranches, not exceeding **5,32,063 (Five Lacs Thirty-Two Thousand Sixty-Three Only)** employee stock options ("Options") to or for the benefit of such eligible person(s) as designated by the Company, within the meaning of the Plan, exercisable into not more than **5,32,063 (Five Lacs Thirty-Two Thousand Sixty-Three Only)** equity shares of face value of ₹ 2/- (Rupees Two) each fully paid-up, where one employee stock option would convert in to one equity share upon exercise, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of the Plan.

**RESOLVED FURTHER THAT** the new equity Shares to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the existing Equity Shares of the Company, unless otherwise decided by the Board.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the employee stock options granted earlier, the ceiling in terms specified above shall be deemed to be increased to the extent of such additional equity shares issued.

**RESOLVED FURTHER THAT** in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the Plan shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said grantees.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take requisite steps for listing of the equity shares allotted under the Plan on the stock exchanges where the equity shares of the Company are listed in due compliance with SEBI SBEB & SE Regulations and other applicable laws.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB & SE Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Plan.

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including authorizing or directing to appoint merchant Bankers, brokers, solicitors, registrars, investors service center and other advisors, consultants or representatives, being incidental to the effective implementation and administration of the Plan as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard.

By order of the Board  
For **Tarsons Products Limited**  
(Formerly known as **Tarsons Products Private Limited**)  
Sd/-  
**Santosh Kumar Agarwal**  
Company Secretary, Compliance Officer &  
Chief Financial Officer

Kolkata, 12th June, 2023

**Registered Office:**  
Martin Burn Business Park, Room No. 902,  
BP- 3, Salt Lake, Sector- V, Kolkata-700091,  
West Bengal, India

## NOTICE (Contd.)

## NOTES:

- 1) In view of the relaxation granted by the Ministry of Corporate Affairs vide its General Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020, Circular No. 20/2020 dated 5th May, 2020, Circular No. 02/2021 dated 13th January, 2021, Circular No. 2/2022 dated 5th May, 2022 and Circular No. 10/2022 dated 28th December, 2022 respectively (MCA Circulars) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 issued by Securities and Exchange Board of India (SEBI Circulars) (herein after collectively referred to as "Circulars"), has permitted the holding of the Annual General Meeting (AGM) through VC/OAVM facility and dispensed physical presence of the members at the meeting.
- 2) In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Circulars, the 40th AGM of the Company is being held through VC/OAVM facility. The deemed venue for the AGM shall be the Registered Office of the Company situated at Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector- V, Kolkata-700091. The detailed procedure for participating through VC/OAVM facility is mentioned in Notes herein below.
- 3) An explanatory statement pursuant to Section 102 of the Act, relating to special business to be transacted at the AGM, is annexed hereto. Further, the relevant details, pursuant to Regulations 36(3) of the Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India ('Secretarial Standard-2'), in respect of Directors seeking appointment/ re-appointment at the AGM are also annexed to this Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
- 4) The Company has engaged the services of National Securities Depository Limited (NSDL) for the purpose of holding 40th AGM of the Company through VC/OAVM.
- 5) The Company's Registrar and Transfer Agent for its Share Registry Work (Physical and Electronic) is KFIN Technologies Limited (formerly KFIN Technologies Private Limited) (RTA) having their office at Selenium Building, Tower- B, Plot No. 31 & 32, Financial District Nanakramguda, Serilingampally, Hyderabad, Telangana, India- 500032.
- 6) The Notice and the Annual Report for the financial year ended on 31st March, 2023 shall also be available on the website of the Company viz., [www.tarsons.com](http://www.tarsons.com), on the website of the stock exchanges where equity shares of the Company are listed viz., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and the Notice shall also be available on the e-Voting website of NSDL viz., [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- 7) In compliance with the Circulars, only the Electronic copy of the Notice of the 40th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes.
- 8) Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since this AGM is being held through VC/OAVM, pursuant to the circulars physical attendance of Members has been dispensed with and proxy form and Attendance Slip does not form part of the Notice. Similarly, the route map is not annexed to the Notice.
- 9) In pursuance of Section 113 of the Act and Rules framed thereunder, the Institutional/Corporate members are entitled to appoint authorized representatives for the purpose of voting through remote e-Voting or for the purpose of attending and voting during the AGM. In this regard, the corporate members are requested to send a certified true copy of the board resolution (PDF/JPG format) together with attested specimen signature of authorized representative to the scrutinizer through email at [investor@tarsons.com](mailto:investor@tarsons.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/ Power of Attorney/Authority Letter etc. by clicking on **"Upload Board Resolution/ Authority Letter"** displayed under **"e-Voting"** tab in their login.
- 10) Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

**NOTICE (Contd.)**

- 11) Pursuant to the provisions of Section 91 of the Act read with Rule 10 of the Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 42 of Listing Regulations, the Register of Members of the Company will remain closed from **Saturday, 8th July, 2023 to Friday, 14th July, 2023** (both days inclusive) in connection with the Annual General Meeting.
- 12) 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 electronically at the AGM.
- 13) Members seeking any information with regard to the accounts or any other matter to be placed at the AGM are requested to write to the Company on or before Tuesday, 11th July, 2023 through email on [investor@tarsons.com](mailto:investor@tarsons.com). The same will be replied by the Company suitably.
- 14) Members willing to express their views or ask questions during the AGM are required to register themselves as speakers by sending their requests from **8th July, 2023 to 12th July, 2023** at [investor@tarsons.com](mailto:investor@tarsons.com) from their registered e-mail addresses mentioning their names, folio numbers/demat account numbers, PAN details, mobile numbers and their questions. Only those Members who have registered themselves as speakers and have been selected will be allowed to express their views/ask questions during the AGM. The Chairman of the Meeting/the Company Secretary reserves the right to restrict the number of questions, time allotted and number of speakers to ensure smooth conduct of the AGM.
- 15) The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts and Arrangements in which Directors are interested maintained under the provisions of the Act and all the documents referred to in the accompanying Notice and Explanatory Statement will be available for inspection during the meeting in electronic mode, and the same shall be made available for inspection upon login at NSDL e-Voting system at <https://www.evoting.nsdl.com>. The said documents will also be available for inspection by Members at the Registered Office of the Company between 11 a.m. and 1 p.m. on all working days of the Company upto the date of the AGM. Members desirous of inspecting the same may also send their requests at [investor@tarsons.com](mailto:investor@tarsons.com) from their registered e-mail addresses mentioning their names and folio numbers/demat account numbers.
- 16) 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, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants (DPs) with whom they are maintaining their demat accounts.
- 17) SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in the dematerialized form are, therefore, requested to submit their PAN details to their DPs.

**18) PROCEDURE FOR ATTENDING THE AGM THROUGH VC/OAVM**

- (i) Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system at <https://www.evoting.nsdl.com> by following the steps mentioned below for access to NSDL e-voting system. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in shareholder/member login where the EVEN of Company will be displayed. Members who do not have the User Id and Password for e-Voting or have forgotten the User Id and Password may retrieve the same by following the remote e-Voting instructions mentioned below to avoid last minute rush.
- (ii) Members can join the AGM through VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned above.

The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first serve basis. This will not include Large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.

- (iii) Members, who need any assistance before or during the AGM, may contact on the helpline number or other contact details provided below.

## NOTICE (Contd.)

- (iv) Members are encouraged to join the Meeting through Laptops and allow camera for better experience. Members connecting through Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation/bandwidth issues in their respective networks. It is, therefore, recommended to use a good speed internet connection, preferably stable Wi-Fi or LAN Connection, to mitigate any kind of aforesaid glitches and to avoid any disturbance(s) during the AGM.
- (v) Members under the category of Institutional Investors are encouraged to attend the AGM and also vote through remote e-Voting or e-Voting during the AGM.

**19) VOTING THROUGH ELECTRONIC MEANS****A. GENERAL INFORMATION**

- (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, read together with MCA circulars and Regulation 44 of Listing Regulations, the Company has engaged the services of National Securities Depository Limited (NSDL) to provide remote e-voting services and e-voting facility during the Annual General Meeting (AGM) to all the eligible Members to enable them to cast their votes electronically in respect of the businesses to be transacted at the Meeting.
- (ii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the **cut-off date, i.e., Friday, 7th July, 2023** shall be entitled to avail the facility of remote e-voting/e-voting at the Meeting. A person who is not a member as on the cut-off date should treat this notice for information purpose only.

The remote e-voting facility will be available during the following voting period:

<b>Commencement of Remote E-voting</b>	<b>End of Remote E-voting</b>
From 9.00 A.M. (IST) on Monday, 10th July, 2023	Up to 5.00 P.M. (IST) on Thursday, 13th July, 2023

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled upon expiry of aforesaid period. However, e-voting facility will be made available during the AGM for those shareholders who have not casted their votes through remote e-voting.

- (iii) Only those members, who are present in the meeting through VC/OAVM and have not casted their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the AGM. However, Members who would have cast their votes by remote e-Voting may attend the Meeting, but shall neither be allowed to change it subsequently nor cast votes again during the Meeting.
- (iv) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- (v) The Board of Directors of the Company has appointed M/s. Manisha Saraf & Associates, Practicing Company Secretary (Membership no- F7607/ CP- 8207), to act as Scrutinizer to scrutinize the process of remote e-voting and also e-voting during the meeting in a fair and transparent manner.
- (vi) The Scrutinizer shall after the conclusion of Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses, not in the employment of the Company. The scrutinizer shall submit the consolidated scrutinizer's report, within two working days of conclusion of the Meeting, to the Chairman or any other person authorized by the Board. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.tarsons.com](http://www.tarsons.com) and also be displayed on the Notice board of the Company at its registered office and on the website of NSDL viz., [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the results are declared. The results shall simultaneously be communicated to the Stock Exchanges.
- (vii) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e., 14th July, 2023.

## NOTICE (Contd.)

(viii) The recorded transcript of the proceedings of the AGM shall be available on the Company's website at [www.tarsons.com](http://www.tarsons.com)

**B. THE INSTRUCTIONS/PROCEDURE FOR REMOTE E-VOTING:**


To vote electronically on NSDL e-Voting system, please follow the steps which are mentioned below:

Step 1: Access to NSDL e-Voting system;

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

**DETAILS ON STEP 1 ARE GIVEN BELOW:****(i) Login method for e-voting and joining of meeting virtually by individual shareholders holding securities in demat mode:**

In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. The login method for individual shareholders holding securities in demat mode are mentioned below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>'IDeAS'</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>"Access to e-Voting"</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App <b>"NSDL Speede"</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>  <b>App Store</b>       <b>Google Play</b> </div> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>

## NOTICE (Contd.)

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL 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 users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be 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.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**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., NSDL and CDSL:

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.



## NOTICE (Contd.)

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

**NOTICE (Contd.)**

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**DETAILS ON STEP 2 ARE GIVEN BELOW:****How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

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

**C. THE INSTRUCTIONS/PROCEDURE FOR E-VOTING AT THE AGM:**

- (i) The procedure for e-Voting on the day of AGM is same as the instructions mentioned above for remote e-Voting.
- (ii) Only those Members, who will be present in the AGM through VC or OAVM facility and have not casted their votes on the Resolutions through remote e-Voting, shall be eligible to vote through e-Voting system in the AGM.
- (iii) Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- (iv) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of AGM shall be the same person mentioned for remote e-Voting.

**D. INSTRUCTIONS FOR MEMBERS WHOSE E-MAIL ID'S ARE NOT REGISTERED:**

The process for those members whose e-mail id's are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the businesses mentioned in the Notice convening the AGM are as follows:

- (a) In case shares are held in demat mode, please provide Name, DP Id & Client Id, Client Master or copy of Consolidated Account Statement along with self-attested scanned copy of PAN and AADHAAR by e-mail to investor@tarsons.com. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e., Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
- (b) Alternatively, Member may send an e-mail request to evoting@nsdl.co.in for obtaining User Id and Password by providing the details mentioned in Point (i) or (ii) as the case may be.
- (c) In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

## NOTICE (Contd.)

**E. OTHER IMPORTANT INSTRUCTIONS**

- (i) It is strongly recommended not to share your Password with any other person and you must take utmost care to keep your Password confidential. Login to e-Voting website will be disabled upon five unsuccessful login attempts with incorrect details. In such an event, you will require to reset the Password by clicking on the icon "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- (ii) Any person holding shares in physical form and non-individual shareholders, who acquires shares in the Company and becomes a Member of the Company after sending of the Notice of the AGM and holding shares as on the cut-off date, i.e., 7th July, 2023, may obtain the Login User Id and Password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [investor@tarsons.com](mailto:investor@tarsons.com). However, if you are already registered with NSDL for e-Voting then you can use your existing User Id and Password for casting your votes. If you forgot your password, you can reset your password by clicking "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice of the AGM and holding shares as on the cut-off date i.e., 7th July, 2023, may follow steps mentioned in the Notice of the AGM under Step 1 above.
- (iii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of NSDL e-Voting website, i.e., [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on Toll Free No.: 1800 1020 990 and 1800 22 44 30 or contact Ms. Pallavi Mhatre, Manager of NSDL at e-mail id: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**NOTICE (Contd.)****EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, THE RULES MADE THEREUNDER, AS APPLICABLE, THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND THE SECRETARIAL STANDARDS ON GENERAL MEETINGS (SS-2)****Item No. 3**

Pursuant to the approval of the shareholders at the 35th Annual General Meeting (AGM) of the Company held on 28th September, 2018, Price Waterhouse Chartered Accountants LLP, Chartered Accountants, ('PWC'), having Firm Registration No. 012754N/ N500016, were appointed as the Statutory Auditors of the Company for a term of 5 (five) consecutive years commencing from financial year ending on 31st March, 2019 to hold office from the conclusion of 35th AGM till the conclusion of the 40th AGM of the Company to be held in the year 2023.

Considering PWC's expertise and performance as auditors of the Company during their present tenure, the Audit Committee of the Company, after due deliberations and discussions, recommended to the Board re-appointment of PWC as Statutory Auditors of the Company for a second term of 5 (five) years to hold office from the conclusion of 40th AGM till the conclusion of the 45th AGM of the Company.

Based on recommendations of the Audit Committee, the Board of Directors at its meeting held on 27th May, 2023, approved the re-appointment of PWC, as the Statutory Auditors of the Company for a second term of 5 (five) years i.e., from the conclusion of 40th AGM till the conclusion of 45th AGM of the Company. The re-appointment is subject to approval of the shareholders of the Company.

The Audit Committee and the Board of Directors considered the following factors in recommending the re-appointment of PWC as the Statutory Auditors of the Company:

- Performance of PWC as Statutory Auditors of the Company during their present tenure;
- Competence of the leadership of the audit team and of the firm in conducting the audit of the financial statements of the Company;
- Ability of the firm to seamlessly scale and understand the Company's operations, systems and processes; and
- Geographical presence and ability of the firm in servicing the Company at multiple locations.

PWC has consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act. PWC have also provided confirmation that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board' of the ICAI.

The proposed remuneration to be paid to PWC as audit fee for 2023-24 is ₹ 33,00,000 (Rupees Thirty-three Lacs) plus applicable taxes and reimbursement of out-of-pocket expenses. The Audit Committee and the Board is of the view that proposed remuneration is reasonable audit fee considering the size and scale of the Company.

The remuneration for the subsequent year(s) of their term shall be fixed by the Board of Directors of the Company based on the recommendation of the Audit Committee. There is no material change in the remuneration proposed to be paid to Auditors for 2023-24.

None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members of the Company.

**Item No. 4**

Mr. Viresh Oberai was appointed as an Independent Director on the Board of Directors of your Company ("the Board") effective from 20th November, 2018 for a first term of five consecutive years pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 by the Members at its Extra-ordinary General Meeting held on 20th November, 2018. Since he shall complete one term on 19th November, 2023, he is eligible for reappointment for second term as Independent Director.

## NOTICE (Contd.)

Based on recommendation of Nomination and Remuneration Committee ('NRC') and pursuant to the provisions of Section 149, 150, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('the Listing Regulations') the Board has proposed the reappointment of Mr. Viresh Oberai as an Independent Director at this Annual General Meeting of the Company for second term of Five (5) years with effect from 20th November, 2023. As per the provisions of Section 149 of the Act, members' approval is required by way of Special Resolution for his re-appointment.

Mr. Viresh Oberai holds Bachelor's degree in History from the University of Delhi; MEP & Business and Management Program from IIM Ahmedabad; GMP from CEDEP Fontainebleau and Management Development program in Strategic Management from Harvard Business School. He has over 22 years of experience with Tata Steel. He has been Mentor to Tata Elxsi, CMC and Tata Interactive Systems under TBEM. The IIMM awarded him "The Chief Executive for the Year" award. He has also been conferred with the CMA Management Excellence Award for Leadership. He is also the recipient of the Udyog Ratan by the Indian Economic Society.

He is the Founder CEO and former MD of Mjunction Services Limited. Under his leadership, from 2000 to 2016 mjunction became not only India's largest and most profitable e-Commerce Company but also the world's largest e-Marketplace for steel (metaljunction), the World's most innovative e - Marketplace for Coal (coaljunction) and launched a number of other verticals and horizontals. Mr. Viresh Oberai has rich and wide experience in Business strategy & Developments, E-Commerce platforms, management, governance, technology and operations. His experiences will enable him to provide the Board with valuable insights on a broad range of business, social and governance issues that are relevant to the Company.

The Company has received declaration from Mr. Viresh Oberai confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

The Nomination and Remuneration Committee and the Board at their respective Meetings held on 12th February, 2023 taking into account the declarations and consent received, the external business environment, the business knowledge, experience including proficiency, skills and the substantial contributions made by Mr. Viresh Oberai during his tenure, formed an opinion that he is a person of integrity and possess relevant expertise, proficiency and experience to continue as an Independent Directors of the Company. Further, the performance evaluation of Mr. Viresh Oberai was carried out by the Board and the NRC based on various criteria, inter-alia, including attendance at Board and Committee Meetings and his advice, inputs and contribution therein, skills possessed, experience, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company's business, understanding of industry, etc. Given the high-performance ratings received by the him in his performance evaluation, the Board, basis the recommendation of NRC, is of the view that continued association of Mr. Viresh Oberai as an Independent Director of the Company would be of immense benefit and value to the Company.

Mr. Viresh Oberai would continue to be entitled to receive sitting fees for attending the Meetings of the Board of Directors and Committees thereof, re-imburement for expenses incurred in connection with attending Board/ Committee meetings and as may be approved by the NRC and the Board within the limits approved by the Board of the Company from time to time, as permitted by law.

Copy of the draft letter of re-appointment of Mr. Viresh Oberai would be available for inspection without any fee by the members at the Registered Office of the Company between 11:00 am and 1:00 pm on all working days till the date of Annual General Meeting.

The other disclosures required under Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard-2 of ICSI is set out at the end of this Notice.

None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the members of the Company.

### Item No. 5

Pursuant to the approval of the shareholders at the 35th Annual General Meeting (AGM) of the Company held on 28th September, 2018, Mr. Sanjive Sehgal was appointed as Managing Director and Chairman of the Company for a period of five (5) years w.e.f. 26th July, 2018 upto 25th July, 2023.

**NOTICE (Contd.)**

On the recommendation of the Nomination and Remuneration Committee and the Board of Directors at its meetings held on 10th May, 2023 and 27th May, 2023 respectively, Mr. Sanjive Sehgal was re-appointed as Managing Director and Chairman of the Company for a further period of 5 (five) years with effect from 26th July, 2023 upto 25th July, 2028, and his remuneration was approved for the aforementioned period, subject to the approval of the members.

The remuneration payable to Mr. Sanjive Sehgal, under the broad heads mentioned below, is in accordance with the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

**Remuneration of Mr. Sanjive Sehgal is set out hereunder.**

<b>Salary</b>	<b>Fixed Pay of ₹ 3.29 Crores per annum and bonus of ₹ 96 Lakhs per annum</b>
<b>Perquisites/Benefits</b>	(i) <b>Car entitlement for business and personal use.</b> (ii) <b>Mobile Phone and related bills and expenses.</b> (iii) <b>Business Class entitlement for domestic and international travel.</b>
<b>Minimum Remuneration</b>	<b>In the event of inadequacy or absence of net profits in any year during his tenure, he shall be paid minimum remuneration as may be prescribed by the Schedule V and/or other applicable provisions of the Act subject to such minimum remuneration.</b>

Mr. Sanjive Sehgal possess the experience of more than 40 (forty) in production, marketing and distribution of plastic labware, plastic lab consumables and bench-top instruments and supply of plastic products to the healthcare, pharmaceutical, biotechnology and Research Institutions and his association with the Company since 1983 along with his involvement in the affairs of the Company at the root level would be highly beneficial for the future growth of the Company.

The other disclosures required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 of ICSI are set out at the end of this Notice.

A copy of the draft employment agreement for the aforesaid reappointment of Mr. Sanjive Sehgal would be available for inspection at the registered office of the Company till the date of AGM and a copy thereof shall be provided to member(s) upon request.

The Company has received from Mr. Sanjive Sehgal: (i) consent in writing to act as Director in Form DIR-2; (ii) intimation in Form DIR-8 to the effect that he is not disqualified under the Act; and (iii) notice of interest in Form MBP-1. He has also confirmed that he is not debarred from holding the office of director by virtue of any order by SEBI or any other authority.

None of the other Directors / Key Managerial Personnel of the Company /their relatives except Mr. Rohan Sehgal and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

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

**Item No. 6**

Pursuant to the approval of the shareholders at the 35th Annual General Meeting (AGM) of the Company held on 28th September, 2018, Mr. Rohan Sehgal was appointed as Whole-time Director of the Company for a period of 5 years w.e.f. 26th July, 2018 upto 25th July, 2023.

On the recommendation of the Nomination and Remuneration Committee and the Board of Directors at its meetings held on 10th May, 2023 and 27th May, 2023 respectively, Mr. Rohan Sehgal was re-appointed as the Whole-time Director of the Company for a further period of 5 (five) years with effect from 26th July, 2023 upto 25th July, 2028, and his remuneration was approved for the aforementioned period, subject to the approval of the members.

The remuneration payable to Mr. Rohan Sehgal, under the broad heads mentioned below, is in accordance with the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

**Remuneration of Mr. Rohan Sehgal is set out hereunder:**

<b>Salary</b>	<b>Fixed Pay of ₹ 2.79 Crores per annum and bonus of ₹ 96 Lakhs per annum</b>
<b>Perquisites/Benefits</b>	(i) <b>Car entitlement for business and personal use.</b> (ii) <b>Mobile Phone and related bills and expenses.</b> (iii) <b>Business Class entitlement for domestic and international travel.</b>
<b>Minimum Remuneration</b>	<b>In the event of inadequacy or absence of net profits in any year during his tenure, he shall be paid minimum remuneration as may be prescribed by the Schedule V and/or other applicable provisions of the Act subject to such minimum remuneration.</b>

## NOTICE (Contd.)

Mr. Rohan Sehgal has an experience of more than 10 (ten) years in the industry and his involvement in Operations Management, Organic Business Growth, Strategic Planning, Staff Development, Performance & Quality Standards, Customer Satisfaction & Allegiance Leadership Development, P&L Management/Budget Planning, Manufacturing & Marketing, Change Management, Commercial & Customer Support, Strategic Partnerships in association with his directorship in the Company would be highly beneficial for the future growth of the Company.

The other disclosures required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 of ICSI are set out at the end of this Notice.

A copy of the draft employment agreement for the aforesaid reappointment of Mr. Rohan Sehgal would be available for inspection at the registered office of the Company till the date of AGM and a copy thereof shall be provided to member(s) upon request.

The Company has received from Mr. Rohan Sehgal: (i) consent in writing to act as Director in Form DIR-2; (ii) intimation in Form DIR-8 to the effect that he is not disqualified under the Act; and (iii) notice of interest in Form MBP-1. He has also confirmed that he is not debarred from holding the office of director by virtue of any order by SEBI or any other authority.

None of the other Directors / Key Managerial Personnel of the Company / their relatives except Mr. Sanjive Sehgal and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members of the Company.

### Item No. 7

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through stock-based compensation scheme. Your Company believes that equity-based compensation plans are an effective tool to reward the talents working with the Company. With a view to motivate employees for their contribution to the corporate growth, to create an employee ownership culture and to retain them for ensuring sustained growth, your Company intends to implement an employee stock option ("Options") plan namely '**Tarsons Products Limited- Employee Stock Option Plan 2023**' ("**ESOP 2023**" / "**Plan**") seeking to cover all eligible employees of the Company.

Accordingly, the Nomination and Remuneration Committee and the Board of Directors of the Company at their respective meetings held on 12th June, 2023 had approved the introduction of the Plan, subject to your approval.

In terms of Section 62(1)(b) of the Companies Act, 2013 and Rules made thereunder read with Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations"), the Company seeks your approval as regards to implementation of the Plan and grant of Options thereunder to the eligible employees of the Company, as decided from time to time as per provisions of the Plan read with provisions of SEBI SBEB & SE Regulations. The main features of the Plan are as under:

#### a) Brief Description of the Plan:

Keeping in view the aforesaid objectives, the Plan contemplates grant of Options to the eligible employees of the Company. After vesting of options, the eligible employees earn a right, but not obligation, to exercise the vested Options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon. It shall be deemed to have come into force on the date of receipt of shareholders' approval.

The Nomination and Remuneration Committee shall act as the Compensation Committee ('Committee') for the administration of the Plan. All questions of interpretation of the Plan shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Plan.

#### b) Total number of Options to be granted:

The total number of Options to be granted under the Plan shall not exceed **5,32,063 (Five Lacs Thirty-Two Thousand Sixty-Three Only)**, in one or more tranches, to other eligible employees of the Company as determined by the Committee. Each Option when exercised would be converted in to one equity share ("Share") of ₹ 2/- (Rupees Two) each fully paid-up.

Further, SEBI SBEB & SE Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division etc., a fair and reasonable adjustment needs to be made to the Options granted. In this regard, the Committee shall adjust the number and price of the Options granted in such a manner that the total value of the Options

## NOTICE (Contd.)

granted under the Plan remain the same after any such corporate action. Accordingly, if any additional Options are issued by the Company to the Option grantees for making such fair and reasonable adjustment, the ceiling of **5,32,063 (Five Lacs Thirty-Two Thousand Sixty-Three Only)**, shall be deemed to be increased to the extent of such additional Options issued.

**c) Identification of classes of employees entitled to participate in the Plan:**

All employees and Directors (hereinafter referred to as "Employees") of the Company, shall be eligible subject to determination or selection by the Committee. Following classes of Employees/ Directors are eligible being:

- an Employee as designated by the Company, who is exclusively working in India or outside India; or
- a director of the Company, whether whole-time or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or

**but excludes**

- an Employee who is a promoter or belongs to the promoter group; and
- a director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the issued and subscribed shares of the Company.

**d) Requirements of Vesting and period of Vesting:**

All the Options granted on any date shall vest not earlier than minimum period of **1 (One) year** and not later than a maximum period of **4 (Four) years** from the date of grant of Options as may be determined by the Committee. The Committee shall have the power to vary the vesting period from time to time subject to these minimum and maximum vesting period at the time of grant.

The vesting dates in respect of the Options granted under the Plan shall be determined by the Committee and may vary from Employee to Employee or any class thereof and / or in respect of the number or percentage of Options to be vested.

Options granted to Employees shall vest based on continuation of employment/ service as per SBEB Regulations. Apart from that the Committee may prescribe achievement of any performance condition(s) for vesting as deemed appropriate.

In the event of death or permanent incapacity of an Employee, the minimum vesting period shall not be applicable and in such instances, all the unvested Options shall vest with effect from date of the death or permanent incapacity.

**e) Maximum period within which the Options shall be vested:**

All the Options granted on any date shall vest not later than a **maximum of 4 (Four) years** from the date of grant of Options as stated above.

**f) Exercise price or pricing formula:**

The exercise price per Option shall be the market price of the Shares of the Company discounted by such a percentage not exceeding 20% to be determined by the Committee from time to time on the date of Grant.

Provided, that the exercise price shall not be less than the face value of Shares of the Company as on date of grant. The specific exercise price shall be intimated to the Option grantee in the grant letter at the time of grant.

**g) Exercise period and the process of exercise:**

The exercise period would commence from the date of vesting and will expire on completion of **4 (Four) years** from the date of respective vesting, or such other shorter period as may be decided by the Committee from time to time.

The vested Option shall be exercisable by the Option grantees by a written application to the Company expressing his/ her desire to exercise such Options in such manner and on such format as may be prescribed by the Committee from time to time. Exercise of Options shall be entertained only after payment of requisite exercise price and satisfaction of applicable taxes by the Option grantee. The Options shall lapse if not exercised within the specified exercise period.

**h) Appraisal process for determining the eligibility of Employees under the Plan:**

The appraisal process for determining the eligibility of the Employees will be based on designation, period of service, performance linked parameters such as work performance and such other criteria as may be recommended by the management and approved by the Committee at its sole discretion, from time to time.

**i) Maximum number of Options to be issued per Employee and in aggregate:**

The maximum number of Options that may be granted to any specific Employee and in aggregate, under the Plan shall not exceed **50,000 (Fifty Thousand Only)**.



## NOTICE (Contd.)

**j) Maximum quantum of benefits to be provided per Employee under the Plan:**

Apart from grant of Options as stated above, no monetary benefits are contemplated under the Plan.

**k) Route of the Plan implementation:**

The Plan shall be implemented and administered directly by the Company.

**l) Source of acquisition of shares under the Plan:**

The Plan contemplates fresh issue of shares by the Company.

**m) Amount of loan to be provided for implementation of the Plan(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.,**

This is currently not contemplated under the present Plan.

**n) Maximum percentage of secondary acquisition:**

This is not relevant under the present Plan.

**o) Accounting and Disclosure Policies:**

The Company shall follow the IND AS 102 on Share-based payments and/ or any relevant accounting standards as may be prescribed by the Institute of Chartered Accountants of India or any other appropriate authority, from time to time, including the disclosure requirements prescribed therein, in compliance with relevant provisions of SEBI SBEB & SE Regulations. In case, the existing guidance note, or accounting standards do not prescribe accounting treatment or disclosure requirements, any other Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in due compliance with the requirements of Regulation 15 of SEBI SBEB & SE Regulations.

**p) Method of Option valuation:**

The Company shall adopt 'fair value method' for valuation of Options as prescribed under guidance note or under any accounting standard, as applicable, notified by appropriate authorities from time to time.

**q) Declaration:**

In case, the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the Employee compensation cost so computed and the Employee compensation cost that shall have been recognized if it had used the fair value of the Options and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

**r) Lock-in period:**

The Shares transferred upon exercise of Options shall be freely transferable and shall not be subject to any lock-in period restriction after such exercise.

Such restrictions as may be prescribed under applicable laws including that under the code of conduct framed, if any, by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended shall be applicable.

**s) Terms & conditions for buyback, if any, of specified securities/ Options covered granted under the Plan:**

Subject to the provisions of the then prevailing applicable laws, the Committee shall determine the procedure for buy-back of Options granted under the Plan if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

A draft copy of the Plan is available for inspection at the Company's registered office during official hours on all working days till the date of the Annual general meeting.

None of the Directors, key managerial personnel of the Company including their relatives are interested or concerned in the resolutions, except to the extent they may be lawfully granted Options under the Plan.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the members of the Company.

## NOTICE (Contd.)

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE AGM**

**[Pursuant to the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India]**

Categories	Mr. Sanjive Sehgal	Mr. Rohan Sehgal	Mr. Viresh Oberai
Name & Designation	Mr. Sanjive Sehgal, Chairman and Managing Director	Mr. Rohan Sehgal, Whole-Time Director	Mr. Viresh Oberai, Independent Director
Director Identification Number (DIN)	00787232	06963013	00524892
Date of Birth/Age	03.02.1961 (62 years)	14.08.1988 (34 years)	17.08.1956 (66 years)
Qualification	Bachelor's degree in Science (BSC) from St. Xavier's College, Kolkata	Degree in BSc (Hons) Management from Manchester University, United Kingdom	Bachelor's degree in History from the University of Delhi; MEP from IIM Ahmedabad; GMP from CEDEP Fontainebleau and Management Development program in Strategic Management from Harvard Business School
Date of First appointment on the Board:	25th July, 1983	1st September, 2014	20th November, 2018
Experience (including expertise in specific functional area)	Mr. Sanjive Sehgal has an experience of over 40 years in production, marketing and distribution of plastic lab ware, plastic lab consumables and bench-top instruments and supply of plastic products to the healthcare pharmaceutical biotechnology and Research Institutes.	He has more than 10 years of experience in the industry and has been involved in Operations Management, Organic Business Growth, Strategic Planning, Allegiance Leadership Development, Budget Planning, Manufacturing & Marketing, Strategic Partnerships, etc.	Mr. Viresh Oberai has rich and wide experience of 22 years in Business strategy & Developments, E-Commerce platforms, management, governance, technology and operations.
Terms & Conditions of appointment/re-appointment	As per the Resolution at Item No. 5 of the Notice convening this Meeting read with the Explanatory Statement, Mr. Sanjive Sehgal is proposed to be re-appointed as the Managing Director and Chairman of the Company w.e.f. 26th July, 2023 for further period of 5 (five) years.	As per the Resolution at Item No. 6 of the Notice convening this Meeting read with the Explanatory Statement, Mr. Rohan Sehgal is proposed to be re-appointed as the Whole-time Director of the Company w.e.f. 26th July, 2023 for further period of 5 (five) years.	As per the resolution at Item No. 4 of the Notice convening this Meeting read with the Explanatory Statement, Mr. Viresh Oberai is proposed to be re-appointed as an Independent Director for second term of 5 (five) consecutive years with effect from 20th November, 2023
Remuneration last drawn (2022-23)	₹ 3.29 Crores plus bonus of ₹ 96 Lakhs	₹ 2.79 Crores plus bonus of ₹ 96 Lakhs	₹ 12 Lakhs (Sitting fees only)
Number of Board meeting attended during 2022-23	6 out of 6	6 out of 6	5 out of 6
Shareholding in the Company including shareholding as a beneficial owner as on 31st March, 2023	14,354,248 (26.98%)	10,800,347 (20.30%)	6,000 (0.011%)
Relationship with other Directors / Key Managerial Personnel	Father of Mr. Rohan Sehgal, Whole-time Director and not related to any other Director / Key Managerial Personnel	Son of Mr. Sanjive Sehgal, Managing Director and not related to any other Director / Key Managerial Personnel	None.

## NOTICE (Contd.)

Categories	Mr. Sanjive Sehgal	Mr. Rohan Sehgal	Mr. Viresh Oberai
Directorships of other Boards as on 31st March, 2023	1. Inayat Apartments Private Limited 2. Inayat Heights Private Limited 3. Inayat Developers Private Limited 4. Inayat Estates Private Limited 5. Inayat Homes Private Limited 6. Inayat Aashiyana Private Limited 7. Inayat Realty Private Limited 8. Inayat Residency Private Limited 9. Inayat Realtors Private Limited 10. Inayat Properties Private Limited 11. Inayat Projects Private Limited	1. Inayat Apartments Private Limited 2. Inayat Heights Private Limited 3. Inayat Developers Private Limited 4. Inayat Estates Private Limited 5. Inayat Homes Private Limited 6. Inayat Aashiyana Private Limited 7. Inayat Realty Private Limited 8. Inayat Residency Private Limited 9. Inayat Realtors Private Limited 10. Inayat Properties Private Limited 11. Inayat Projects Private Limited	1. Nextdoorhub International Private Limited 2. Virtutis Medicagy Private Limited
Membership / Chairmanship of Committees as on 31st March, 2023	<b>Membership</b> - Stakeholders Relationship Committee - Corporate Social Responsibility Committee	<b>Membership</b> - Stakeholders Relationship Committee - Risk Management Committee - Corporate Social Responsibility Committee <b>Chairmanship</b> - IPO Committee	<b>Membership</b> - Audit Committee. <b>Chairmanship</b> - Stakeholders Relationship Committee - Nomination and Remuneration Committee
Membership / Chairmanship of Committees of other Boards as on 31st March, 2023	Nil	Nil	Nil
Listed entities from which the Director has resigned in the past three years	Nil	Nil	Nil

By order of the Board  
 For **Tarsons Products Limited**  
 (Formerly known as **Tarsons Products Private Limited**)  
 Sd/-  
**Santosh Kumar Agarwal**  
 Company Secretary, Compliance Officer &  
 Chief Financial Officer

Kolkata, 12th June, 2023

**Registered Office:**

Martin Burn Business Park, Room No. 902,  
 BP- 3, Salt Lake, Sector- V, Kolkata-700091,  
 West Bengal, India







**Global Headquarter:**

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