Tarsons
TRUST DELIVERED

TRUST DELIVERED

Annual Report
2023-24

Across the Pages

01-38 Corporate Overview

02	Highlights of FY 2023-24
04	About Us
06	Our USPs
08	Our Strengths
10	Our Journey
12	Our Footprint
14	Our Product Portfolio
20	Key Business Strategies
22	Chairman & MD's Message
26	Key Financial Highlights
28	Our ESG Initiatives
30	Social: People
32	Social: Community
34	Governance
36	Our Management Team
38	Corporate Information

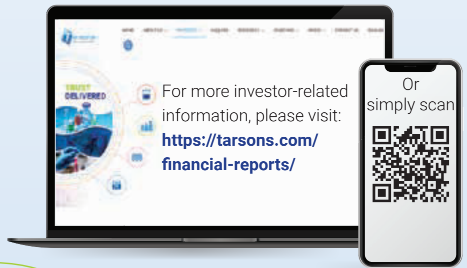
39-138 Statutory Reports

39	Management Discussion and Analysis
48	Board's Report
72	Business Responsibility & Sustainability Report
105	Corporate Governance Report

139-284 Financial Statements

139	Standalone
215	Consolidated

285-302 Notice



Disclaimer

This document contains statements about expected future events and financials of Tarsons Products Limited ('The Company'), 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	:	₹ 20,965.90 Million
CIN	:	L51109WB1983PLC036510
BSE Code	:	543399
NSE Symbol	:	TARSONS
Bloomberg Code	:	TARSONS:IN
AGM Date	:	Friday, 27th September, 2024
AGM Mode	:	Video Conference/Other Audio/Visual Means

Trust Delivered

Drawing strength from decades of experience, we have meticulously honed our expertise in the field of Scientific Plastic Labware products. Our strategic approach to crafting solutions allows us to cultivate trust and ultimately deliver unparalleled value to our clients.

In an industry fueled by solid competition, we recognize the imperative of adhering to stringent quality standards and compliance requirements. As one of the leading manufacturers of Plastic Labware and critical items for the life science sector, Tarsons Products Limited is committed to delivering products through precision, technical expertise, and robust manufacturing practices. This is while upholding the highest quality standards across all our product offerings.

Our enduring relationship with our customers mirror our commitment to fulfilling our promises. For over four decades, we have proudly served the scientific community in India with reliable, user-friendly, and cost-effective products. Thus, reducing our customers' dependency on imports. Our ability to extend our reach to over 40+ countries not only underscores our strategic vision but also our capabilities to consistently deliver excellence.

At every stage of the production process, we remain dedicated in our pursuit of excellence, reinforcing the trust placed in our brand, Tarsons — where 'Trust Delivered is not just a motto but a promise!'

HIGHLIGHTS OF FY 2023-24

Trust Delivered Through **Credible Performance**

FINANCIAL

₹ 6,204.17 Million
Net Worth

₹ 1,034.39 Million
EBITDA

₹ 512.47 Million
PAT

₹ 2,773.10 Million
Annual Turnover

37.30%
EBITDA Margin

18.48%
PAT Margin

SOCIAL

100+ Hours
Total Learning

₹ 21.14 Million
CSR Spend

GOVERNANCE

66.67%
Non-Executive Directors on the Board

50%
Independent Directors on the Board

85.56%
Committee Attendance

89.58%
Board's Attendance

60%
Composition of Independent Directors on Board Committees

ABOUT US

Excellence Delivered Through **Commitment**

Tarsons Products Limited (also referred to as 'Tarsons', 'Our Company', or 'We'), stands at the pinnacle within the realm of the plastic labware industry. Strengthened with over four decades of undeterred dedication, we deliver quality solutions to serve sections such as molecular biology, cell culture, genomics, proteomics, and immunology. With a firm focus on innovation combined with engineering dexterity, we create state-of-the-art offerings. Our deep commitment to quality, excellence, and customer satisfaction has further driven us to be a revered partner within the scientific community.

KEY FACTS

41 Years of Experience

5 Manufacturing Facilities

2 Upcoming State-of-the-Art Facilities

1,700+ SKUs

300+ Product Categories

140+ Distributors in India

100% Acquisition of a German Plastic Labware company

Products Supplied across **40+** Countries

VISION

Our 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 whilst creating opportunities for our employees and delivering superior and sustainable stakeholder value.

OUR USPs

Reliability Delivered as a **Trusted Partner**

At Tarsons, we leverage the power of our premium quality products and manufacturing process. We focus on seamlessly blending our robustness with engineering prowess to craft state-of-the-art Plastic Labware and Life Science products, making us the preferred partner over our competitors. The three points below elaborate on the reasons why we stand as the preferred choice among many other industry players.

Experience

We enjoy a rich legacy spanning over 40 years in plastic and labware manufacturing, standing as a beacon of commitment to serving the scientific community. We remain strong with unaltered dedication as a trusted supplier to a diverse array of industries, encompassing healthcare, pharmaceuticals, biotechnology, food, and environmental sectors on a global scale.

Performance

We currently manufacture a wide range of products, such as disposable plastic labware, Centrifuge ware, cryo labware, liquid handling systems, safety products, reusables like (bottle, carboy, measuring cylinder), and instruments. Each of our products is customized as per the laboratory needs of our customers. We have been creating breakthrough solutions for the scientific community with futuristic designs in mind. We curate a creative and intelligent work environment for our employees. While working with us, exposures to technologies and the global network of scientists are the key leverages every employee enjoys. Besides, our culture promotes growth, learning, and innovation at every step.

Customer Delight

We hold customer satisfaction in the highest regard, understanding its multifaceted benefits. Beyond merely resolving issues, this value serves as a proactive measure to mitigate customer churn while identifying and nurturing our customers, who can become our advocates and evangelists. Knowing that fostering positive relationships with our customers is the key to success, we prioritize interactions, defined by friendliness, helpfulness, and positivity. By demonstrating to each customer their invaluable role in our business, we aim to not only meet but also exceed their expectations, solidifying their trust and loyalty to our brand.

OUR STRENGTHS

Results Delivered Through **Capabilities**

At Tarsons, we firmly believe that performance is not just an endpoint but marks the beginning of a continuous journey of refinement. Our dedication drives our relentless pursuit of perfection to deliver quality with precision. Thereby meeting and surpassing the demands of our valued customers. Here are the foundational pillars that fortify our capabilities and enable us to deliver and excel:

State-of-the-Art Facilities

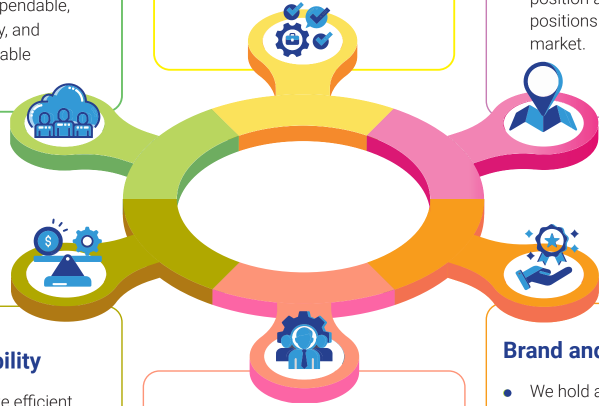
- We leverage cutting-edge, automation-driven manufacturing facilities to enhance efficiency, efficacy, and innovation, setting new standards in production capabilities.
- We remain at the forefront of manufacturing molecular biology consumables, pioneering new advancements, and delivering high-quality products to meet the evolving needs of our customers.

Diversified Customer Base

- We aim to build a long-standing relationship with a diverse set of key end-customers.
- We have cultivated the capability to provide distinct, user-centric, dependable, premium quality, and economically viable products.

Geographical Presence

- We have managed to forge a strong and wide geographical reach with our past experiences and values, supported by a strong sales and distribution network.
- We have managed to hold the position among the top three positions in our addressable market.



Financial Stability

- We demonstrate efficient capital allocation, which is reflected in our strong financial track record.
- We ensure consistent high profitability backed by our financial stability, leading to streamlined operations.

Experienced Management Team

- We are guided by a Board of industry veterans, strengthened by an experienced promoter and a skilled management team. Thus, ensuring effective leadership and strategic direction for sustained growth and success.
- We drive innovation through our in-house engineering team, ensuring exceptional performance across all kind of Plastic Labware products.

Brand and Quality

- We hold a prominent position as a top Indian supplier within the life sciences sector, recognized for our industry leadership and strong market presence.
- As a brand, we are synonymous with quality, offering a diverse range of products tailored to meet the unique needs of various customer segments within the life sciences industry.

OUR JOURNEY

Milestones Delivered Through **Determination**

1983 Incorporated Tarsons Products Private Limited (TPPL) with the manufacturing of reusable plastic products

1984 Commenced production of Pipette Tips

1987 Expanded product line by initiating manufacturing of Centrifuge Tubes

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

2009 Obtained ISO 9001:2015 certificate for the manufacturing facility

2012 Established manufacturing facility, expanding into production of fully automatic Centrifuge Tubes, and Cryogenic Vials in Dhulagarh

2018 Obtained ISO 13485:2016/NSEN certificate for the manufacturing facility

2019 Established a line for PCR products in Jalan Industrial Complex at Jangalpur

2021 - 22
- Acquired 5 acres of land in Panchla and 6 acres of land in Amta for capacity expansion, introduction of new product lines, backward integration and the establishment of a fulfillment center
- Listed on stock exchanges

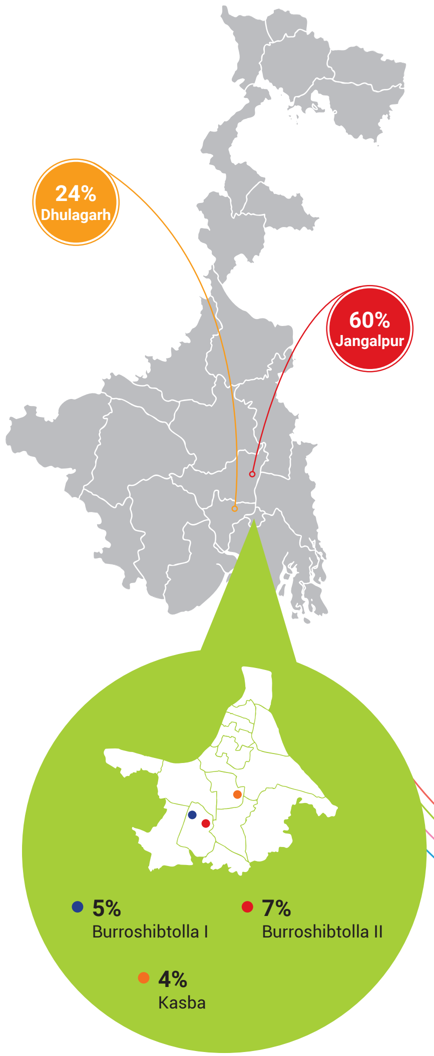
2022 - 23 Expanded product portfolio and added variety to the existing product basket

2024 Expanded our presence in Europe by acquiring the German entity Nerbe

OUR FOOTPRINT

Presence Delivered Through **Extensive Reach**

NATIONAL (Presence in West Bengal)



CAPEX UPDATE

Panchla

We are excited to announce the launch of our new product line, which includes advanced cell culture and other bioprocess solutions. Alongside this, we are also expanding the capacity of several existing products:

- Completed civil construction for the expansion
- Anticipated several machines, which are currently in transit, to arrive shortly
- Anticipated to commence first round of production in H1 of 2024-25
- Projected to begin the commercial production of cell culture and other products in H2 of FY 2024-25

Amta

We hereby state the progress in constructing the Radiation Plant including the fulfilment center:

- Successfully signed an MOU with the Board of Radiation & Isotope Technology (BRIT) for the establishment of a radiation plant
- Enhanced operational resilience with the implementation of sterile (radiated) production, which is likely to decrease our reliance on a single vendor in West Bengal
- The plant would also operate as the fulfilment center/ warehouse, which will streamline our inventory management and enhance overall operational efficiency

INTERNATIONAL

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

35% Contributed by Brand Sales

65% Contributed by (ODM) Sales

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 of connection with its accuracy or completeness.

OUR PRODUCT PORTFOLIO

Solutions Delivered Through **Expertise**

At Tarsons, we are driven by our dedication to addressing the distinctive requirements of the Indian scientific community. To this end, we harness our extensive proficiency in precision manufacturing technologies to forge a notable competitive edge and provide solutions that deeply resonate with the industry. With this objective at our core, we have cultivated diverse labware products, spanning consumables and reusables, among other essentials. Throughout our evolution, we have expanded our labware portfolio and achieved economies of scale in production. This enables us to penetrate untapped markets and innovate new product offerings to cater to our customers' evolving needs.

Consumables

We offer our valued customers a wide range of products 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 to transfer small volume of liquids with high precision.

Centrifuge Ware

When placed in a centrifuge, Centrifuge tube is designed to be used in various laboratory processes,including sample separation, purification, concentration, storage, spinning down and separation of colloidal solution, where centrifugal force is used to separate components of a mixture based on size, shape, density and viscosity of the medium. We offer Centrifuge tubes with snap caps and screw caps, round-bottom Centrifuge tubes, self-standing Centrifuge tubes, and micro Centrifuge tubes. All of the varieties are available in racked and bulk packaging as well as in both sterilized and non-sterilized form in both natural and amber colour. These are produced with premium-grade virgin Polypropylene.

Cryo Vials

We design Cryo Vials to store biological materials at extreme temperatures, as low as -196°C (vapour phase of liquid nitrogen).

Petri Dishes

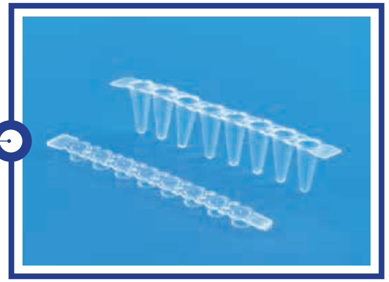
A Petri Dish is majorly used as laboratory equipment in the field of biology and chemistry. The dish is used to culture cells by providing storage space and preventing contamination. We produce Petri Dishes with virgin biomedical-graded polystyrene, which is mostly used in microbe culture and sensitivity assays. Typically, these are used once and discarded, aiming to optimise the time consumed in washing and sterilizing.

Storage Vials

We manufacture Storage Vials for storing samples measuring below -80°C. These are used for storage of PCR reagents, enzymes, biochemical reagents or samples and other diagnostics. We offer specially designed Storage Vials in Star Foot, Self-Standing and Ria Vials types with HDPE Closure.

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/qPCR 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 design and manufacture 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 21 ml volume and 12 Channel Open Format Reservoir Plate of 290 ml volume.

Sterile Media Bottles

We offer 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. These 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 and a plastic/plastic peel pack.

Sampling Spoons and Scoops

We specially design long-handle Sampling Spoons and Scoops made of high-impact Polystyrene. These help easily collect and scoop 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 are resistant to a temperature range of -40°C to 80°C.

Reusables

We are one of the leading manufacturers and seller of high-quality reusable products. Our diverse portfolio of innovative solutions is 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 the 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 mainly 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 trusted among overseas customers.

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 safely handle 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.

Instruments

Centrifuge

Our Centrifuge machines are built with a compact design to accommodate PCR tubes and micro Centrifuge tubes for seamless separations. With a safety lid-lock and lid-drop protection, these Centrifuges have a fully digital display. Equipped with automatic lid opening to prevent sample from overheating, our Centrifuges are ideal for sensitive operations.

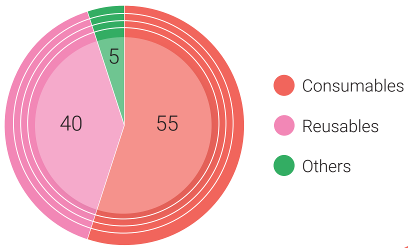
Vortex

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, essential laboratory instruments used to transfer volumes of liquid accurately and precisely in the microliter range.

SEGMENT-WISE REVENUE (%)



KEY BUSINESS STRATEGIES

Trust Delivered Through **Precision**

At Tarsons, we firmly believe that execution reigns over everything else. This belief is the driving force behind our business strategies, which are meticulously designed to strengthen and enhance the quality of our products. Thus, enabling us to deliver products with unmatched standards.

Enhance & Expand Existing Product Portfolio

- Emphasize branding and promotional efforts to elevate visibility within the labware industry. Thereby augmenting brand awareness and fostering customer loyalty.
- Expand our product offerings by manufacturing new items in the cell culture and robotic-handled consumables categories such as media bottles, erlin meyer cell culture flask, pcr items, with a strategic focus on penetrating import-dominated markets.
- Capitalize on the 'Make in India' initiative to boost domestic sales relative to exports, leveraging our manufacturing capabilities to cater to the local markets' needs and preferences.

Enhance Manufacturing Capacities to Leverage Growth

- Increase manufacturing capacities in sought-after product categories such as Liquid Handling, Centrifuge Ware, and Cryo Ware by investing in additional machinery, molds, and supporting infrastructure.
- Acquisition of 5 acres of land in Panchla, West Bengal, for the establishment of a new manufacturing facility. This expansion aims to facilitate our entry into the cell culture product segment and cater to the growing demand.
- Acquisition of an additional 6 acres of land in Amta to develop a fulfilment center and radiation facility for select products, further bolstering our operational capabilities and market presence.

Increase Presence in Overseas Markets

- Strategization to expand exports to major countries over the next 5-10 years, leveraging our extensive experience and successful track record in serving international clienteles.
- Acquisition of Nerbe, a Hamburg-based distributor specializing in plastic labware products, to strengthen our foothold in key markets.
- Implementation of a two-pronged approach:
  - Branded sales focused on penetrating emerging markets including Asia-Pacific, the Middle East and South America.
  - ODM sales aimed at supplying products to developed markets such as USA and Europe, capitalizing on their established infrastructure and market presence.

Maintain Operational Efficiency & Profitability

- Successfully implemented strategic cost-saving and efficiency improvement processes, including advanced automation solutions.
- Continuously invested in automation technologies to mitigate human errors and enhance throughput, ensuring sustained productivity gains and operational excellence.

Chairman &
MD's Message

"As we embark on the journey for the 2023-24 fiscal year, it's appropriate to acknowledge the significant strides we've made over the past forty years. This moment of reflection highlights the incredible journey we've undertaken and the lasting strength of our organization."

Dear Shareholders,

As we come together to look back on the last year, I am honored and privileged to speak to you on this momentous occasion. The year gone by brought along a diverse array of experiences—marked by both formidable challenges and promising opportunities. It is with great pride that I acknowledge our collective resilience and deep commitment, which have been instrumental in guiding us through these trials.

Our determination has not only enabled us to surmount temporary setbacks but also to seize and capitalize on the opportunities that arose. As we embark on the journey for the 2023-24 fiscal year, it's appropriate to acknowledge the significant strides we've made over the past forty years. This moment of reflection highlights the incredible journey we've undertaken and the lasting strength of our organization.

Macroeconomic Trends and Industry Dynamics

The demand for reliable and efficient labware has always been critical. In recent years, particularly during 2021-22 and 2022-23, the life science industry has encountered significant challenges. However, signs of recovery have begun to surface in the latter half of 2023-24, a trend we are meticulously tracking and preparing to harness. We anticipate steady progress, especially within the realms of pharmaceuticals, Contract Research Organizations (CROs), research institutions, and diagnostic centers.

Technological advancements and breakthroughs have been pivotal in driving this resurgence. Cutting-edge innovations in manufacturing techniques and material science have culminated in the development of sophisticated plastic labware designed to meet the stringent demands of today's scientific community. These advancements ensure that our labware products are not only durable and cost-effective but also resilient to extreme conditions such as different temperatures and chemical exposure commonly encountered in laboratory environments.

Moreover, the growing demand from emerging economies, particularly India, has significantly bolstered the plastic labware market. As these nations ramp up their research and development capabilities, the need for high-quality labware solutions has intensified.

Performance Review

Holding a substantial market share in our product category in our addressable market, Tarsons has established itself as a trusted and preferred brand over the past four decades. Our commitment to excellence has earned us the confidence of our customers across diverse end markets, reinforcing our standing as a top choice in the industry.

Our success is underpinned by a robust distribution network that includes approximately 140 distributors nationwide. Furthermore, our dedicated sales team of over 40 professionals maintains close contact with our end customers, driving product sales and effectively cross-selling our extensive portfolio. This strong domestic presence is complemented by our international reach, supported by 45 distributors across global markets.

In 2023-24, we continued to enhance our international footprint through a dual strategy: branded sales under the Tarsons name and Original Design Manufacturing (ODM) sales via white-label arrangements. The balance of our overseas business was notably 35% branded and 65% ODM. This strategic approach allows us to cater to a diverse range of market needs while expanding our global presence.

Recent Acquisition

The strategic acquisition of Nerbe, a Hamburg-based leader in plastic labware products. This acquisition underscores our commitment to capitalizing on the burgeoning prospects within the international market.

With this acquisition, we are well-positioned to make substantial inroads into the European market. Nerbe's well-established distribution network and deep-rooted industry expertise provide us with a solid foundation to enhance our presence in this key region. By integrating Nerbe's extensive experience and valuable relationships, we can now offer an even broader array of products and services to meet the diverse needs of our international clients.

This strategic move not only opens new avenues for growth but also propels Tarsons to new heights in the global arena. We are confident that the synergy between Tarsons and Nerbe will drive our continued success and reinforce our position as a leading player in the international labware market.

Financial Performance

In reviewing our financial performance for 2023-24, our standalone revenue was found to be standing at ₹ 277 Crores, reflecting a modest decline of 2% from the previous year. The standalone EBITDA for the same period was ₹ 103 Crores. The margins for 2023-24 were impacted by several factors, including a shift in our product mix, one-off expenses amounting to ₹ 2.8 Crores in Q1 related to due diligence for a potential acquisition that ultimately did not materialize, and ₹ 3.7 Crores in provisions for inventory.

> **“We are actively pursuing strategies to enhance profitability by leveraging synergies between our operations and Nerbe’s established distribution network. Our focus is on expanding cross-selling opportunities and optimizing operational efficiencies, which we believe will drive revenue growth and improve our profitability over time.”**

When adjusted for these one-off expenses, our EBITDA stood at ₹ 110 Crores, resulting in a margin of 40%. Additionally, our margins were influenced by the initial costs associated with our new facility in Panchla, which is projected to commence revenue generation in 2024-25.

On a consolidated basis, incorporating both the standalone India business and the recently acquired Nerbe business, our total revenue reached ₹ 296 Crores with an EBITDA of ₹ 100 Crores. It is important to note that consolidated margins may exhibit variance due to the integration of Nerbe, which currently operates as trader with lower margins compared to our Indian manufacturing segment.

We are actively pursuing strategies to enhance profitability by leveraging synergies between our operations and Nerbe's established distribution network. Our focus is on expanding cross-selling opportunities and optimizing operational efficiencies, which we believe will drive revenue growth and improve our profitability over time.

Update on Capex

In Panchla, we are making significant strides in our expansion efforts. We are venturing into the cell culture products segment—a new and exciting area for us—while simultaneously increasing our capacities for existing product lines.

The civil construction of the site has been completed, and we are on track to have the facility fully operational. We anticipate that initial production for commercial sale will commence in H2 FY 2024-25.

At our Amta plant, we have formalized a Memorandum of Understanding (MoU) with the Board of Radiation and Isotope Technology. This move will help reduce our dependency on a single vendor and enhance our operational flexibility.

Additionally, we are advancing construction on our new single warehouse operations. This development is aimed at optimizing our inventory management and streamlining our operational processes to boost efficiency. We expect this facility to be completed and operational by Q1 FY 2025-26.

Way Forward

As we acknowledge the current challenges faced by our industry due to external factors, I want to reaffirm our undeterred commitment to maintaining excellence. Despite these obstacles, our confidence remains strong as we look ahead to the opportunities and challenges that lie before us.

The recent acquisition of Nerbe represents a pivotal milestone in our journey, heralding a new phase of growth for Tarsons. This strategic move not only opens new avenues for expansion but also reinforces our dedication to enhancing our presence in the global labware market.

As we continue to navigate this evolving landscape, we remain focused on leveraging our strengths and embracing the potential for growth that lies ahead. Thank you for your continued support and confidence in Tarsons as we advance into this exciting new chapter.

Closing Note

As we draw this update to a close, I want to extend my heartfelt gratitude to all our stakeholders for their unwavering support and trust in Tarsons. We are aware of the current challenges facing our industry, which are shaped by external factors that continue to evolve. Nevertheless, our commitment to excellence remains resolute, and we are steadfast in our mission to navigate these complexities with determination and agility.

Thank you once again for your invaluable support and confidence. Together, we will continue to build on our successes and strive toward new heights of excellence and growth.

Regards,

Sanjive Sehgal
Chairman & Managing Director

₹ 277 Crores
Standalone revenue

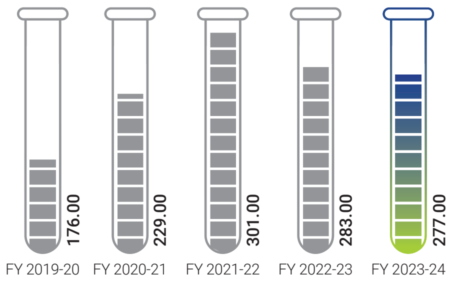
₹ 103 Crores
Standalone EBITDA

KEY FINANCIAL HIGHLIGHTS

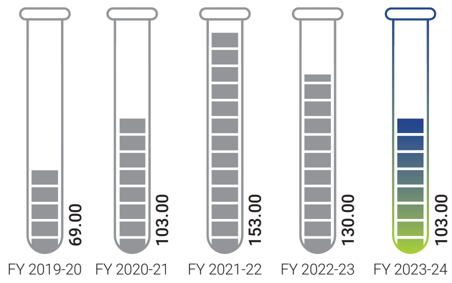
Stability Delivered Through **Numbers**

At Tarsons, we are committed to deliver consistent returns to our shareholders and this dedication transcends mere profitability. We recognize the trust our stakeholders place on us to manage their investments with integrity and expertise, and we approach this responsibility with unwavering commitment. We firmly believe in cultivating a resilient business model anchored with ethical practices to ensure sustained profitability for all our shareholders.

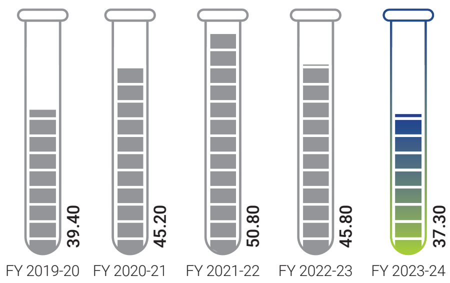
Revenue from Operations
(₹ in Crores)



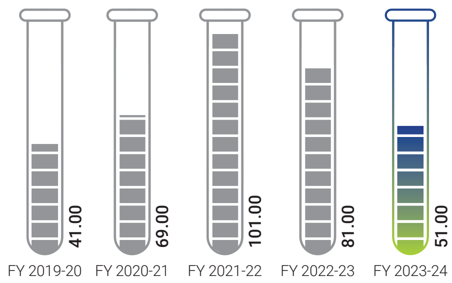
EBITDA
(₹ in Crores)



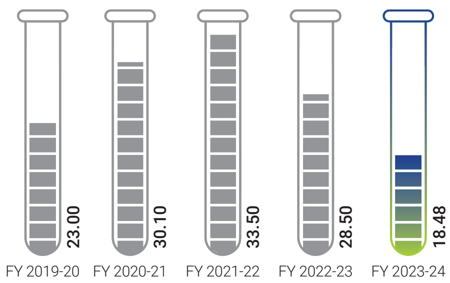
EBITDA Margins
(%)



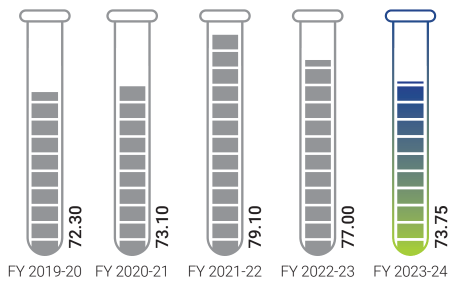
PAT
(₹ in Crores)



PAT Margins
(%)



Gross Profit Margins
(%)



OUR ESG INITIATIVES

Change Delivered Through Sustainability

As we embark on a journey of growth and expansion at Tarsons, we reiterate our strong commitment to combatting climate change and safeguarding our precious natural resources. We acknowledge the critical role that proactive leadership in businesses plays in conservation efforts to mitigate the impact of climate change and foster a sustainable future. Our primary objective is to invest in renewable energy sources, advocate for climate-conservation policies, and actively engage with stakeholders to raise awareness about the imperative of sustainability. Through these concerted initiatives, we endeavor to play our role in mitigating the effects of climate change and catalyzing an equitable transition toward a more sustainable future, for generations to come.

Our Contribution Towards Environment

- Use of Medical-Grade Plastic
- Design Products to Withstand Critical Use
- Avoid Consumption of Hazardous Materials
- Absence of Any Litigations Faced for Pollution or Degradation of the Environment over the Past Five Years
- Absence of Impact of Climate Change
- Use of packing material made from recycling of waste papers

SOCIAL: PEOPLE

At the heart of all our endeavors lies the profound responsibility of shaping a brighter future for our employees, customers, and the broader community. Acknowledging the extensive impact of our actions, we are deeply committed to leveraging our industry leadership to drive positive change and foster sustainable growth. This entails not only delivering exceptional value to our customers but also prioritizing the well-being and development of our employees. Thus, cultivating a workplace culture that nurtures innovation, diversity, and inclusion.

Growth Delivered Through Social Values

Certified Great Place to Work

We are proud to announce that Tarsons has been recognized as a 'Great Place to Work.' This prestigious acknowledgment underscores our commitment to fostering a positive and inclusive workplace culture where employees are valued, respected, and empowered to thrive. At Tarsons, we prioritize creating a supportive environment that encourages collaboration, innovation, and personal growth. This recognition reflects the dedication and efforts of our talented team members who contribute to our success every day. We remain committed to nurturing a workplace that promotes diversity, equity, and professional development, ensuring that Tarsons continues to be a place where individuals can excel and achieve their full potential.

Several Key Principles Underpin our Commitment to Diversity and Inclusion:

Local Action Plans

We prioritize identifying and addressing locally relevant challenges and opportunities through diverse and inclusive action plans tailored to the specific needs of our communities.

Diverse Recruitment and Retention

We ensure diversity is upheld throughout our recruitment, selection, promotion, and retention processes, fostering an inclusive workplace culture that values and celebrates differences.

Learning and Development

We provide learning and development opportunities to raise awareness and offer practical guidance on diversity and inclusion, empowering our employees to embrace and champion these principles.

Active Contribution

We encourage and enable all our employees to actively contribute to building a diverse and inclusive workplace and recognizing the value of diverse perspectives in driving innovation and success.

Supporting Internal Networks

We support and promote internal networks and employee resource groups to uplift and create a sense of belonging for diverse and underrepresented groups, fostering an inclusive environment where everyone feels valued and respected.

Our Contribution toward People

- Women's Day Celebration
- Festive Celebrations
- National Safety Week Celebration
- Best Employee (Workmen) Award Ceremony for Workers

SOCIAL: COMMUNITY

Support Delivered Through Care for Community

We are dedicated to fostering a positive impact within the communities we serve. Through strong support, particularly during challenging times, our commitment to shared prosperity shines through. Acknowledging the interconnectedness between community well-being and business success underscores our holistic approach to corporate responsibility.

Engaging in initiatives to build resilience, foster adaptability, and inspire the next generation in crucial fields like science, technology, engineering, and cybersecurity demonstrates a forward-thinking and socially responsible mindset. Collaborating with community partners further strengthens our efforts and opens doors to new opportunities for mutual growth and development.

Digital Skills

As a responsible corporate entity, we are deeply committed to promoting digital inclusivity for all individuals. We believe access to digital resources, knowledge, and skills is vital for enhancing overall quality of life. This commitment forms a cornerstone of our values, fostering inclusiveness and contributing to the vision of a digitally empowered India.

Our efforts aim to create a supportive ecosystem, empowering individuals and communities to embrace digitalization while enhancing their digital resilience. We are dedicated to providing essential infrastructure that ensures universal access to the benefits of digital technologies.

These initiatives are seamlessly integrated into our overall business practices, extending to our employees, suppliers, and customers. Through a range of targeted initiatives and operations, we focus on building digital skills, enhancing online safety measures, and championing diversity and inclusion in the digital realm.

By persistently driving these efforts, we aim to play a pivotal role in shaping a more connected, informed, and inclusive society in line with the transformative vision of 'Digital India'.

Initiatives Undertaken during the Year

- Diwali Celebrations with the Kids at the TATA Cancer Hospital
- Health Initiatives

GOVERNANCE

Transparency & Integrity Delivered Through

Accountability

At Tarsons, we view good governance more than just a framework of upholding ethical standards and integrity. It is the foundational pillar essential for navigating complexities and achieving strategic goals while strongly committing to business sustainability. Through our dedication to transparency, accountability, integrity, and good governance, we ensure that our endeavors consistently reflect our core values and prioritize the well-being of all stakeholders. This approach serves as the fundamental framework, offering direction and oversight, steering our decision-making processes, mitigating risks, and enhancing performance. In doing so, it empowers us to make a meaningful and enduring impact on the communities we serve, fostering sustainable growth and prosperity.

Future Plans to Implement Control over the Following Business Units:

- Business Courtesies
- Facilitation Payments
- Intermediaries
- Public Officials
- Sponsorships and Donations
- Conflict of Interest
- Improper Payments

Here are Some Key Highlights:

- Implementation of clean room conditions to eradicate all possibilities of contamination
- Optimization of productivity through the integration of high-automation technologies
- Composition of a well-balanced Board with an optimal mix of Executive and Non-Executive Directors
- Demonstration of a clean track record in timely liability payments to various stakeholders
- Updation of regular review and policies to adapt to changes in the regulatory environment and industry best practices
- Establishment of a whistle-blower policy to encourage transparency and accountability within the organization

OUR MANAGEMENT TEAM

Faith Delivered Through **Effective Leadership**

Blessed with strong and ethical leadership, we emphasize long-term value creation through effective governance. Transparency, accountability, and integrity are critical for us to build trust with our stakeholders. With an experienced leadership team and the Board aligned with the goals, we foster collaboration and teamwork. Our commitment extends to creating a positive and sustainable business environment for all stakeholders.

M M M

Mr. Sanjive Sehgal

Mr. Sanjive Sehgal, our Chairman & Managing Director, brings over 40 years of industry experience to the table. He has been involved in the production, development, marketing, and distribution of plastic labware products, plastic lab consumables, and bench-top instruments. Mr. Sehgal has served as an Executive Director since July 1983, and assumed the role of Managing Director in July 2018. He holds a Bachelor's degree in Science from St. Xavier's College, Kolkata.

M M M M

Mr. Aryan Sehgal

(Formerly Rohan Sehgal)

Mr. Aryan Sehgal, our Company's Whole-Time Director since July 2018, has more than 10 years of industry experience. He holds specializations in International and Domestic Business Development and Marketing, Strategic Management, Operation Management, P&L Management and Strategic Partnerships. Prior to assuming the current role, Mr. Sehgal was serving as an Executive Director of our Company since September 2014. He earned his Bachelor's degree in Management from the Manchester University, United Kingdom.

C C M

Mr. Girish Paman Vanvari

Mr. Girish Paman Vanvari, our Non-Executive Independent Director since May 2021, brings to the table over 27 years of experience in business consulting. Mr. Vanvari is the founder of Transaction Square, which specializes in tax, regulatory, and business advisory services, with a special focus on mergers and acquisitions, restructurings and family offices. Formerly, Mr. Vanvari served as the National Head of tax at KPMG India and spent over a decade at Arthur Andersen. He holds a Bachelor's degree in Commerce from the University of Mumbai. He is a distinguished member of the Institute of Chartered Accountants of India with an all-India rank and is a respected figure in tax conferences and seminars.

M C C

Mr. Viresh Oberai

Mr. Viresh Oberai, our Company's Non-Executive Independent Director, has over 22 years of experience at Tata Steel, where he was promoted to the rank of Dy. General Manager. Mr. Oberoi was the Founder CEO & Co-Creator of Mjunction Services Limited, and spearheaded Company's journey from 2000 to 2016, making it one of India's leading and most profitable e-commerce companies. Mjunction pioneered the world's largest e-marketplace for steel (metal junction) and the most innovative e-marketplace for coal (coal junction), among others. Mr. Oberai has also mentored Tata Elxsi, CMC, and Tata Interactive Systems under TBEM and has been the Chairman of the Confederation of Indian Industry - Eastern Region for 2014-15 and CII National Committee on e-Commerce for three years (2015-17). Currently, he is a mentor to the CII Eastern Regional Committee on Healthcare, serves on the Board of Multiple Sclerosis International Federation, London, the UK, and is a Senior Advisor to A.T. Kearney and the member of the Advisory Council of L&T SuFin). During his illustrious career, Mr. Oberai has been honoured with the CMA Management Excellence Award for Leadership, the Udyog Ratan by the Indian Economic Society, 'The Chief Executive for the Year' award by the IMM and the Pride of Bengal Award by Round Table India. He holds a Bachelor's degree in History from the University of Delhi, along with an MEP from IIM Ahmedabad and a GMP from CEDEP Fontainebleau, France.

C M M M

Mrs. Sucharita Basu De

Mrs. Basu De, our Non-Executive Independent Woman Director since May 2021, has been a legal practitioner for over 23 years, specializing in Corporate - Commercial, Infrastructure, Real Estate, Trust & Estates law. Apart from these specializations, Mrs. Basu De has additional expertise in Government Advisory & Policy. She is also the Managing Partner of Aquilaw, a full-service law firm, and advises numerous Indian & overseas clients across sectors on strategy, structuring, documentation & transactions. Mrs. Basu De is the Chairperson of the Ease of Doing Business Committee of CII Eastern Regional Council for 2024-25. Formerly, she also served as the Chairperson of West Bengal State Council for 2023-24 and the CII–India Women Network, West Bengal. Mrs. Basu De holds a Bachelor's degree in Law from the University of Calcutta.

M M

Mr. Gaurav Pawan Kumar Podar

Mr. Gaurav Pawan Pumar Podar, our Non-Executive Nominee Director since June 2019, has over 15 years of experience in the finance industry. Mr. Podar has also been serving as an investment professional at ADV Partners Investment Adviser India Private Limited since September 2016. Prior to the current role in our Company, he was associated with Tata Capital Financial Services Limited, AION India Investment Advisors Private Limited, and affiliate companies of Apollo Global Management Inc. Mr. Podar holds Bachelor's and Master's degrees in Management Studies from the University of Mumbai.

Mr. Suresh Eshwara Prabhala

Mr. Suresh Eshwara Prabhala boasts over 25 years of experience in the finance industry. He is a Co-Founder & Managing Partner at ADV Partners, a pan-Asian private equity firm. Prior to this, he served as Managing Director & Head of India for Mount Kellett Capital, where he was also a member of the Global Investment Committee.

Previously, Mr. Prabhala held the position of Executive Director and Head of India for J.P. Morgan's Asia Special Situations Group, contributing to the Asia Management Committee and representing the group on the Management Committee of J.P. Morgan India. His earlier career includes roles at Arthur Andersen's Corporate Finance team and as a Founding Member of Allegro Capital Advisors. He began his professional journey as a credit analyst at CRISIL in India.

Additionally, he was also on the Board of our Company for a period ranging from 26th July, 2018 to 26th July, 2021.

- 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. Aryan Sehgal
(Formerly Known as 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)
Up to 14th August, 2024

Mr. Suresh Eshwara Prabhala
Additional Director
(w.e.f. 15th August, 2024)

KEY MANAGERIAL PERSONNELS

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 and 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. Aryan Sehgal
(Formerly Known as Rohan Sehgal)
Member

Corporate Social Responsibility Committee

Mrs. Sucharita Basu De
Chairperson

Mr. Sanjive Sehgal
Member

Mr. Aryan Sehgal
Member

Risk Management Committee

Mr. Girish Paman Vanvari
Chairperson

Mr. Aryan Sehgal
(Formerly Known as Rohan Sehgal)
Member

Mr. Gaurav Pawan Kumar Podar
Member (upto 14th August, 2024)

Mr. Sanjive Sehgal
Member (w.e.f., 15th August, 2024)

IPO Committee (Dissolved w.e.f. 31st March, 2024)

Mr. Aryan Sehgal
(Formerly Known as Rohan Sehgal)
Chairperson

Mr. Gaurav Pawan Kumar Podar
Member

Mrs. Sucharita Basu De
Member

AUDITORS

Statutory Auditors

M/s. Pricewaterhouse Coopers 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
Yes Bank
Citi Bank N.A.

REGISTERED OFFICE / CORPORATE OFFICE

Tarsons Products Limited
CIN: L51109WB1983PLC036510
Martin Burn Business Park, Room No. 902, BP-3, Salt Lake, Sector-V, Kolkata - 700 091, 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 - 700 038, West Bengal, India

Behala Plant-2
22 Burroshibtolla Main Road Factory, Behala,
Kolkata - 700 038, West Bengal, India

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

REGISTRAR & TRANSFER (RTA)

M/s. KFIN Technologies Limited
Selenium Tower B, Plot No.31 & 32, Gachibowli, Financial District Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana, India
Email: ahfl.ipo@kfintech.com
Website: https://www.kfintech.com/

MANAGEMENT DISCUSSION AND ANALYSIS

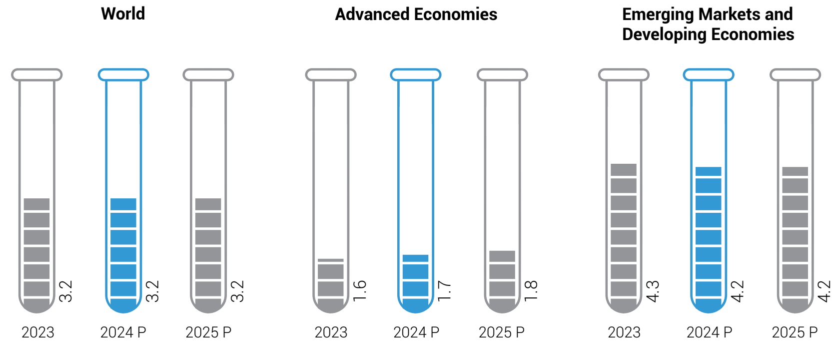
ECONOMIC OVERVIEW

Global Economy

In 2023, despite the geopolitical tensions like the Russia-Ukraine conflict, the global economy exhibited remarkable resilience. Challenges like persistent cost-of-living issues and inflation, which peaked in 2022, are receding faster than anticipated, lessening their impact on employment and economic activity. This positive trajectory can be attributed to supply-side improvements and proactive measures taken by central banks to stabilize inflation expectations. Additionally, it is anticipated that during 2024 and 2025, the global economy will continue to grow at 3.2%. This resilience is supported by stronger-than-expected performances in the US and key emerging markets, alongside ongoing fiscal stimulus in China. However, these forecasts fall short of the historical average of 3.8% (2000-19) due to several factors, including elevated central bank rates, reduced fiscal support amid high debt levels, and sluggish underlying productivity growth. Moreover, inflationary pressures are easing globally, driven by the resolution of supply-side constraints and tighter monetary policies, with headline inflation expected to decrease from 6.8% in 2023 to 5.9% in 2024 and further to 4.5% in 2025.

The Euro area has faced persistent challenges with subdued growth in the global economy. These stem from weak consumer sentiment, the lasting effects of high energy prices, and sluggishness in interest-rate-sensitive manufacturing and business investment. Additionally, low-income economies continue grappling with significant output losses compared to pre-pandemic levels (2017–19), exacerbated by elevated borrowing costs.

Global Economic Growth (in %)



P - Projected

Way Forward

Moving forward, economic growth is expected to slow down as the positive impact decreases and credit conditions become stricter. Challenges may arise in controlling inflation moderation due to ongoing disruptions in the supply chain and changing perceptions of inflation, particularly impacting the business sector and potentially influencing hiring and spending. Additionally, the potential resurgence of consumer price inflation is a significant concern. The course of the economic recovery in 2025 will heavily rely on central banks' ability to navigate these challenges, especially in the US and the Euro Area, where real policy rates are currently at their highest levels since January 2008. Moreover, prolonged high rates could escalate mild recessions into more severe downturns.

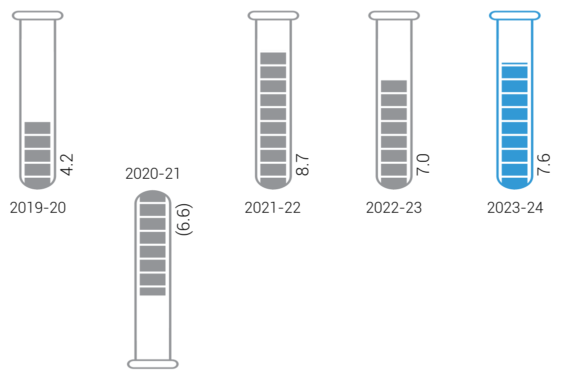
(Source: https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024)

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Indian Economy

India, recognized as one of the fastest-growing economies globally, remains committed to sustaining this trajectory. It aspires to attain high middle-income status by 2047, coinciding with the centenary of Indian independence. Moreover, the country is resolute in its resolve to confront the challenges posed by climate change, aligning its development path with the goal of achieving net-zero emissions by 2070. Despite global economic uncertainties, the nation's GDP is projected to grow by 7.6% in 2023-24, marking the third consecutive year of over 7% growth. This resilience is underpinned by increased public sector investment, a robust financial sector, and significant expansion in non-food credit. Furthermore, India has solidified its position as the world's third-largest fintech economy, ascending to the fourth spot in global stock markets. This growth is driven by sustained IPO activity and investor confidence. Initiatives such as the Skill India Mission, Start-Up India, and Stand-Up India are fostering greater women's participation in human capital development. The Government's economic policy agenda focuses on revitalizing India's growth potential. This includes rejuvenating the financial sector, streamlining business conditions, and enhancing physical and digital infrastructure to bolster connectivity and manufacturing competitiveness. Additionally, ongoing economic reforms are aimed at cultivating a business-friendly environment, enhancing quality of life, and reinforcing governance systems to align with this overarching vision.

Indian Economy GDP Growth Rate (in %)



Way Forward

With aspirations to become a USD 7 Trillion economy by 2030, India is steadily progressing towards the milestone of a USD 5 Trillion economy within the next three years, positioning itself as the third-largest economy globally. Moreover, the Government has set an ambitious goal of transforming India into a developed country by 2047. Fueled by stable and robust domestic demand, expanding private consumption and investments, and ongoing structural reforms, India is well-positioned to maintain its upward growth trajectory in the foreseeable future.

(Source: https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2010223#:~:text=The%20growth%20rate%20of%20 GDP,growth%20rate%20of%209.1%20percent)

INDUSTRY OVERVIEW

Healthcare Market

Global Overview

In recent years, the healthcare services market has exhibited robust growth, expanding from USD 8,348.05 Billion in 2023 to USD 8,963.27 Billion in 2024, representing a CAGR of 7.4%. This growth in the past can be attributed to several factors, including

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

advancements in medical technology, a burgeoning aging population, increased health insurance coverage, Government healthcare programs, and regulatory frameworks.

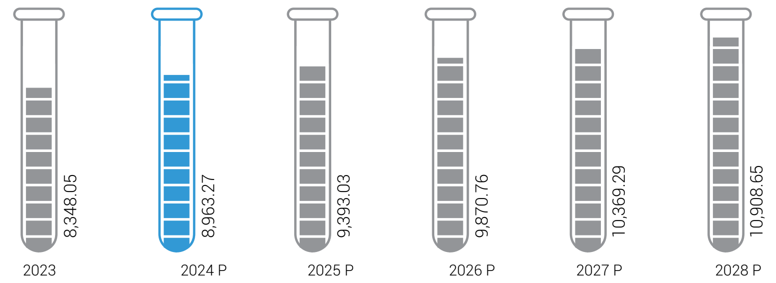
Moving forward, the healthcare services market is expected to witness continued strong growth, reaching USD 10,908.65 Billion in 2028 at a CAGR of 5.0%. This projected growth in the forecast period can be attributed to several key factors. These include the expanding scope of telehealth and digital health services, initiatives to address healthcare workforce shortages, advancements in health equity initiatives, the adoption of value-based care models, and potential shifts in reimbursement mechanisms.

(Source: https://www.researchandmarkets.com/reports/5781185/healthcare-services-global-market-report#:~:text=It%20 will%20grow%20from%20%248%2C348.44,(CAGR)%20of%207.4%25.)

Way Forward

The growth of healthcare services is anticipated to be fueled by rising healthcare expenditures in the near future. These expenditures encompass all costs associated with delivering healthcare services, including activities like family planning, nutrition programs, and emergency assistance, with a primary focus on health. Additionally, increasing healthcare expenditure plays a pivotal role in improving access to healthcare services and reducing barriers to receiving care. Furthermore, it has the potential to benefit a broader segment of the population.

Global Healthcare Services Market (Projected Market Size, 2023-28) Market Value (USD In Billion)



P - Projected

Indian Overview

The Indian healthcare sector is witnessing significant growth and substantial investments. This is exemplified by the allocation of ₹ 89,155 Crores (USD 10.76 Billion) in the Union Budget 2023-24, marking a substantial 13% increase from the previous year. The Government of India's firm commitment to healthcare is further underscored by the continuation of the 'National Health Mission' with a budget of ₹ 36,785 Crores (USD 4.44 Billion) for the same fiscal year, crucial for reinforcing healthcare infrastructure and services nationwide. In 2024, the landscape of Indian healthcare is characterized by rapid advancements poised to revolutionize the sector. Notably, groundbreaking strides in preventative care and wearable technologies signify a paradigm shift towards proactive health management. The integration of Internet of Things (IoT), Machine Learning (ML), and Artificial Intelligence (AI) is proving transformative, enhancing diagnosis accuracy, treatment efficacy, and overall patient outcomes. Moreover, the surge in Electronic Health Records (EHR) is streamlining medical data management, facilitating seamless healthcare delivery, and improving patient care coordination. In addition to this, the rising prominence of geriatric healthcare emerges as a pivotal specialty, addressing the unique needs of an aging population. Projections indicate significant growth potential, with India's preventive healthcare sector projected to reach USD 197 Billion by 2025, driven by a CAGR of 22%. Furthermore, central to this trajectory is the widespread adoption of wearable technology, empowering individuals to monitor their health in real-time. This promotes a culture of preventive healthcare and personalized wellness management.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Export Opportunity Market

The demand for plastic ware is projected to experience robust growth, with a CAGR of 10% in developing markets like the Asia-Pacific (APAC) and the Middle East and Africa (MEA). Similarly, developed markets such as those in the Americas and Europe are expected to witness healthy growth trends. This rapid increase in demand for plastic ware presents a significant opportunity for Indian players to expand their share of export revenues, while continuing to substitute imports domestically. Moreover, Indian companies can leverage their competitive pricing advantage to capture a larger portion of the global market.

Established Indian players are well-positioned to further enhance their export market share by focusing on high-quality, reliable products, backed by enhanced research and development (R&D) capabilities and independent design and customization capabilities. To capitalize on this opportunity, it is imperative for companies to prioritize multiple factors. These factors include supplier reliability, cultivating new relationships, deepening existing relationships, and meeting demands in a timely manner. Additionally, by prioritizing these aspects, Indian companies can strengthen their foothold in the global market and capitalize on the growing demand for plastic ware across various regions.

Way Forward

The Indian healthcare industry is positioned for substantial growth and is anticipated to garner heightened attention from investors. Hospitals, health centers, pharmaceutical firms, and medical equipment manufacturers are projected to receive a considerable share of this investment influx. Additionally, promising sectors, such as health-tech, clinical research, and online pharmacy commerce are emerging and expected to remain attractive to investors. These sectors present opportunities for innovation and have the potential to enhance patient outcomes and expand access to healthcare services. Consequently, they are likely to sustain investor interest and fuel the expansion of the Indian healthcare sector.

(Source: https://www.financialexpress.com/healthcare/news-healthcare/health-dialogues-in-2024-charting-indias-healthcare-narrative/3388683/)

Lab Equipment Market

Global Overview

The global laboratory equipment market is poised to undergo significant expansion. It reached a valuation of USD 14.18 Billion in 2022 and is projected to surge to approximately USD 39.64 Billion by 2032, exhibiting a robust CAGR of 10.83% from 2023 to 2032. North America stands out as the primary contributor to this growth, commanding the largest share in 2022. The increase in funding and investments in R&D activities, particularly in the pharmaceutical and biotechnology sectors, serves as a major catalyst for market growth. With a steady and reliable supply of laboratory equipment, the market is set for continuous growth in the foreseeable future. Moreover, advancements in technology within chemical and biological research further propel the growing demand for lab supplies.

The increasing number of life science research studies and clinical laboratory testing amplifies the necessity for disposable laboratory products. Moreover, procurement managers in the pharmaceutical and healthcare industries are expected to drive demand for essential laboratory tools and equipment.

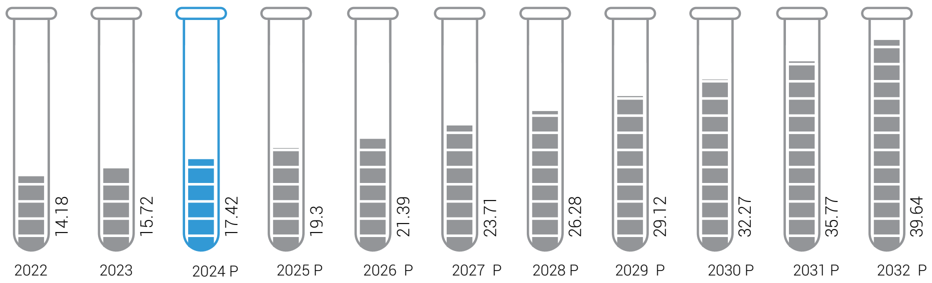
There's a pressing need across research facilities for enhanced safety protocols, extending beyond basic items like cups, beakers, and test tubes. Various safety and preventive measures are essential for maintaining the integrity of research endeavors. Considering these factors, significant growth is anticipated in the global market for laboratory equipment and disposables in the coming years. Furthermore, the presence of State-of-the-art medical research facilities has further bolstered market expansion.

A comprehensive study thoroughly examines the strengths of the global laboratory equipment market, providing insights into dynamics, segmentation, key players, geographical analysis, and other pivotal elements. Additionally, the study offers a detailed analysis of the worldwide Laboratory Equipment Market forecast, extending through 2032, shedding light on the sector's trajectory and potential opportunities for stakeholders. With its exponential growth and widespread utilization across diverse industries, the laboratory equipment market underscores its indispensable role in facilitating scientific research, experimentation, and analysis on a global scale.

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

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Projected Market Size of Lab Equipment (2022-32) (USD in Billion)



P - Projected

(Source: https://www.towardshealthcare.com/get-an-annual-membership)

Way Forward

Technological advancements, including the evolution of automated and integrated laboratory systems and the rising adoption of cloud-based Laboratory Information Management Systems (LIMS), are poised to propel the global laboratory equipment market forward. These innovations streamline laboratory processes, enhance efficiency, and improve data management, thereby fostering market expansion. Moreover, future growth projections in the laboratory equipment market hinge significantly on investments in R&D. As organizations allocate resources towards innovation and discovery, the demand for advanced laboratory equipment and technologies is expected to surge. Moreover, this surge will drive market growth and facilitate continued advancements in scientific research and experimentation.

Indian Overview

The Indian laboratory equipment services market is poised for remarkable growth, projected to reach USD 22.1 Billion by 2027, with a robust CAGR of 11.1% during the forecast period from 2022 to 2027. This expansion is particularly driven by the imperative for enhanced diagnostic accuracy, minimized downtime, adherence to stringent quality control standards, and cost-effectiveness, with the Asia-Pacific region anticipated to lead this trajectory. Looking ahead, the industry is forecasted to sustain its upward momentum, with a projected CAGR of 11.20% by 2032. Additionally, this growth is fueled by factors, such as escalating healthcare service demands, technological advancements, a burgeoning pharmaceutical sector, and supportive government initiatives.

The healthcare industry in the country is witnessing notable expansion, propelled by factors, including the rising prevalence of chronic diseases, a burgeoning population, and an expanding middle-class demographic. This surge in demand is particularly evident in hospitals, clinics, and diagnostic centers, where advanced equipment plays a crucial role in ensuring accurate and timely diagnosis and treatment. Furthermore, the Government's proactive initiatives aimed at promoting healthcare infrastructure development, fostering research and development within the sector, and encouraging foreign investment are expected to further catalyze growth. Moreover, this ensures a promising outlook for the Indian laboratory equipment market.

*(Source: https://www.marketresearchfuture.com/reports/india-laboratory-equipment-market-17773
https://www.pharmabiz.com/NewsDetails.aspx?aid=165700&sid=1)*

Way Forward

Creating a conducive business environment for manufacturing in India is paramount for fostering growth in the healthcare and pharmaceutical sectors. This entails implementing policy reforms and initiatives to promote ease of doing business, incentivizing local manufacturing, and facilitate technology adoption. Customizing instruments and embracing automation are crucial strategies for companies to address the specific needs of end-users, while enhancing efficiency and reducing

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

costs. Government support in terms of access to resources, expertise, and R&D funding plays an instrumental role in driving innovation and industry growth. Collaboration with academic institutions and technical support further strengthens the ecosystem for innovation and development. Additionally, hyphenation integrates different analytical techniques. This presents a significant opportunity for the laboratory analytical instrumentation industry. Moreover, it highlights the importance of continuous advancement and adaptation to meet evolving market demands.

COMPANY PROFILE

Tarsons Products Limited (referred to as 'TPL', 'the Company' or 'Tarsons'), a distinguished plastic labware manufacturing company with over 4 decades of expertise. The Company specializes in designing, developing, manufacturing, and marketing consumables, reusables, and other labware products. The Company's commitment to quality is evident in its extensive range of high-quality labware, comprising over 1,700 SKUs across 300 product categories. These products not only facilitate scientific research but also enhance healthcare practices. With a diverse client base spanning various sectors, such as research organizations, academic institutions, pharmaceutical companies, Contract Research Organizations (CROs), diagnostic companies, and hospitals, TPL has established its position as a trusted provider in the industry.

TPL takes pride in its extensive customer base, which includes prestigious institutions like the Indian Institute of Chemical Technology and the National Center for Biological Sciences in the academic and research sectors. In the pharmaceutical industry, the Company serves prominent entities, such as Dr. Reddy's Laboratories and Enzene Biosciences. Operating from five vertically integrated manufacturing facilities located in West Bengal, TPL leverages automated support systems to maintain exceptional quality standards, enhance productivity, and optimize costs. Moreover, with its extensive expertise and diverse product portfolio, TPL stands out as a key player in the labware industry, delivering excellence and innovation to meet the varied needs of customers across multiple sectors.

Operational Overview

During 2023-24, TPL's revenue from operations stood at ₹ 2,773.10 Million. while the gross profit margins for the period was 73.75%. Additionally, the Company remains committed to investing in automation to minimize human error and enhance overall performance.

TPL is strategically expanding its manufacturing capacity by establishing a new production facility in Panchla, West Bengal, aiming to cater to both existing and new product lines. Moreover, the Company is strengthening its branding and promotional efforts to bolster visibility in the labware industry, consequently increasing brand awareness and fostering loyalty.

To align with its growth strategy, TPL is diversifying its product portfolio by introducing new offerings in the cell culture and robot-handled consumables segments. The Company is focusing on expanding into import-dominated markets for these products. As of 31st March, 2024, TPL has distributed its products to 40+ countries through 45+ distributors, through which the Company could achieve a total export of ₹ 829.43 Million in 2023-24.

Domestically, TPL has established a robust and extensive distribution network, enabling a strong pan-India presence in terms of domestic sales.

Financial Snapshot

(₹ in Million)

Particulars	2023-24	2022-23
Revenue (₹ in Million)	2,773.10	2,832.48
EBITDA (₹ in Million)	1,034.39	1,297.62
EBITDA Margin (%)	37.30	45.81
PAT (₹ in Million)	512.47	807.14
PAT Margin (%)	18.48	28.50
Earnings per Share (₹)	9.63	15.17
Return on Capital Employed (%)	9.14	18.25
Return on Equity (%)	8.61	15.24
Net Worth (₹ in Million)	6,204.17	5,693.03

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Significant Changes in Key Financial Ratios (Standalone)

Ratios	2024	2023	% Change	Reasons for variance of more than 25%
Debtors' Turnover	4.03	4.33	(6.80)	-
Inventory Turnover	2.52	2.88	(12.33)	-
Interest Coverage Ratio	7.97	25.34	(68.53)	The change in ratio is due to: (i) Decrease in earnings during the year and (ii) Increase interest on long-term and short-term borrowings received from banks during the year.
Current Ratio	0.96	4.01	(76.13)	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 working capital utilisation. (ii) Increase in capital creditors as at the year-end. (iii) Decrease in cash & cash equivalent due to utilisation of IPO funds for Panchla factory
Debt-Equity Ratio	0.41	0.19	113.07	The change in ratio is due to increase in long-term and short-term borrowings received from banks during the year
Operating Profit Margin (%)	28.60	39.96	(28.42)	The change in ratio is due to: Increase in employee cost, depreciation and other expenses from last year.
Net Profit Margin (%)	18.48	28.50	(35.15)	The change in ratio is due to: (i) Decrease in revenue from operations during the year, and (ii) Increase in material cost, employee cost, depreciation, other expenses and finance cost due to decrease in revenue from operations from last year.

Risk Management

TPL exhibits a strong commitment to risk management, supported by a well-defined framework overseen by the Board of Directors. The establishment of a dedicated Risk Management Committee further underscores the Company's proactive stance in mitigating risks. Prioritising regular review and monitoring of risk management policies reflects a keen awareness of the necessity to adapt to evolving market dynamics and operational challenges. Additionally, TPL's dedication to maintaining a disciplined and constructive control environment ensures that all employees understand their roles and responsibilities in mitigating risks. Through investments in training and implementation of robust management standards and procedures, the Company equips its workforce with the requisite knowledge and skills. This enables them to effectively incorporate risk management policies, thereby safeguarding its operations and enhancing overall resilience.

Risk	Impact	Mitigation
Competition Risk	The presence of both organized and unorganized competitors may create pricing pressures, which could potentially impact profit margins.	TPL has consistently prioritized product quality and product distinctiveness as strategies to differentiate itself in the market. Furthermore, the Company has allocated resources towards tailored marketing and branding initiatives to strengthen its brand presence.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Risk	Impact	Mitigation
Operational Risk	Any issues with manufacturing or quality control have the potential to damage TPL's reputation. This could adversely affect the Company's business operations, financial stability, and overall results.	TPL follows a thorough manufacturing process to produce top-tier finished products. The Company commences by procuring raw materials from esteemed international suppliers recognized for their superior quality. Employing advanced processing techniques tailored to specific end-use requirements, the Company ensures precision at every stage. Additionally, with a proficient workforce and a committed quality assurance and control department, strict quality standards are upheld throughout the manufacturing process. Moreover, the integration of automation within the production cycle not only aim to boost efficiency but also minimizes the likelihood of human error, thereby further optimizing the operations.
Industry Risk	Given the dynamic and ever-evolving nature of the industry, unforeseen challenges may arise from unexpected changes in the future.	Operating on a global scale, TPL consistently monitors developments across various geographical regions to identify potential risks. Through regular evaluations, the Company promptly takes measures to mitigate any emerging risks.
Suppliers Risk	Price fluctuations directly affect TPL's profitability and margins. Additionally, significant changes in raw material prices or operational costs can directly impact profit margins and overall revenues, affecting the entire value chain.	TPL proactively addresses potential disruptions in the raw material supply chain by maintaining robust relationships with alternative suppliers. While raw material costs represent roughly 23% of the Company's top line, any rise in these costs may not proportionately affect its margins due to these measures. Additionally, TPL considers inflationary effects and implements annual price increases to offset such impacts.
Liquidity Risk	If TPL cannot finance an increase in its assets and fulfill its financial obligations, it could negatively impact both its financial standing and reputation.	TPL's business strategy prioritizes meeting liquidity obligations, while also safeguarding against liquidity and interest rate risks. With robust cash accruals and an A+ credit rating from CARE, the Company demonstrates its capability to generate significant cash flows and uphold a sound financial position. Moreover, strong banking relationships with HDFC Bank, ICICI Bank, Axis Bank, and Federal Bank play a crucial role in supporting TPL's financial operations.
Forex Risk	As an export-oriented company, TPL's financial performance is highly susceptible to fluctuations in foreign exchange rates.	TPL benefits from a natural hedge as it exports its products, while simultaneously importing raw materials.

Human Resource

TPL prioritizes its workforce and is dedicated to nurturing their development and advancement. The Company's human resource initiatives focus on several key areas, including recruitment and retention, learning and development, performance management, and effective communication. Employees benefit from regular training programs designed to enhance operational excellence, productivity, and maintain adherence to quality and safety standards. Additionally, TPL incentivizes its sales team based on performance, promoting a culture of meritocracy. Moreover, the Company maintains a non-unionized workforce, fostering a conducive and collaborative work environment.

In TPL's commitment to inclusivity and skill enhancement, it regularly evaluates its human resource strategies. The Company endeavors to foster a workplace culture that values human performance, implementing proactive policies to promote a tranquil and harmonious environment. This emphasis on employee satisfaction has been instrumental in attracting talented individuals and contributing to the Company's rapid expansion and positive workplace culture. Additionally, TPL boasts a diverse workforce spanning various departments, such as sales, IT, administration, finance, marketing, procurement, logistics, design, operations, manufacturing, R&D, engineering, and factory personnel. Moreover, the Company's 823+ full-time employees play pivotal roles in driving the Company's operations and growth across its offices and units in India as of 31st March, 2024.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Health, Safety and Environment

TPL places paramount importance on safety management initiatives aimed at safeguarding the well-being of its employees and preserving the environment. The Company designs and implements health and safety policies meticulously. TPL conducts comprehensive internal and external safety audits, and monitors employee performance diligently to uphold stringent safety standards. The Company is firmly committed to minimizing the adverse environmental impact of its products and operations. Additionally, the Company emphasizes the preservation of ecological balance and biodiversity around its industrial facilities. Moreover, TPL prioritizes compliance with statutory requirements, licenses, approvals, and certificates. This ensures the safety of the Company's workforce and those working under its supervision.

In its quest for operational excellence, TPL takes proactive steps to comprehensively address potential risks. The Company ensures all new recruits undergo thorough training before engaging in the production process, guaranteeing their competence and awareness of safety protocols. Additionally, TPL's employees enjoy insurance coverage under the Employees' State Insurance Act of 1948 (ESIS), which provides medical care for them and their immediate families. Moreover, the Company extends group health insurance coverage to employees not covered by ESIS, reinforcing its commitment to employee welfare.

Demonstrating a strong commitment to sustainability, TPL actively implements programs and policies aimed at minimizing environmental impact, while maintaining operational efficiency. The Company's prioritization of safety management and environmental protection underscores its adherence to responsible business practices. This reflects a commitment to fostering a safe, sustainable, and socially responsible working environment.

Internal Control Systems and Their Adequacy

TPL maintains stringent internal controls, meticulously adhering to procedures, laws, regulations, and legislation. Regular risk assessments, mitigation efforts, and monitoring activities are conducted to uphold operational efficiency, given the complexity of business operations. Independent auditors conduct internal audits to ensure comprehensive documentation and reporting, promptly reporting any discrepancies to both Management and the Audit Committee for immediate resolution. Moreover, TPL's robust IT infrastructure ensures data security and efficient audit processing, while diligently following transaction recording and accounting requirements. Additionally, the Management Information System (MIS) enhances real-time reporting and facilitates expense control. It swiftly addresses any variances between actual and budgeted allocations to ensure rigorous compliance across all levels.

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 developments, information, or events.

BOARDS' REPORT

Dear Members,

The Board of Directors ("Board") are delighted to present the 41st Annual Report on the business and operations of Tarsons Products Limited ("The Company") along with the Audited Standalone and Consolidated Financial Statements, prepared in accordance with Ind AS Accounting Standards, for the year ended 31st March, 2024.

FINANCIAL SUMMARY & PERFORMANCE HIGHLIGHTS

The Company's financial performance on standalone and consolidated basis for the financial year ended 31st March, 2024 are summarized below:

(₹ in Millions)

Particulars	Standalone		Consolidated*
	2023-24	2022-23	2023-24
Revenue from Operations	2,773.10	2,832.48	2,963.94
Other Income	141.64	119.34	114.75
Total Income	**2,914.74**	**2,951.82**	**3,078.69**
Profit before Finance Cost, Depreciation, and Tax	1,176.03	1416.96	1,112.89
Finance Cost	99.48	44.67	101.18
Depreciation and amortization expense	382.84	285.09	404.03
Share of Profit/(Loss) of Subsidiary	-	-	-
Profit Before Tax (PBT)	**693.71**	**1087.20**	**607.68**
Current Tax	184.23	269.51	185.50
Deferred Tax	(2.99)	10.55	(4.22)
Net Profit After Tax (PAT)	**512.47**	**807.14**	**426.40**
Other Comprehensive Income (Items that will not be reclassified subsequently to Profit or Loss)	(1.33)	(12.41)	9.20
Total Comprehensive Income for the Year	**511.14**	**794.73**	**435.60**
Earnings per equity share (In ₹)			
Basic earnings per share	9.63	15.17	8.01
Diluted earnings per share	9.63	15.17	8.01

* The Company did not have any subsidiary, associate or joint venture as of 31st March, 2023 and hence the corresponding figures for the financial year 2022-23 are accordingly not provided.

Note:

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

STANDALONE PERFORMANCE

During the year under review, the revenue from operations and other income as on standalone basis stood at ₹ 2914.74 Million as compared to the last year's revenue of ₹ 2,951.82 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 ₹ 1034.39 Million as compared to ₹ 1297.62 Million for the previous year. The Company recorded a Profit after Tax (PAT) of ₹ 512.47 Million as compared to ₹ 807.14 Million in 2022-23. The EPS on financials for the year ended on 31st March, 2024 was ₹ 9.63.

CONSOLIDATED PERFORMANCE

During the year under review, the revenue from operations and other income as on Consolidated basis stood at ₹ 3,078.69 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 ₹ 998.14 Million. The Company recorded a Profit after Tax (PAT) of ₹ 426.40 Million. The EPS on financials for the year ended on 31st March, 2024 was ₹ 8.01

BOARDS' REPORT (Contd.)

HIGHLIGHTS OF OPERATIONAL PERFORMANCE

The operational performance of the Company and its business units and wholly-owned subsidiary are detailed in the Management Discussion and Analysis forming part of the Annual Report. The Audited Financial Statements for the Financial Year ended 31st March, 2024, 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 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.

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 and two upcoming plants. 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 our 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 Management Discussion & Analysis Report forming part of this Annual Report.

DIVIDEND

Based on the Company's Performance and in terms of Dividend Distribution Policy of the Company, the directors of your Company has recommended a Final Dividend of ₹ 2 per equity share having face value of ₹ 2 each (i.e. @ 100% per equity share) for the financial year ended 31st March, 2024 subject to the approval of the Members.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. 1st April, 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at prescribed rates as per the Income-tax Act, 1961.

According to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the top 1000 listed entities based on market capitalization are required to formulate a Dividend Distribution Policy which shall be disclosed on the website of the listed entity and a weblink shall also be provided in their Annual Reports. Accordingly, the Dividend Distribution Policy of the Company can be accessed using the following link: https://tarsons.com/wp-content/uploads/2022/06/Dividend-Distribution-Policy.pdf.

ACQUISITION OVERSEAS

On 20th December, 2023, the Company, through its wholly owned subsidiary, Tarsons Life Science Pte Ltd., have made a strategic acquisition of Nerbe R & D GmbH and Nerbe plus GmbH & Co. KG ("Nerbe") in Hamburg, Germany with complete ownership/control with effect from 1st January, 2024. Tarsons Life Science Pte Ltd., was incorporated as a special purpose vehicle for the purpose of acquisition activities for the Company. The Nerbe is a distributor of medical and laboratory disposables.

BOARDS' REPORT (Contd.)

This strategic move underscores the Company's ability to capitalize on growing opportunities in the exports market. With Nerbe, we are poised for significant expansion, particularly in European market, by leveraging its established distribution network. Nerbe represents more than just an acquisition rather it serves as a pivotal steppingstone, facilitating the expansion of our global footprint, through collaborative efforts and synergies. The Company is poised to unlock new avenues of growth and propel business to greater heights globally.

The consolidated sales of Nerbe entities during the period from 1st January, 2024 to 31st March, 2024 amounted to EUR 2.09 Million, while the EBITDA was EUR 0.21 Million. The consolidated results of the Company include the above results.

CAPEX AND FUTURE PLANS

Regarding our current capex plan, we are making significant progress at our Panchla facility. Firstly, we are venturing into cell culture products and bio-process products, which are new segments for us. Additionally, we are expanding capacities for our existing product lines. The civil construction of the site is already completed, and the first clean room is ready.

Our Amta plant, would serve as a radiation plant for which we have signed an MoU with the Board of Radiation and Isotope Technology. Once the radiation plant is operational, we will shift part of our standardization requirement to this facility, reducing our reliance on a single vendor. Furthermore, the plant would also operate as the fulfilment center/warehouse, which will streamline our inventory management and enhance overall operational efficiency.

This expansion represents a crucial milestone, opening doors to previously unexplored markets and product segments. With this strategic move, we are well-positioned to assert our dominance in these markets, reinforcing our status as a key industry player. We are excited about the positive impact this expansion will have on our overall growth trajectory and are eager to seize the promising opportunities it presents.

TRANSFER TO RESERVES

The Directors' do not propose to transfer any amount to the general reserves of the Company, instead have recommended to retain the entire profits for the financial year ended 31st March, 2024 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, 2024, 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, 2024 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 and Sixty-Two).

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 Crore Seventy Lakhs 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 or the necessary approvals taken from the shareholders*.

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

BOARDS' REPORT (Contd.)

The proceeds of IPO were utilized for the objects as disclosed in the Prospectus. Details as on 31st March, 2024 are as follows:

Sl. No.	Name of the Object	Brief description of the object	Amount as proposed in Offer Document (₹ in Millions)	Amount utilized (₹ in Millions)	Total unutilized Amount (₹ in Millions)
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	0
2.	Repayment/prepayment of certain borrowings of the Company	Utilized for the repayment of Loan Liabilities of Company.	785.40	785.40	0
3.	General corporate purposes	To be used for the General requirement of the Company.	20.47	20.47	0
4.	Offer related expenses in relation to the Fresh Issue	To be used to meet the expenses of the offer.	71.14	71.14	0
Total			**1,497.01**	**1,497.01**	**0**

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

The Company on 10th November, 2023 had incorporated Tarsons Life Science Pte. Ltd., a Wholly-owned Subsidiary of the Company ("Subsidiary"/"TLSPL"), with a paid-up share capital of 1 USD, in Singapore. TLSPL on 20th December, 2023 has signed a Share Purchase Agreement and acquired the complete control over Nerbe R&D GmbH and Nerbe GmbH Plus Co. KG ("Nerbe") w.e.f., 1st January, 2024, thus making Nerbe the step-down subsidiary of the Company.

The consolidated financial statements have been prepared in compliance with the Indian Accounting Standards (the "Ind AS") notified under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The said Consolidated Financial Statements forms part of this Integrated Annual Report. The financial statements of the Subsidiary are available on the website of the Company at https://tarsons.com/wp-content/uploads/2024/05/Tarsons-Life_FY24.pdf.

Pursuant to the provisions of Section 129(3) of the Act read with Rule 5 and 8 of the Companies (Accounts) Rule, 2014, a statement containing the salient features of financial statements of the Company's subsidiary in Form No. AOC-1 is attached herewith as **Annexure - I**.

There are no associates or joint venture companies within the meaning of Section 2(6) of the Act.

The policy for determining material subsidiaries of the Company has been provided in the following link: https://tarsons.com/wp-content/uploads/2023/11/TPL-Policy-on-Material-Subsidiaries.pdf.

DIRECTORS' AND KEY MANAGERIAL PERSONNEL

DIRECTORS

As on 31st March, 2024, the Company has six (6) Directors comprising of two (2) Executive Directors and four (4) Non-Executive Directors out of which three (3) are Independent Directors including one (1) Independent Woman Director and one (1) Non-Executive - Nominee Director.

In the opinion of the Board as whole as well as the directors re-appointed during the year possess the requisite qualifications, experience and expertize and hold high standards of 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. The details relating to re-appointment of Directors during the FY 2023-24 has been separately provided in the Corporate Governance Report.

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.

BOARDS' REPORT (Contd.)

APPOINTMENT/RE-APPOINTMENT/CESSATION OF DIRECTORS

APPOINTMENT

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 14th August, 2024 have appointed Mr. Suresh Eshwara Prabhala (DIN: 02130163) as an Additional Director (Category: Non-Executive Nominee Director) of the Company w.e.f. 15th August, 2024, subject to approval by the shareholders in the ensuing Annual General Meeting.

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 appointment is provided in the 41st Annual General Meeting Notice of the Company.

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. Sanjive Sehgal, Chairman & Managing Director (DIN: 00787232), 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-appointments is provided in the 41st Annual General Meeting Notice of the Company.

CESSATION

Mr. Gaurav Pawan Kumar Podar (DIN: 09652701) resigned as Non-Executive Nominee Director of the Company w.e.f. 14th August, 2024.

The Board places on record the deep appreciation for valuable services and guidance provided by Mr. Podar, during his tenure of Directorship.

KEY MANAGERIAL PERSONNEL

As on 31st March, 2024, 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. Sanjive Sehgal	Chairman & Managing Director
2.	Mr. Aryan Sehgal (formerly Mr. Rohan Sehgal)	Whole-Time Director
3.	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, expertize 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.

BOARDS' REPORT (Contd.)

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:

a. To set out a policy relating to remuneration of Directors, Key Managerial Personnel's, Senior Management Personnel's and other employees of the Company.

b. To formulate criteria for appointment of Directors, Key Managerial Personnel's and Senior Management Personnel's.

c. 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 2023-24, 8 (Eight) 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 FY 2023-24 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 had constituted 6 (Six) Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and IPO Committee. However, since all the funds raised in the IPO has been utilized hence IPO committee was dissolved with effect from the closing hours of 31st March, 2024.

With the dissolution of IPO Committee, the Board as on date have five (5) standing committees to deal with specific areas/ activities that need a closer review and to have an appropriate structure for discharging its responsibilities.

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.

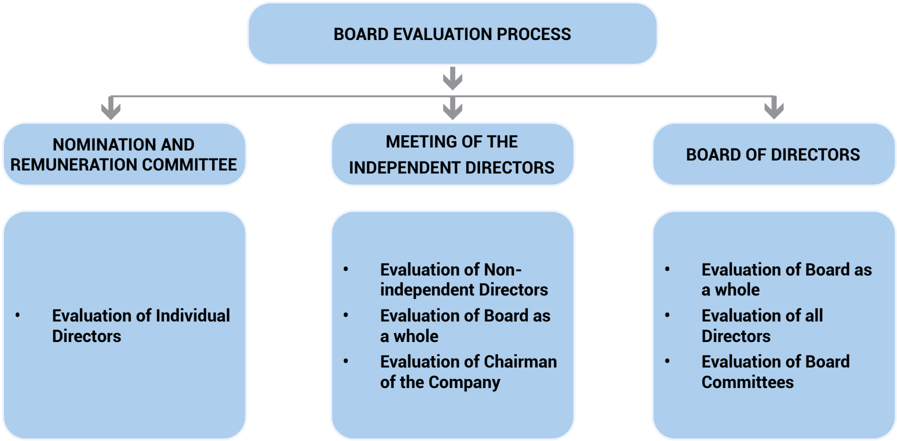
PERFORMANCE EVALUATION OF THE BOARD, THE COMMITTEES AND THE INDIVIDUAL DIRECTORS

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 SEBI, 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 of Directors on the recommendation of the Nomination and Remuneration Committee has carried out an annual evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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.

BOARDS' REPORT (Contd.)

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 Securities and Exchange Board of India ("SEBI"), vide its circular dated 5th January, 2017 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.

The Board Evaluation discussion was focused on how to make the Board more effective as a collective body in the context of the business and the external environment in which the Company functions. From time to time during the year, the Board was apprised of relevant business issues and related opportunities and risks. The Board discussed various aspects of its functioning and that of its Committees such as structure, composition, meetings, functions and interaction with management and what needs to be done to further augment the effectiveness of the Board's functioning. The overall assessment of the Board was that it was functioning as a cohesive body including the Committees of the Board. They were functioning well with periodic reporting by the Committees to the Board on the work done and progress made during the reporting period. The Board also noted that the actions identified in the past questionnaires-based evaluations had been acted upon.

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.

BOARDS' REPORT (Contd.)

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company, to the best of their knowledge and ability, confirm that for the financial year ended 31st March, 2024:

(i) in the preparation of the Annual Accounts for the year ended 31st March, 2024, the applicable 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 on 31st March, 2024 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, 2024 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, 2024.

(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, 2024.

ENTERPRISE RISK MANAGEMENT FRAMEWORK

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/2023/12/Risk-Manangement-Policy-1.2.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.

BOARDS' REPORT (Contd.)

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.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations which assures compliance with internal policies, applicable laws and regulations, ensures reliability and accuracy of records, promotes operational efficiency, protects resources and assets, helps to prevent and detect fraud, errors and irregularities and overall minimizes the risks. 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.

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 during FY 2023-24 has undertaken CSR by donation to Tata Medical Centre and consequently during the 2023-24, the Company has spent ₹ 21.14 Million in cash and utilized ₹ 1.25 Million from advance CSR under 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, 2024, in accordance with Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out in **"Annexure-II"** to this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

TARSONS PRODUCTS LIMITED- EMPLOYEE STOCK OPTION PLAN 2023

During the year under review, the Company has introduced and implemented 'Tarsons Products Limited- Employee Stock Option Plan 2023' ("ESOP 2023"/"Plan") on 14th July, 2023 through member's approval in the 40th Annual General Meeting to such eligible person(s) as designated by the Company. ESOP 2023 is administered by the Nomination, Remuneration and Compensation ("NRC") Committee/Board and is in compliance with the Act and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"). During the FY under review, there has been no material changes in the ESOP 2023.

During the year under review, the Company has not granted any options pursuant to the Plan. The disclosure required to be disclosed under Regulation 14 of the SEBI SBEB Regulations can be assessed at www.tarsons.com.

The Company has obtained certificate(s) from Secretarial Auditors confirming that the Plan has been implemented in accordance with the SEBI SBEB Regulations and resolution(s) passed by the members of the Company. The said certificates will be made available for inspection by the members electronically during business hours.

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. All related party transactions that were approved by the Audit Committee were periodically reported to the Audit Committee and omnibus approval was obtained for the transactions which were planned and/or repetitive in nature as per the policy laid down.

BOARDS' REPORT (Contd.)

In line with the requirements of the Act and the Listing Regulations, the Company has 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 Related Party Transactions Policy of the Company nor any transaction has any potential conflict with the interest of the Company at large. Accordingly, the disclosure of Related Party Transactions as required in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 in Form AOC -2 is not applicable for this year.

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- III"** to this report.

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 Board 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 EXCHNAGE 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, 2024 is provided below:

A.	**Conservation of Energy**		
	i.	Steps taken or impact on conservation of energy	Tarsons have implemented 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.
	ii.	Steps taken for utilizing alternate sources of energy	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 CO2 emissions, preventing pollution and keeping a check on obtuse deforestation.
	iii.	Capital investment on energy conservation equipment's	NIL

BOARDS' REPORT (Contd.)

B.	**Technology absorption**		
	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)- ● the details of technology imported ● the year of import ● whether the technology been fully absorbed ● If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
	iv.	The expenditure incurred on Research and Development	
C.	**Foreign Exchange Earnings and Outgo (₹ in Million)**		
	1.	Foreign Exchange Earnings by the Company	829.43
	2.	Foreign Exchange Expenditure by the Company	1,186.95

AUDITORS & AUDIT REPORTS

Statutory Auditors and Auditor's Report

Members of the Company at their 40th Annual General Meeting held on 14th July, 2023, approved the re-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 second term of 5 (five) consecutive years commencing from financial year ending 31st March, 2023 to hold office from the conclusion of 40th AGM till the conclusion of the 45th AGM of the Company to be held in the year 2028-29.

The Auditor's Report on the Audited Financial Statements of the Company for the year ended 31st March, 2024 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. 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 Companies Act, 2013.

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 FY 2024-25 in the Board Meeting held on 30th May, 2024 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 30th May, 2024, had appointed M/s. Manisha Saraf & Associates, Practicing Company Secretaries (FRN No. S2019WB666200) as Secretarial Auditor of the Company for the FY 2024-25. 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 IV"**.

There are no qualifications, reservations or adverse remarks made by Secretarial Auditor 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.

BOARDS' REPORT (Contd.)

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, 2024.

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, 2024 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 or renewed any deposits from the public within the meaning of Sections 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

CREDIT RATING

The credit rating of your Company for long term bank facilities is "CARE A+ (RWD)" and for short term bank facilities is "CARE A1+ (RWD)". 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 FY 2023-24, forms an integral part of the Annual Report as set out in **"Annexure - V"** and the same is also available on the website of the Company at www.tarsons.com.

BOARDS' REPORT (Contd.)

TRANSFER OF EQUITY SHARES/UNCLAIMED DIVIDEND TO IEPF

Pursuant to the applicable provisions of the Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after completion of seven (7) years. Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the Members for seven (7) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

However, the dividend recommended by the Board is subject to the approval of the members of the Company at the ensuing AGM and as such the disclosure requirement as per the above provisions is not applicable to the Company.

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. Further, we have been certified as a Great Place to Work.

B. Industrial Relations

Industrial relations at all sites of the Company remained cordial.

C. No. of Employees:

Manpower employed as at 31st March, 2024 were 823.

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 the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETINGS AND GENERAL MEETINGS

During the Financial Year 2023-24, 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, 2024 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, 2024.
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.

BOARDS' REPORT (Contd.)

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

On behalf of the Directors of the Company, we would like to place on record our deep appreciation to our shareholders, customers, vendors, bankers and financial institutions for all the support rendered during the year. The Directors are also thankful to the Medical Profession, the Trade and Consumers for their patronage to the Company's products and the Government of India, the various ministries of the State Governments, regulatory authorities, communities in the neighbourhood of our operations, municipal authorities of West Bengal, and local authorities in areas where we are operational in India. Finally, we appreciate and value the contributions made by all our employees at all levels, with their continued hard work for making the Company achieve its vision and mission 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

	Mr. Sanjive Sehgal	**Mr. Aryan Sehgal**
Place: Kolkata	Chairman & Managing Director	(Formerly: Mr. Rohan Sehgal)
Date: 14th August, 2024	DIN: 00787232	Whole-Time Director
		DIN: 06963013

ANNEXURE TO DIRECTORS' REPORT
ANNEXURE – I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A – Subsidiaries

(Figures in ₹ Millions except Share Capital

1	Name of Subsidiary	Tarsons Life Science Pte. Ltd.
2	The date since when subsidiary was incorporated	10th November, 2023
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	10th November, 2023 to 31st March, 2024
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Reporting Currency – EUR Exchange Rate – 90.2178
5	Share capital	EUR 1
6	Reserves and surplus	(62.61)
7	Total assets	1,036.01
8	Total Liabilities	1,036.01
9	Investments	639.65
10	Turnover	24.75
11	Profit before taxation	(62.61)
12	Provision for taxation	0
13	Profit after taxation	(62.61)
14	Proposed Dividend	0
15	Extent of shareholding (in percentage)	100%

Notes:

1. Names of subsidiaries which are yet to commence operations - NA
2. Names of subsidiaries which have been liquidated or sold during the year - NA

Part B – Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of Joint Venture	
1	Latest audited Balance Sheet Date	Not Applicable
2	Date on which the Associate or Joint Venture was associated or acquired	
3	Shares of Associate or Joint Ventures held by the Company on the year end	
	No.	
	Amount of Investment in Associates or Joint Venture	
	Extent of Holding (in percentage)	
4	Description of how there is significant influence	
5	Reason why the associate/joint venture is not consolidated	
6	Net-worth attributable to shareholding as per latest audited Balance Sheet	

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

Sl. No.	Name of Joint Venture	
7	Profit or Loss for the year	
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

Notes:

1. Names of associates or joint ventures which are yet to commence operations- NA
2. Names of associates or joint ventures which have been liquidated or sold during the year-NA

For and on behalf of the Board of Directors
For Tarsons Products Limited

Place: Kolkata
Date: 14th August, 2024

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

Mr. Aryan Sehgal
(Formerly, Mr. Rohan Sehgal)
Whole – Time Director
(DIN: 06963013)

ANNEXURE – II TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE YEAR ENDED 31ST MARCH, 2024

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 [a]	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. Aryan Sehgal	Whole-Time Director	Member	1	1

a. During the FY 2023-24, one CSR Committee meeting was held on 27 th May, 2023.

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	https://tarsons.com/committee-of-the-board/
2	CSR Policy	https://tarsons.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy.pdf
3	CSR Projects	https://tarsons.com/csr-project/

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 2023-24.

5. **Details required with respect to CSR Obligation are mentioned below:**
   (a) **Average Net Profit of the Company as per section 135(5):** ₹ 1,11,93,41,486
   (b) **Two percent of average net profit of the Company as per section 135(5) of Section 135:** ₹ 2,23,86,830
   (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:** ₹ 12,51,372
   (e) **Total CSR obligation for the financial year [(b) + (c) - (d)]:** ₹ 2,11,35,458

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):** ₹ 2,23,86,830
   (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)]:** ₹ 2,23,86,830
   (e) **CSR amount spent or unspent for the financial year:** ₹ 2,23,86,830

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
₹ 2,23,86,830	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, FY 2022-23, FY 2023-24 the Company has utilized ₹ 1,33,22,039, ₹ 1,85,45,343 and ₹ 12,51,372 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, FY 2023-24 the Company has set-off ₹ 3,31,18,754.

   (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)	2,23,86,830
(ii)	Total amount spent for the Financial Year	2,23,86,830
(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 – II 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
					Amount (in ₹)	Date of Transfer		
1.	2022-23	Nil	Nil	Nil	Nil	NA	Nil	Nil
2.	2021-22	Nil	Nil	Nil	Nil	NA	Nil	Nil
3.	2020-21	Nil	Nil	Nil	Nil	NA	Nil	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

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

Mrs. Sucharita Basu De
Chairperson – CSR Committee
(DIN: 06921540)

Place: Kolkata
Date: 14th August, 2024

ANNEXURE – III 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 2023-24 and percentage increase in remuneration of each Directors, Chief Financial Officer and Company Secretary during the financial year 2023-24 are as under:

Name of Director/KMP	Designation	Remuneration of Directors/KMP for FY 2023-24 (₹ in millions)	Ratio of remuneration of each Director to the Median remuneration of employees	Percentage increase in Remuneration
Executive Directors				
Mr. Sanjive Sehgal	Chairman & Managing Director	42.50	206.67	0.00%
Mr. Aryan Sehgal	Whole-Time Director	37.50	182.36	0.00%
Non-Executive Directors				
Mr. Viresh Oberai	Independent Director	1.20	5.84	0.00%
Mr. Girish Paman Vanvari	Independent Director	1.20	5.84	0.00%
Mrs. Sucharita Basu De	Independent Director	1.20	5.84	0.00%
Mr. Gaurav Pawan Kumar Podar	Non-Executive Director	Nil	NA	NA
Key Managerial Personnel				
Mr. Santosh Kumar Agarwal	Chief Financial Officer & Company Secretary	7.77	37.05	-8.15%

Note- *Non-Executive Independent Directors were paid remuneration in the form of sitting fees only for attending the Board and Committee meetings and therefore the percentage increase in their remuneration is Not Applicable.*

(ii) The percentage decrease in the median remuneration of employees in the financial year 2023-24 was 12%.

The median has been arrived by comparing the median remuneration of the cost-to-the Company as on 31st March, 2024 as compared to previous year as on 31st March, 2023.

(iii) The Company has 823 permanent employees on the rolls of the Company as on 31st March, 2024.

(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) Average percentile increase in the salaries of employees other than the managerial personnel in the financial year 2023-24 was 13%, whereas the average percentile decrease in the managerial remuneration was 1.17%.

(vi) 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, 2024 is as per the Nomination and Remuneration Policy of the Company.

ANNEXURE – IV 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, 2024

To,

The Members,

TARSONS PRODUCTS LIMITED

CIN: L51109WB1983PLC036510

Martin Burn Business Park,

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

Kolkata-700091

I Manisha Saraf, Practising 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') for the Financial Year ended 31st March, 2024. 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, 2024 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, 2024**, 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;* ***(Not applicable as there was no reportable event during the financial year under review)***;

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

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021;

  (e) The Securities and Exchange Board of India *(Issue and Listing of Non-Convertible Securities) Regulations, 2021;* ***(Not applicable as there was no reportable event during the financial year under review);***

ANNEXURE – IV TO DIRECTORS' REPORT (Contd.)

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; ***(Not applicable as there was no reportable event during the financial year under review);***

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable as there was no reportable event during the financial year under review);** and

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. ***(Not applicable as there was no reportable event during the financial year under review);***

(vi) Management has identified and confirmed the following laws as being specifically applicable 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 with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India – The Company has generally complied with Secretarial Standards with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company secretaries of India.

(b) The Listing agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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, except to the extent mentioned below:

(a) It has been observed that the managerial remuneration paid during the financial year exceeded the prescribed limits under Section 197, read with Schedule V of the Companies Act, 2013, by ₹ 3.6 Million. As per the provisions of the Companies Act, 2013, the excess remuneration is subject to approval by the shareholders, which the Company proposes to obtain at the forthcoming AGM.

I further report that:

(a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

(b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance 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.

ANNEXURE – IV TO DIRECTORS' REPORT (Contd.)

(c) All the decisions of the Board and Committees thereof were carried through with requisite majority.

I further report that based on the compliance mechanism established by the Company I am of the opinion 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.

I further report that during the audit period, 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: F007607F000500968

Date: May 30, 2024
Place: Kolkata

ANNEXURE – IV 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. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively. 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: F007607F000500968

Date: May 30, 2024
Place: Kolkata

ANNEXURE V

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING FORMAT

(Business Responsibility and Sustainability Reporting (BRSR) is the practice of companies disclosing information about their environmental, social, and governance (ESG) performance. It goes beyond financial reporting to provide stakeholders with a comprehensive view of a company's non-financial impacts and contributions to sustainable development. BRSR covers topics such as environmental impact, social responsibility, and governance practices, aiming to promote transparency and accountability.)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sr. No.	Particulars	FY 2023-2024
1	Corporate Identity Number (CIN) of the Listed Entity	L51109WB1983PLC036510
2	Name of the Listed Entity	TARSONS PRODUCTS LIMITED
3	Year of incorporation	5th July,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	info@tarsons.com investor@tarsons.com
7	Telephone	033-35220300
8	Website	www.tarsons.com
9	Financial year for which reporting is being done	**1st April, 2023 to 31st March, 2024**
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 investor@tarsons.com
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
14	Name of assurance provider	Not Applicable
15	Type of assurance obtained	Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sr. 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%

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

Sr. No.	Product/Service	NIC Code	% of total Turnover Contributed
1.	Plastic products, non-metallic mineral products, rubber products, fabricated metal products and instruments.	2,220	100%

ANNEXURE V (Contd.)

III. Operations

18. 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

19. 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?	30%
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

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1	Permanent (D)	150	136	91%	14	9%
2	Other than Permanent (E)	0	0	0%	0	0%
3	**Total employees (D + E)**	**150**	**136**	**91%**	**14**	**9%**
WORKERS						
4	Permanent (F)	673	673	100%	0	0%
5	Other than Permanent (G)	0	0	0%	0	0%
6	**Total workers (F + G)**	**673**	**673**	**100%**	**0**	**0%**

b. Differently abled Employees and workers:

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

ANNEXURE V (Contd.)

21. **Participation/Inclusion/Representation of women**

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

22. **Turnover rate for permanent employees and workers**

Particular	2023-24 (Turnover rate in current FY)			2022-23 (Turnover rate in previous FY)			2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	9.34%	21.43%	7.72%	13.73%	29.63%	15.38%	16.35%	38.10%	18.34%
Permanent Workers	9.42%	0%	9.42%	13.83%	0%	13.83%	7.96%	0%	7.96%

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

23. (a) **Names of holding / subsidiary / associate companies / joint ventures**

Sr. 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)
1.	Tarsons Life Science Pte Ltd	Subsidiary	100%	No

- We also have two 100% owned steps down subsidiaries namely "Nerbe R&D GmbH" and "Nerbe plus GmbH & Co. KG"

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
a. Turnover (in ₹)	2,756,597,062
b. Net worth (in ₹)	6,20,41,70,000

VII. Transparency and Disclosures Compliances

25. **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) *	2023-24 Current Financial Year			2022-23 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	NA	0	0	NA
Investors (other than shareholders)	Yes	0	0	NA	0	0	NA
Shareholders	Yes	7	0	NA	77	0	Majorly IPO Related queries

ANNEXURE V (Contd.)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) *	2023-24 Current Financial Year			2022-23 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
Employees and workers	Yes	0	0	NA	0	0	NA
Customers	Yes	8	0	-	6	0	-
Value Chain Partners	Yes	0	0	NA	0	0	NA
Other (please specify)	NA	NA	NA	NA	NA	NA	NA

* Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)

Stakeholder group from whom complaint is received	Web Link for Grievance Policy
Communities	https://tarsons.com/policies-codeofconduct/
Investors (other than shareholders)	
Shareholders	
Employees and workers	
Customers	
Value Chain Partners	

26. **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

Sr. 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)
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 freshwater consumption. These initiatives demonstrate the Company's dedication to responsible water management, aiming to reduce environmental impact.	Negative

ANNEXURE V (Contd.)

Sr. 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)
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 (SOx), nitrogen oxides (NOx), 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 CO2 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
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 labor 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 workers' 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 wellbeing	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
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

ANNEXURE V (Contd.)

Sr. 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)
8.	Labor Management	Risk	Companies that rely on on-site workers must implement effective labor management practices, considering factors such as workforce complexity (size, labor intensity, and operational locations), management-labor interaction, worker rights, and efforts to engage employees. Retention of skilled labor is particularly crucial to mitigate operational risks.	The Company prioritizes labor management through the implementation of well-defined policies and procedures related to employee benefits, compliance with labor 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 labor policy, the elimination of forced labor, 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
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

ANNEXURE V (Contd.)

Sr. 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)
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.

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

ANNEXURE V (Contd.)

Sr. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
3	Do the enlisted policies extend to your value chain partners? (Yes/No/NA)	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.	-	ISO 13485:2016 ISO 9001:2015	-	-	-	-	-	-	-
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	With an intention to go Net Zero by 2050, we have initiated monitoring our carbon footprint.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not Applicable. *We track key parameters in policies and record them for learning and development to enhance our policies.								
	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 committed to being planet positive in all its operations and initiative. We strive to take actions that prioritize the sustainability of our planet and its resources. We recognize that the health of the planet is intricately linked to the wellbeing of people and communities and have taken significant steps to improve our ESG disclosures and are committed to keeping our stakeholders updated about TPL's ESG progress and continues to enhance our company's sustainability. To this end, we have set out our ESG related objectives and prioritize our ESG related agenda over the medium and long term with steps and actions plan set in small term goals. The Company has also formulated and follows EHS Policy and Environment Policy which emphasizes Social, Green, Pollution Control & Sustainability Initiatives. Further, we recognize the crucial role that environmental, social, and governance practices play in shaping a brighter future for the community. We also believe in the power of education and awareness to drive positive change, and we work to promote environmental education and advocacy. We are committed to ensuring a safe, inclusive, and rewarding work environment for our employees. We help build resilient communities and work with government and regulatory bodies to effect positive change among the wider community. We also endeavor to uphold the trust investors place in us, by ensuring high levels of transparency and excellence in corporate governance.									
8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**									
	Mr. Aryan 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/ NA).**	Yes								
	If Yes please provide details									
	Aryan 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 V (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								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
a. Performance against above policies and follow up action	Director								
b. Description of other committee for performance against above policies and follow up action									
c. Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Director								
d. Description of other committee for compliance with statutory requirements of relevance to the principles and rectification									

Subject for Review	Frequency (Annually / Half yearly /Quarterly/ Any other- please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
a. Performance against above policies and follow up action	Annually								
b. Description of other committee for performance against above policies and follow up action	Not Applicable								
c. Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Annually								
d. Description of other committee for compliance with statutory requirements of relevance to the principles and rectification	Not Applicable								
11 Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No).	N	Y	N	N	N	N	N	N	N
If yes, provide name of the agency.		DNV							

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

ANNEXURE V (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.

(This principle focuses on the importance of ethical conduct and transparency in business operations. Companies should follow ethical business practices and adhere to high standards of integrity. They should also be transparent about their activities, operations, and financial reporting, as well as be accountable for their actions)

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
Board of Directors	7	Throughout the year, BOD during the Board and Committee meetings were provided with updates on various topics, including regulatory, economic, and operational changes, as well as Corporate Governance matters. Independent Directors received regular strategic presentations on the Company's strategy, performance, and growth plans, covering key business areas such as market analysis, equity performance, operational efficiencies, sales performance, risk management, and CSR initiatives. These sessions equipped Directors with essential knowledge and skills, enhancing their understanding of corporate governance, strategic planning, and emerging market trends, thereby enabling them to fulfill their fiduciary duties and guide the organization toward sustainable, long-term growth.	100%
Key Managerial Personnel	1	1. Code of Conduct which covers aspects such as Corporate Governance 2. Whistleblower Policy 3. Workshop conducted under Prevention of Sexual Harassment (POSH Act, 2013) 4. Environmental, Social and Governance related compliances 5. Leadership & Communication These training provides KMP 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	100%
Employees other than BOD and KMPs	40	Training is an ongoing process and consistent learning and skill updation training benefits the employees to improve their performance, adapt to changes, and enhance their career prospects. To enumerate a few topics the training was conducted on the following among the others: 1. Whistleblower Policy 2. Environmental, Social and Governance related compliances 3. Human Rights 4. Management & Learning Trainings 5. Workshop conducted under Prevention of Sexual Harassment (POSH Act, 2013) 6. Skill Upgradation Trainings 7. HR Orientation/ Functional, Behavior Training Conducting trainings for employees on human rights, skill development and Prevention of Sexual Harassment (POSH) has a profound impact on the well-being of individuals and the overall organizational culture. These training courses equip employees with the knowledge, skills, and awareness necessary to create a safe and healthy work environment and contribute to maintaining a secure workplace.	96.67%
Workers	55	Health & Safety training should not be a one of the activity and thus provide ongoing training to workers to ensure that they are upto-date on the latest health and safety procedures and protocols. In addition, the workers were trained on various topics in relation to the manufacturing process and ancillary topics. Some of the topics are stated below: 1. Fire & Safety 2. ISO 3. Environmental, Social and Governance related compliances 4. Instruments Handling	76.97%

ANNEXURE V (Contd.)

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

Monetary					
Particular	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In ₹) (For Monetory Cases only)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement					
Compounding fee					

Non-Monetary				
Particular	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	Nil	Nil	Nil	Nil
Punishment				

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

4. Does the entity have 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 with 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

ANNEXURE V (Contd.)

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

Particular	FY 2023-24	FY 2022-23
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

Case Details	FY 2023-24		FY 2022-23	
	Number	Remark	Number	Remark
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.

Not Applicable

8. Number of days of accounts payables in the following format:

Particular	FY 2023-24	FY 2022-23
Number of days of accounts payables	24	24

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	11.41%	8.81%
	b. Number of trading houses where purchases are made from	35	29
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	71.39%	68.54%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	65%	64%
	b. Number of dealers / distributors to whom sales are made	144	141
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	51%	52%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0	0
	b. Sales (Sales to related parties / Total Sales)	0.00195%	0
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	100%	0
	d. Investments	100%	0

ANNEXURE V (Contd.)

Leadership Indicators

1. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same.

Yes

Tarsons Code of Conduct requires the Directors, senior management and employees to avoid situations in which their personal interests could conflict with the interests of the Company. The Code, inter alia, clarifies the Directors and Senior Management shall not engage in any activity, business, or relationship, which may be in conflict with the interest of the Company or prejudicial to the Company's interest. Additionally, the Directors of the Company are required to disclose to the Board, on an annual basis and as when the change in the interest arise, whether they, directly or indirectly or on behalf of third parties, have material interest in any transaction or matter directly affecting the Company. Further, affirmation is also obtained to avoid conducting the Company's business with a relative, or with a business in which a relative of a Director is associated in any significant role.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe.

(This principle highlights the importance of sustainable and safe production practices. Companies should strive to minimize the environmental impact of their activities and ensure that their products and services are safe for consumers and the environment.)

Essential Indicator

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.

Sr. No.	Particular	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
1	R&D	0	0	
2	Capex	0	0	

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%*

*More than 80% of the raw material is 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.

(a) Plastics (including packaging)

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.

ANNEXURE V (Contd.)

4. a **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.

(This principle emphasizes the importance of employee well-being. Companies should provide safe and healthy working conditions, fair wages, and opportunities for career development to all employees in their value chains, including suppliers, contractors, and temporary workers.)

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)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	136	121	90%	121	90%	NA	NA	136	100%	0	0%
Female	14	14	100%	14	100%	14	100%	NA	NA	0	0%
Total	150	135	90%	135	90%	14	100%			0	100%
Other than permanent employees											
Male	0	0	0%	0	0%	NA	NA	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	NA	NA	0	0%
Total	0	0	0%	0	0%	0	0%	0	0%	0	0%

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	673	142	21%	673	100%	NA	NA	673	100%	0	0%
Female	0	0	0%	0	100%	NA	NA	NA	NA	0	0%
Total	673	142	21%	673	100%	NA	NA	673	100%	0	0%
Other than permanent workers											
Male	0	0	0%	0	0%	NA	NA	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	NA	NA	0	0%
Total	0	0	0%	0	0%	0	0%	0	0%	0	0%

ANNEXURE V (Contd.)

1. c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format**

	FY 2023-24	FY 2022-23
Cost incurred on well- being measures as a % of total revenue of the Company	0.07	0.04

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

Benefits	FY 2023-24			FY 2022-23		
	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%	Y	100%	100%	N.A.
ESI**	100%	78.90%	Y	100%	100%	Y
Others – please specify	-	-	-	-	-	-

* Gratuity is not the part of CTC and the same is deposited with LIC of India

** Employees and Workers having gross salary of more than ₹ 21,000 are covered under Health Insurance 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 ensuring non-discrimination against any employee or worker, regardless of the circumstances. We are currently enhancing our infrastructure to create a safe, accessible, and inclusive environment for individuals with disabilities.

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.**

Yes

The Company does not have a specific Equal Opportunity Policy as per the Rights of Persons with Disabilities Act, 2016. However, the rights of employees and workers regarding equal opportunity are well protected under the Company's Non-Discrimination Policy and BRSR policy, which comprehensively cover these aspects.

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%	100%	0%	0%
Female	100%	0%	0%	0%
Total	100%	100%	0%	0%

ANNEXURE V (Contd.)

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.**

Category	Yes/No	If Yes, then give details of the mechanism in brief
Permanent Workers	**YES**	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.
Other than Permanent Workers	YES	
Permanent Employees	YES	
Other than Permanent Employees	YES	

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

Category	FY 2023-24			FY 2022-23		
	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	136	0	0%	119	0	0%
Female	14	0	0%	15	0	0%
Total Permanent Workers						
Male	673	0	0%	579	0	0%
Female	0	0	0%	0	0	0%

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

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		Number (B)	% (B / A)	Number (C)	% (C / A)		Number (E)	% (E / D)	Number (F)	% (F / D)
Employees										
Male	136	110	80.88%	125	91.91%	119	95	79.83%	85	71.43%
Female	14	12	85.71%	14	100%	15	12	80%	11	73.33%
Total	150	122	81.33%	139	92.67%	134	107	79.85%	96	71.64%

ANNEXURE V (Contd.)

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		Number (B)	% (B / A)	Number (C)	% (C / A)		Number (E)	% (E / D)	Number (F)	% (F / D)
Workers										
Male	673	518	76.96%	509	75.63%	579	457	78.92%	437	75.47%
Female	0	NA	NA	NA	NA	0	0	0%	0	0%
Total	673	518	76.96%	509	75.63%	579	457	78.92%	437	75.47%

9. **Details of performance and career development reviews of employees and worker.**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (D)	No. (E)	% (E / D)
Employees						
Male	136	136	100%	119	119	100%
Female	14	14	100%	15	15	100%
Total	150	150	100%	134	134	100%
Workers						
Male	673	673	100%	579	579	100%
Female	0	NA	NA	0	0	100%
Total	673	673	100%	579	579	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 systems?**

Yes

The Company recognizes that occupational health and safety is essential for the well-being and safety of our employees and workers. This commitment not only fulfils our responsibility as a corporate citizen but also plays a crucial role in attracting and retaining top talent. To ensure the safety of employees and visitors, the Company follows strict guidelines, including regular equipment checks on air conditioners, chillers, UPS systems, stabilizers, and DG sets to prevent wear and tear from continuous use.

Fire Drill Training is conducted at all our factories to prepare personnel for potential fire emergencies, and fire extinguishers are kept readily available. All factory sites and corporate offices are equipped with smoke detectors and fire alarm systems. Additionally, the Company routinely conducts health and safety assessments to identify hazard risks and maintains an aspect and impact register to drive continuous improvements. Regular safety inspections are also carried out to ensure ongoing compliance.

Tarsons has implemented a comprehensive health and safety management system, demonstrating our commitment to responsible operations that protect our employees, the environment, and the community. This EHS system encompasses all stakeholders, aiming to create a safe working environment free from harm and incidents, while providing necessary training and awareness on the key risks associated with unsafe working conditions.

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 carries out periodic meetings with all operations to identify and assess work-related hazards. There are also awareness initiatives through which employees are made aware of the potential safety risks and they are encouraged to report the same. Company undertakes extensive work at the site to train and create awareness among employees for occupational health and safety and work-related hazards such as operating machinery or driving.

ANNEXURE V (Contd.)

Company also undertakes driver safety training and assessments for the commercial field force.

Further, there are policies in place to undertake safety assessments of key third party suppliers at the time of onboarding and at periodic intervals thereafter.

c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks? (Yes/ No)**

Yes

Internal controls and systems are in place to report work-related hazards on site. The management has invested in a state-of-the-art facility to reduce exposure to potential health risks. Further, the Company has modified machines and improved infrastructure arrangements to reduce the exposure close to nil.

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 2023-24	FY 2022-23
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	2	1
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

*Including in the contract workforce

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

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.

Additionally, Tarsons have taken the following steps to ensure safety at workplace:

- Training and awareness activities are carried out on key risks, such as operating machinery or driving with a focus on preventing incidents before they occur.
- Training programmes such as 'Energy for Performance' and 'Personal Resilience' have been organized to promote employee health, wellbeing, and resilience.
- Regular consultations with the employees to improve their experience at work.
- Awareness sessions on Life Saving Rules are conducted periodically.

ANNEXURE V (Contd.)

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

Particulars	FY 2023-24			FY 2022-23		
	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	-

14. **Assessment for the year:**

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
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.**

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.

Additionally, the Company has introduced the Life Saving Rules (LSR), which is a companywide Environmental Health and Safety (EHS) program to make sure all employees understand and follow the most critical safety rules. Under the LSR safety campaigns, impact communication on LSR is being prepared to create awareness on the importance of the same.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

(This principle highlights the importance of stakeholder engagement. Companies should consider the interests and perspectives of all stakeholders, including shareholders, employees, customers, suppliers, and the communities in which they operate. They should also be responsive to stakeholder concerns and feedback.)

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

ANNEXURE V (Contd.)

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Email, SMS, Newspaper, Website, Stock Exchanges, Investor Calls, SCORES, SMART ODR, ROC Filings	Quarterly & Event Based	To ensure timely dissemination of information regarding the Company's affairs and to effectively resolve grievances raised by stakeholders.
Employees	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.
Customers	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.
Suppliers/ Vendors	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.
Bankers	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.
Society	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.
Government	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 V (Contd.)

PRINCIPLE 5 Businesses should respect and promote human rights.

(This principle focuses on the importance of human rights. Companies should respect and promote human rights, including the rights to freedom of expression, association, and privacy. They should also prevent and address human rights violations in their operations and value chains.)

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**

Benefits	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	150	125	83.33%	134	120	89.55%
Other than permanent	0	NA	NA	0	0	0%
Total Employees	**150**	**125**	**83.33%**	**134**	**120**	**89.55%**
Workers						
Permanent	673	617	91.68%	579	523	90.32%
Other than permanent	0	NA	NA	0	0	0%
Total Workers	**673**	**617**	**91.67%**	**579**	**523**	**90.32%**

2. **Details of minimum wages paid to employees and workers**

Category	FY 2023-24					FY 2022-23				
	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)
Employees										
Permanent										
Male	136	0	0%	136	100%	119	0	0%	119	100%
Female	14	0	0%	14	100%	15	0	0%	15	100%
Total	**150**	**0**	**0%**	**150**	**100%**	**134**	**0**	**0%**	**134**	**100**
Other than Permanent										
Male	0	0	0%	0	0%	0	0	0%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Total	**0**	**0**	**0%**	**0**	**0%**	**0**	**0**	**0%**	**0**	**0%**
Workers										
Permanent										
Male	673	262	39%	411	61%	579	0	0%	579	100%
Female	0	NA	NA	NA	NA	0	0	0%	0	0%
Total	**673**	**262**	**39%**	**411**	**61%**	**579**	**0**	**0%**	**579**	**100%**
Other than Permanent										
Male	0	0	0%	0	0%	0	0	0%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Total	**0**	**0**	**0%**	**0**	**0%**	**0**	**0**	**0%**	**0**	**0%**

ANNEXURE V (Contd.)

3. **Details of remuneration/salary/wages**

a. **Median remuneration / wages:**

Particular	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	77,74,937	0	0
Employees other than BoD and KMP	135	2,05,640	14	4,09,058
Workers	673	9,965	0	NA

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

Particulars	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	3.10%	4.14%

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

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.

Further, the grievances can be communicated to CorporateHR@tarsons.com for redressal.

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

Particulars	FY 2023-24			FY 2022-23		
	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	-

ANNEXURE V (Contd.)

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Particulars	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

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

Adequate safeguards against victimization of complainants are provided. The Company strictly prohibits any attempt of retaliation by anyone against any employee who raises a concern 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. An Internal Complaints Committee is formed where timely trainings related to POSH are provided to the employees. Email ids of the Committee members along with their contact information is published for registering the complaint and it is accessible to Senior Female in the organization. Every location has displayed the POSH Policy on their notice board with the email id and mobile number of the members plus external committee member.

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

Yes

10. **Assessments for the year.**

Name of the Assessment	% 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	-

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

Not applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

(This principle emphasizes the importance of environmental stewardship. Companies should minimize their impact on the environment, conserve natural resources, and promote environmental sustainability. They should also take steps to restore and rehabilitate degraded ecosystems.)

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C.)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-

ANNEXURE V (Contd.)

Parameter	FY 2023-24	FY 2022-23
From non-renewable sources		
Total electricity consumption (D)	31,739.26	43,185.31
Total fuel consumption (E)	1,830.49	1,373.91
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**33,569.75**	**44,559.22**
Total energy consumed (A+B+C+D+E+F)	**33,569.75**	**44,559.22**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.0000121779	0.0000158370
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.0002462374	0.0003202239
Energy intensity in terms of physical output (Total energy consumed / Total units of physical output)	0.0000240285	0.0000303719
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?		No
If yes, name of the external agency.	NA	

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? (Yes/No)**

NA

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.

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

Parameter Water withdrawal by source (in kilolitres)	FY 2023-24	FY 2022-23
(i) Surface water	-	-
(ii) Groundwater	4,650.67	5,895
(iii) Third party water	26	42.72
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**4,676.67**	**5,937.72**
Total volume of water consumption (in kilolitres)	**4,676.67**	**5,937.72**
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.0000016965	0.0000021104
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.0000343040	0.0000426713
Water intensity in terms of physical output (Total water consumption / Total units of physical outputs)	0.0000033475	0.0000040472
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No)		No
If yes, name of the external agency.	NA	

ANNEXURE V (Contd.)

4. **Provide the following details related to water discharged:**

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
No treatment		
With treatment – please specify level of treatment		
(ii) To Groundwater	-	-
No treatment		
With treatment – please specify level of treatment		
(iii) To Seawater	-	-
No treatment		
With treatment – please specify level of treatment		
(iv) Sent to third-parties	-	-
No treatment		
With treatment – please specify level of treatment		
(v) Others		
No treatment	0	0
With treatment – ETP Water	0.75	0
Total water discharged (in kilolitres)	**0.75**	**0**
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)		No
If yes, name of the external agency.		

5. **Has the entity implemented a mechanism for Zero Liquid Discharge?**

No

If yes, provide details of its coverage and implementation.

NA

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

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	µg/m3	23.76	46.55
SOx	µg/m3	28.31	8.7
Particulate matter (PM)	µg/m3	47.57	62.45
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	mg/m3	-	0.01
Hazardous air pollutants (HAP)	mg/m3	-	-
Others – PM 10	µg/m3	-	116.2
Others - CO	µg/m3	82.34	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)			Yes
If yes, name of the external agency.	Qualissure Laboratory Services		

ANNEXURE V (Contd.)

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	210.91	331.35
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	6312.59	9,716.70
Total Scope 1 and Scope 2 emissions per rupee of turnover	(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	0.0000023665	0.0000035712
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	0.0000478507	0.0000722101
Total Scope 1 and Scope 2 emission intensity in terms of physical output	(Total Scope 1 and Scope 2 GHG emissions / Total units of physical outputs)	0.0000046694	0.0000068488
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)			No
If yes, name of the external agency.			

8. **Does the entity have any project related to reducing Green House Gas emission? (Yes/ No)**

If Yes, then provide details.

Yes, Tarsons has implemented several initiatives to promote environmental sustainability and reduce its carbon footprint. These efforts include annual monitoring of fugitive air emissions, adopting a "traveling light" policy to control business travel, sourcing materials from local vendors to minimize imports, and reducing direct water consumption in manufacturing. Additionally, Tarsons encourages the use of cloud storage and video conferencing to limit travel and promotes digital skills in the workplace to reduce paper usage. These actions demonstrate Tarsons' commitment to environmentally responsible practices and contribute to lowering overall GHG emissions.

Furthermore, Tarsons is dedicated to utilizing renewable energy and is planning to install rooftop solar panels at its factories. This initiative will significantly reduce the Company's carbon footprint, help mitigate global warming, decrease reliance on fossil fuels, curb CO2 emissions, prevent pollution, and limit deforestation

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

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	360.078	322.23
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	0	6.66
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	0.58	1.8
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)	**360.658**	**330.69**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.0000001308	0.0000001175
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000026455	0.0000023767
Waste intensity in terms of physical output (Total waste generated / Total units of physical output)	0.0000002582	0.0000002254
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2023-24	FY 2022-23
(i) Recycled	-	-
(ii) Re-used	0	8.2
(iii) Other recovery operations	-	-
Total	**0**	**8.2**

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY 2023-24	FY 2022-23
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	360*	330.69
Total	**360**	**330.69**
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)		**No**
If yes, name of the external agency.		

* Plastic waste & used oil

10. **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 V (Contd.)

11. **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:**

Sr. 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				

12. **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					

13. **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/NA).**

NA

If not, provide details of all such non-compliances, in the following format:

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

Leadership Indicators

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)*	Metric tonnes of CO2 equivalent	10,417.88	-
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent per rupee of turnover	0.000003779	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity Units of Production		-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)			**No**
If yes, name of the external agency.	**NA**		

*Scope 3 Categories includes emission from Category-1 Purchased Goods & Services (only Plastic), category – 3 – Fuel and Energy Related Activities, Category 5- Waste Generated,

ANNEXURE V (Contd.)

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

(This principle highlights the importance of responsible advocacy. Companies should engage in policy advocacy in a responsible and transparent manner, and avoid engaging in activities that could undermine the public interest or the democratic process.)

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

3

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.**

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

(This principle emphasizes the importance of promoting inclusive and equitable economic development. Companies should create economic opportunities for all, including disadvantaged and marginalized groups. They should also contribute to the development of local communities and support social and economic empowerment.)

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					

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

Sr. 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.

ANNEXURE V (Contd.)

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

Particular	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	10.88%	4.82%
Directly from within India	39.96%	54.14%*

*Sourced directly from within the district and neighboring districts

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Particular	FY 2023-24	FY 2022-23
Rural	0%	0%
Semi-urban	0%	0%
Urban	0%	0%
Metropolitan	100%	100%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban/metropolitan)

Leadership Indicators

1. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share	Application/ Registration Number
1.	SPINIT (LABEL)™	Yes	No	NA	2202662
2.	SPINIX (LABEL)™	Yes	No		2202663
3.	ROTOSPIN (LABEL)™	Yes	No		2202664
4.	ACCUPIPET (LABEL)™	Yes	No		2202665
5.	FIXAPETTE (LABEL) ™	Yes	No		2202666
6.	SPINOT (LABEL)™	Yes	No		2202667
7.	HOPTOP (LABEL)™	Yes	No		2202668
8.	SPINWIN™	Yes	No		2202670
9.	ROCKYWAC™	Yes	No		2202671
10.	CHEMYVAC™	Yes	No		2202672
11.	MAXIPENSE (LABEL)™	Yes	No		2202673
12.	CRYOCHILL™	Yes	No		2222863
13.	CRYOCHILL™	Yes	No		2222864
14.	TARSONS - TRUST DELIVERED ©	Yes	No		2885012
15.	MAXIAMP™	Yes	No		3689138
16.	TARSONS™	Yes	No		691572
17.	TARSONS™	Yes	No		4883956
18.	TARSONS™	Yes	No		4883957
19.	TARSONS™	Yes	No		4883959
20.	TARSONS™	Yes	No		4883960
21.	TARSONS™	Yes	No		4883962
22.	TARSONS™	Yes	No		4883963
23.	TARSONS™	Yes	No		4883964
24.	TARSONS™	Yes	No		4883966
25.	MU TIP ©	Yes	No		3689137
26.	HANDS ON™	Yes	No		2562123

ANNEXURE V (Contd.)

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share	Application/ Registration Number
27.	HANDS ON™	Yes	No		2562124
28.	Ergomatic™	Yes	No		US 97843652
29.	Design patent	Yes	No		IN 374522-001

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner.

(This principle highlights the importance of responsible consumer engagement. Companies should provide safe, high-quality products and services, and ensure that they are marketed and sold ethically and responsibly. They should also be transparent about their products and services, and provide consumers with the information they need to make informed choices.)

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 through verbal/written/email mode of communication by the consumers through emails, telephones, website, social media and feedback forms. 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**

Particular	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:**

Particular	FY 2023-24		Remark	FY 2022-23		Remark
	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	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	8	0	Customer complaints pertaining to product-related issues	6	0	Customer complaints pertaining to product-related issues

ANNEXURE V (Contd.)

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

Particular	Number	Reason for recall
Voluntary recalls	0	
Forced recalls	0	

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)**

Yes

If available, provide a web link of the policy

Tarsons has a robust framework and policy in place concerning Information Technology & cybersecurity risks associated with data privacy 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.**

7. **Provide the following information relating to data breaches**

a.	Number of instances of data breaches along-with impact	0
b.	Percentage of data breaches involving personally identifiable information of customers	0%

c. **Impact, if any, of the data breaches**

NA

Leadership Indicator

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

All information on products of the Company can be accessed from the website of the Company at https://tarsons.com/products/.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services**

Tarsons comply with the regulations and relevant voluntary codes concerning marketing communications, including advertising, promotion and sponsorship. The Company's communications are aimed at enabling consumers to make informed purchase decisions. Moreover, each product packaging/label includes information on safe and responsible usage of the product.

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.

Moreover, within the context of manufacturing labware products, Tarsons remain committed to integrating sound corporate governance practices into its operations. This commitment entails ensuring transparency in product development processes, accountability in quality assurance measures, and fairness in supplier relationships. By prioritizing ethical conduct and responsibility in every aspect of its manufacturing endeavors, Tarsons aim to not only meet the highest industry standards but also contribute to the advancement of good corporate governance within its sector.

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 2023-24 based on the said requirements.

2. BOARD OF DIRECTORS

The Company recognizes the importance of a diverse board in its success and has in place an experienced, diverse and well-informed Board. The Board is entrusted with the ultimate responsibility of the Company's Management and provides strategic direction, oversights and guidance to them. Further, it 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.

The Board has an unfettered and complete access to any information within your Company and the Directors on the Board are professionals, having expertize in their respective functional areas and bring an extensive range of skills and experience to the Board.

(a) COMPOSITION OF BOARD OF DIRECTORS

In conformity with Regulation 17 of the Listing Regulations and applicable provisions of the Companies Act, 2013 ('Act'), as amended from time to time, your Company has a professional Board with an optimum combination of Executive and Non-Executive Directors including a Woman Director and requisite number of Independent Directors.

As on 31st March, 2024, 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 Director are Non-Executive Director other than Nominee Director of the listed entity as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013. The profile of the Directors can be accessed on the Company's Website at https://tarsons.com/directors-officers/.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Neither of the Directors including Independent Directors on the Board hold directorship in more than seven (7) listed entities or three (3) equity listed companies in case he/she serves as a Whole-time Director/ Managing Director in any listed company (as specified in Regulation 17A of the Listing Regulations) nor do they hold membership in more than ten committees or acted as Chairperson of more than five committees across all the companies as on 31st March, 2024 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 whether listed or not in which he/she is a Director. Moreover, none of the Executive Directors is an Independent Director in any listed company.

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 Board on the basis of recommendation of the Nomination and Remuneration Committee, approved the re-appointment of Mr. Sanjive Sehgal (DIN: 00787232) as Chairman & Managing Director and Mr. Rohan Sehgal (DIN: 06963013) as Whole-Time Director of the Company with effect from 26th July, 2023 for a period of five (5) years.

During the year, based on the recommendation of the Nomination and Remuneration Committee, the Board also re-appointed Mr. Viresh Oberai (DIN: 00524892) as an Independent Director of the Company for a second term of five (5) consecutive years with effect from 20th November, 2023.

Mr. Suresh Eshwara Prabhala (DIN: 02130163) was appointed as an Additional Director (Category: Non-Executive Nominee Director) of the Company w.e.f. 15th August, 2024, subject to approval of shareholders in the ensuing Annual General Meeting (AGM).

Mr. Gaurav Pawan Kumar Podar has tendered his resignation as Non-Executive Nominee Director from the Company with effect from 14th August, 2024.

As per the provisions of Regulation 17 of Listing Regulations, approval of Shareholders, for appointment/ re-appointment of Directors on the Board shall be taken either at the next General Meeting or within a time period of three months from the date of appointment, whichever is earlier. The above-mentioned appointments/ re-appointment were duly approved by the Members of 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.

Hence, the composition of Board 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 of Directors and the number of Directorships as well as the Committee positions held by each member of the Board as on 31st March, 2024 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[3]	No. of Directorship in other Companies[1]	No. of Committee Positions in other public limited companies [2]		Name of other listed entities and category of directorship
					Membership	Chairmanship	
Mr. Sanjive Sehgal[4] Chairman and Managing Director DIN: 00787232	63 years 25th July, 1983	Promoter & Executive Director	1,43,54,248 (26.98%)	-	-	-	-
Mr. Rohan Sehgal[4] Whole-time Director DIN: 06963013	36 years 1st September, 2014	Promoter & Executive Director	1,08,00,347 (20.30%)	-	-	-	-
Mr. Gaurav Pawan Kumar Podar[5] Nominee Director DIN: 08387951	41 years 10th June, 2019	Non – Executive Director (Nominee Director)	-	-	-	-	-
Mr. Viresh Oberai Director DIN: 00524892	67 years 20th November, 2018	Non – Executive Independent Director	9000 (0.02%)	-	-	-	-
Mr. Girish Paman Vanvari Director DIN: 07376482	52 years 10th May, 2021	Non – Executive Independent Director		6	7	4	i. Aurobindo Pharma Limited ii. Himadri Speciality Chemical Limited iii. Kolte Patil Developers Limited iv. Blue Jet Healthcare Limited v. Rategain Travel Technologies Limited (Non-Executive Independent Director)
Mrs. Sucharita Basu De Director DIN: 06921540	48 years 10th May, 2021	Non – Executive Independent Director		1	1	0	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.*
2. *Represents membership/ chairmanship of two committees viz. audit committee and stakeholders' relationship committee as per Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
3. *Apart from as stated above, the directors do not hold any other shares/convertible instruments.*
4. *The Directors are also appointed as the directors on the Board of Tarsons Life Science Pte. Ltd., a wholly-owned subsidiary of the Company*
5. *Mr. Gaurav Pawan Kumar Podar has tendered his resignation as Non-Executive Nominee Director of the Company w.e.f. 14th August, 2024*

(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 to facilitate meaningful participation in the Meetings by Directors travelling or located at other locations to participate in the Meetings. 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 are passed by Board/ Committees, which are noted and confirmed in the subsequent Board/Committee Meeting.

REPORT ON CORPORATE GOVERNANCE (Contd.)

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.

Prior approval from the Board/Committee is obtained for circulating the agenda items with shorter notice for matters that form part of the Board and Committee Agenda and are considered to be in the nature of Unpublished Price Sensitive Information.

During the year under review, Board met eight (8) times i.e., on 27th May, 2023; 12th June, 2023; 25th July, 2023; 11th August, 2023; 18th August, 2023; 11th November, 2023; 12th December, 2023 and 13th February, 2024.

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. The Board Meetings are generally held at the registered office of the Company either through video conference or through physical presence. The required quorum was present throughout the meetings held on the dates mentioned hereinabove.

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 40th Annual General Meeting held on 14th July, 2023, are as under:

Name of Director	Number of Board Meetings held and attended during 2023-24		Attendance at last AGM held on 14th July, 2023	% of attendance
	Held	Attended		
Mr. Sanjive Sehgal	8	7	✓	88
Mr. Rohan Sehgal	8	7	✓	88
Mr. Gaurav Pawan Kumar Podar	8	8	✓	100
Mr. Viresh Oberai	8	6	✓	75
Mr. Girish Paman Vanvari	8	8	✓	100
Mrs. Sucharita Basu De	8	7	✓	88

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

The skills / expertize / 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, expertize and competencies that allow them to make effective contributions 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, expertize 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. Aryan Sehgal	Mr. Gaurav Pawan Kumar Podar	Mr. Viresh Oberai	Mrs. Sucharita Basu De	Mr. Girish Paman Vanvari
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, asses 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. Aryan Sehgal, Whole-Time Director of the Company, is the son of Mr. Sanjive Sehgal who is the Chairman and Managing Director 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 undertaking due assessment of the veracity of the same.

Further, in the opinion of the Board, all Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity required to discharge their duties with an objective independent judgment and without any external influence.

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 2023-24.

(e) MEETING OF THE INDEPENDENT DIRECTORS

A separate meeting of the Independent Directors of the Company was held on 10th February, 2024 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:

REPORT ON CORPORATE GOVERNANCE (Contd.)

- 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 management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(f) FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS

The Company has an orientation process/familiarization program for its directors (including Independent Directors), which includes sessions on various business and functional matters, and strategy sessions. The Company ensures induction and training programs are conducted for newly appointed Directors. New Independent Directors are taken through a detailed induction and familiarization program, including briefing on their role, responsibilities, duties, and obligations, the nature of the business and business model, matters relating to Corporate Governance, Code of Business Conduct, Risk Management, Compliance Programs, Internal Audit, 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 etc. The Board members are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Directors are regularly briefed on the regulatory changes and legal updates applicable to the Company. In addition to the familiarization programme the Company arranges detailed presentations at the Board meetings 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 2023-24 are available on the website of the Company at https://tarsons.com/wp-content/uploads/2024/04/Familiarization-Programme-imparted-to-Independent-Director-FY-23-24.pdf

3. COMMITTEES OF THE BOARD

The Board Committees plays 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. Based on the recommendations, suggestions and observations of these Committees, the Board of Directors take informed decisions.

Generally, committee meetings are held before the Board meeting, and the Chairperson of each committee reports to the Board about the deliberations and decisions taken by the committees. They also provide specific recommendations to the Board on matters within their purview. All decisions and recommendations made by the committees are presented to the Board for either approval or information. 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, 2024, there were 6 (six) Committees, namely: -

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

REPORT ON CORPORATE GOVERNANCE (Contd.)

The details of terms of reference and composition of the Committee and the number of meetings held during the FY 2023-24 and attendance therein, are provided below:

A. AUDIT COMMITTEE

The Board of Directors has constituted a qualified and independent Audit Committee to act 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, 2024, 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. For the disclosure of Quarterly Financial Results the Statutory Auditors and Internal Auditors also attend 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 2023-24, the Audit Committee met four (4) times and the gap between none of the meetings exceeded 120 days. The meetings were held on 27th May, 2023; 11th August, 2023; 11th November, 2023 and 13th February, 2024. All the recommendations made by the Audit Committee during the Financial Year 2023-24 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	4	4	100
Mr. Viresh Oberai Member	Non-Executive & Independent Director	4	3	75
Mrs. Sucharita Basu De Member	Non-Executive & Independent Director	4	3	75

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 the Act and Listing Regulations respectively. 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;

  ➢ 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;

REPORT ON CORPORATE GOVERNANCE (Contd.)

- ➢ 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 there on;
- ✓ 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;
- ✓ 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;

REPORT ON CORPORATE GOVERNANCE (Contd.)

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

- Management Discussion and Analysis of financial conditions and results of operations;
- 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.
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of the Regulation 32(7) of SEBI Listing Regulations.

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, 2024 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 2023-24, the Nomination and Remuneration Committee met four (4) times. These meetings were held on 10th May, 2023; 12th June, 2023; 11th August, 2023 and 10th February, 2024. All the recommendations made by the Nomination and Remuneration Committee during the Financial Year 2023-24 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 during the Year	Attended	
Mr. Viresh Oberai Chairman	Non-Executive & Independent Director	4	3	75
Mr. Girish Paman Vanvari Member	Non-Executive & Independent Director	4	4	100
Mrs. Sucharita Basu De Member	Non-Executive & Independent Director	4	4	100

Terms of Reference

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated under Section 178 of the Act and Regulation 19 read with clause A of Part D of Schedule II of the Act and Listing Regulations respectively. The terms of reference of Nomination & Remuneration Committee, as approved by the Board, include the following:

- ✓ to formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.

  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;

REPORT ON CORPORATE GOVERNANCE (Contd.)

ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

iii. remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance; and

iv. objectives appropriate to the working of the Company and its goals;

✓ For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may

a) use the services of external agencies, if required;

b) consider candidates from a wide range of backgrounds, having due regard to diversity; and

c) consider the time commitments of the candidates.

✓ 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 2023-24.

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.

REPORT ON CORPORATE GOVERNANCE (Contd.)

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.

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, 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 5th January, 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 Personnel's (KMP), Senior Management Personnel's (SMP) 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 is approved by the Board of Directors and by the Members in the General Meeting in accordance with the provisions of the Companies Act, 2013. The Executive Directors are not being paid sitting fees for attending meetings of the Board of Directors and its Committee.

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.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Details of remuneration paid to Executive Directors during the year 2023-24 are given below:

(₹ in Millions)

Name and Designation	*Remuneration	Bonus/ Commission/ Pension etc.	Period of appointment	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, 2023 to 25th July, 2028.	The terms of severance, notice period and termination is governed as per the terms and conditions of employment agreement entered into with both the Director by the Company.	NIL
Mr. Aryan Sehgal Whole-Time Director	27.9	9.6	Appointed for a period of 5 years from 26th July, 2023 to 25th July, 2028.		

* The remuneration paid during the Financial Year exceeded the prescribed limits under Section 197, read with Schedule V of the Companies Act, 2013, by 3.6 Million. As per the provisions of the Companies Act, 2013, the excess remuneration is subject to approval by the shareholders at the forthcoming AGM

(b) Remuneration paid to Non-Executive Directors

The Non-Executive Independent Directors are paid remuneration by way of director fees (including 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.

The Company has no pecuniary relationship or transactions with its Non-Executive Directors other than payment of director fees and out-of pocket expenses, if any, to them for attending the Board and Committee meetings.

Details of remuneration paid to Non-Executive Independent Directors during the year 2023-24 are given below:

(₹ in Millions)

Name	Director Fees
Mr. Viresh Oberai	1.2
Mr. Girish Paman Vanvari	1.2
Mrs. 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 27th May, 2023.

Mr. Viresh Oberai, Chairman of the Stakeholders Relationship Committee attended the last Annual General Meeting of the Company held on 14th July, 2023.

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	0	0
Mr. Sanjive Sehgal Member	Chairman & Managing Director	1	1	100
Mr. Aryan 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: investors@tarsons.com.

Details of Investors' Complaints

As a measure of speedy redressal of investor grievances, the Company has registered itself on SCORES (SEBI Complaints Redress System) platform, a web based centralized grievance redress system and Smart Online Dispute Redressal (Smart ODR) Platform which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market set up by SEBI to capture and resolve investor complaints against listed companies.

Further, the Complaints received by the Company during the financial year 2023-24 were duly and promptly responded and resolved. There were no pending complaints at the beginning and at the end of financial year 2023-24.

The details of complaints received, cleared/pending during the Financial Year 2023-24 is given below:

Nature of Complaints	Received	Resolved	Pending
Complaints received on various portals	7	7	0
Total	**7**	**7**	**0**

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 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.

During the financial year, one (1) meeting of Corporate Social Responsibility Committee was held i.e., on 27th May, 2023.

REPORT ON CORPORATE GOVERNANCE (Contd.)

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. Aryan 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 (3) 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 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 three (3) times. The meetings were held on 27th May, 2023; 11th November, 2023 and 13th February, 2024.

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	3	2	67
Mr. Gaurav Pawan Kumar Podar Member*	Non-Executive Nominee Director	3	3	100
Mr. Aryan Sehgal Member	Whole-Time Director	3	3	100

* Mr. Gaurav Pawan Kumar Podar has tendered his resignation as the director of the Company w.e.f. 14th August, 2024

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 Board in its meeting dated 30th May, 2024 has approved the dissolution of this committee w.e.f., closing hours of 31st March, 2024 as the proceeds raised in the Initial Public Offer of the Company have been completely utilized. Consequently, the Committee is no more operational.

REPORT ON CORPORATE GOVERNANCE (Contd.)

The composition of IPO Committee in 2023-24 was as given below:

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

**No Meeting of IPO Committee was held during the financial year 2023-24*

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, addenda or corrigenda 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, finalize 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, finalize 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 authorize 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;

REPORT ON CORPORATE GOVERNANCE (Contd.)

✓ 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;

✓ 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 aforestated 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 finalize 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 dematerialize 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, utilization 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

REPORT ON CORPORATE GOVERNANCE (Contd.)

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 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 authorized 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. PARTICULARS OF SENIOR MANAGEMENT PERSONNEL AND CHANGES SINCE THE LAST FINANCIAL YEAR

In addition to the Board of Directors & Key Managerial Personnel, the following are considered as Senior Management Personnel and plays a pivotal role in the operations of the Company.

Sr. No.	Name	Designation
1	Mr. Santosh Kumar Agarwal	Chief Financial Officer & Company Secretary
2	Mr. Lakshmananarayanan Balakrishna Reddy*	Vice President Operations
3	Mr. Subhra Sankar Bose*	Human Resource Head

** Appointed w.e.f., 19th June, 2023*

5. GOVERNANCE OF SUBSIDIARY COMPANY

The minutes of the Board Meetings of the subsidiary companies along with the details of significant transactions and arrangements entered into by the subsidiary companies are shared with the Board of Directors on a quarterly basis. The financial statements of the subsidiary companies are presented to the Audit Committee. As on the date of this Integrated Annual Report, the Company does not have a material subsidiary, having a net worth exceeding 10% of the consolidated net worth or income of 10% of the consolidated income of the Company.

6. 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
2022-23 (40th AGM)	14th July, 2023 at 11:00 A.M.	Held Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) (Deemed Venue – Registered Office of the Company at Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector-V, Kolkata - 700091)	Two
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

During the Financial Year 2023-24, no Extra Ordinary General Meeting was convened.

7. POSTAL BALLOT THROUGH E-VOTING

During the financial year, the Company had passed Special Resolutions through Postal Ballot for the proposals as mentioned below.

The Company has provided electronic voting facility to all its members in compliance with Regulation 44 of Listing Regulations and as per the provisions of Sections 108 and 110 of the Companies Act, 2013, (the Act), read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended (Rules), read with the General Circulars issued by the MCA (MCA Circulars).

The Company engaged the services of NSDL for facilitating e-voting to enable the Members to cast their votes electronically. The Board of Directors had appointed Manisha Saraf (FCS:7607, COP: 8207) of M/s. Manisha Saraf & Assosiates, Practicing Company Secretary, as the Scrutinizer, for conducting the Postal Ballot process, in a fair and transparent manner.

The Scrutinizer, after the completion of scrutiny, submitted her report to Mr. Santosh Kumar Agarwal, Company Secretary, who was duly authorized by the Chairperson to accept, acknowledge and countersign the Scrutinizer's Report as well as declare the voting results in accordance with the provisions of the Act, the Rules framed thereunder and the Secretarial Standard - 2 issued by the Institute of Company Secretaries of India.

The results were displayed on the website of the Company at https://www.tarsons.com/ and on the website of NSDL and was also communicated to BSE Limited (BSE), National Stock Exchange of India Limited (NSE).

Brief details pertaining to the said postal ballot are provided below: -

Resolutions	(Resolution No. 1)	(Resolution No. 2)	(Resolution No. 3)
Agenda Item	Approval for extension of time limit in deployment of funds received during IPO in a fungible/interchangeable manner along with the utilization for Machines and Moulds.	Approval for remuneration of Mr. Sanjive Sehgal (DIN: 00787232), as Chairman and Managing Director of the Company	Approval for remuneration of Mr. Rohan Sehgal (DIN: 06963013), as Whole-Time Director of the Company.
Date of Postal Ballot Notice	25th July, 2023	25th July, 2023	25th July, 2023
Date of completion of despatch of Postal Ballot Notice	1st August, 2023	1st August, 2023	1st August, 2023
Period of e-voting	One month	One month	One month
Date of declaration of results	1st September, 2023	1st September, 2023	1st September, 2023

The result of the Postal Ballot through e-voting were as stated below:

REPORT ON CORPORATE GOVERNANCE (Contd.)

Resolution	Votes in favour of the Resolution		Votes against the Resolution	
	Number of Shares for which valid votes casted	% of votes to total valid votes casted	Number of Shares for which valid votes casted	% of votes to total valid votes casted
Resolution No. 1	46,670,990	99.992	3,918	0.008
Resolution No. 2	46,649,706	99.946	25,180	0.054
Resolution No. 3	44,931,708	96.265	1,743,170	3.735

8. 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 in accordance with the requirements of Listing Regulations. The results are also made available on Company's website at https://tarsons.com/financial-results-2023-24/.

(b) **Newspapers:** During the financial year 2023-24, 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 investors and audio recording of Investors' Calls, and transcripts are sent to the Stock Exchanges and are also uploaded on the Company's website at https://tarsons.com/investor-information/.

(d) **Interaction with the Institutional Investors and Analysts:** The Whole-Time Director and Chief Financial Officer of the Company meet and interact with the Analysts and Institutional Investors as and when requested. The schedule of such meetings is disseminated to the Stock Exchanges in compliance with the SEBI Listing Regulations and is also made available on the Website of the Company at https://tarsons.com/investor-information-2/. There are no presentations made at these meetings, nor any price sensitive information is disclosed by the Company officials.

The Company has adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, as available on the Website at https://tarsons.com/wp-content/uploads/2022/06/Code-of-practices-and-procedures-for-fair-disclosure-of-UPSI.pdf, to ensure timely, adequate, uniform and universal dissemination of information and disclosure of Unpublished Price Sensitive Information (UPSI) pursuant to this Code so as to avoid selective disclosure.

(e) **Annual Report:** The Annual Report, inter alia containing, Audited Financial Statements, Directors' Report (including Management Discussion & Analysis Report, Corporate Governance Report, Business 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 FY 2022-23 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/.

(f) **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, investor presentations, schedule of Investors' Call, etc. The link to the investors section is: https://tarsons.com/disclosure-under-regulation-46-of-sebi-lodr-regulations-2015/.

REPORT ON CORPORATE GOVERNANCE (Contd.)

(g) In terms of the Listing Regulations, the Company has a designated email ID for dealing with Investors' complaints viz., 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.ipo@kfintech.com.

9. GENERAL SHAREHOLDER INFORMATION

(i) Details of Annual General Meeting:

The 41st Annual General Meeting (AGM) of the members of the Company will be held on Friday, 27th September, 2024 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, 2024	On or before 14th August, 2024
For Quarter ending on 30th September, 2024	On or before 14th November, 2024
For Quarter ending on 31st December, 2024	On or before 14th February, 2025
For Financial year ending on 31st March, 2025	On or before 30th May, 2025

(iii) Dividend:

Board in its meeting dated 30th May, 2024 has recommended the payment of final dividend @ ₹ 2 per share for Financial Year 2023-24 and the same would be paid if approved by shareholders in the ensuing AGM.

(iv) Cut-off Date:

Friday, 20th September, 2024 [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 and receive the dividend, if approved by the shareholders.]

(v) Book Closure Date:

The register of members shall remain closed from Saturday, 21st September, 2024 till Friday, 27th September, 2024 (both days inclusive) for the purpose of 41st Annual General Meeting and distribution of Dividend.

(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	

REPORT ON CORPORATE GOVERNANCE (Contd.)

(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 2024-25 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 2023 -24 are given below:

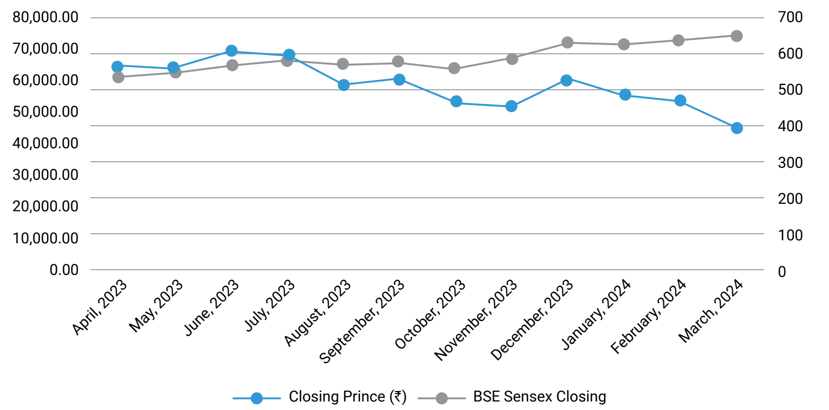
Month (2023-24)	BSE				
	High Price (₹)	Low Price (₹)	Closing Price (₹)	Volume (No. of shares)	BSE Sensex Closing
April, 2023	594.95	523.60	565.05	4,69,625	61,112.44
May, 2023	601.15	535.00	559.45	1,11,577	62,622.24
June, 2023	624.35	545.00	603.25	2,08,651	64,718.56
July, 2023	646.35	583.30	593.80	1,48,490	66,527.67
August, 2023	615.00	505.00	512.95	2,90,332	64,831.41
September, 2023	569.70	517.05	526.00	5,53,806	65,828.41
October, 2023	535.65	444.75	469.40	3,05,387	63,874.93
November, 2023	504.40	451.35	453.60	1,28,843	66,988.44
December, 2023	573.95	459.35	527.25	4,70,798	72,240.26
January, 2024	547.85	481.05	484.55	2,25,031	71,752.11
February, 2024	507.60	458.55	466.45	3,91,652	72,500.30
March, 2024	481.25	390.45	394.05	3,70,513	73,651.35

Month (2023-24)	NSE				
	High Price (Rs.)	Low Price (Rs.)	Closing Price (Rs.)	Volume (No. of shares)	NSE Nifty Closing
April, 2023	595.10	523.50	565.40	11,66,500	18,065.00
May, 2023	601.90	535.05	558.75	17,44,769	18,534.40
June, 2023	625.05	545.85	602.25	25,02,399	19,189.05
July, 2023	646.4	574.90	599.55	18,02,561	19,753.80
August, 2023	615.5	504.80	513.15	21,10,226	19,253.80
September, 2023	568.95	516.45	526.00	46,51,665	19,638.30
October, 2023	540.00	444.15	469.15	19,38,592	19,079.60
November, 2023	504.50	451.25	453.40	14,22,067	20,133.15
December, 2023	574.40	459.00	527.30	58,50,941	21,731.40
January, 2024	547.50	480.85	484.30	23,20,784	21,725.70
February, 2024	504.00	459.15	467.20	24,45,760	21,982.80
March, 2024	479.50	390.00	393.60	23,85,700	22,326.90

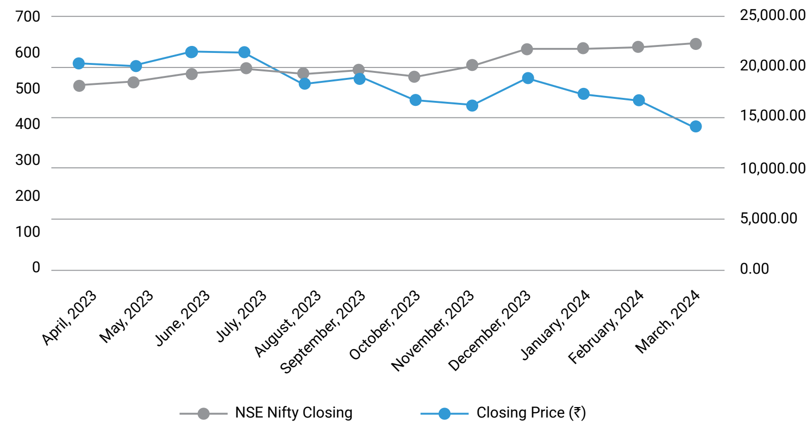
[Source: This information is compiled from the data available from the website of BSE & NSE]

REPORT ON CORPORATE GOVERNANCE (Contd.)

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, 2024 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, 2024:

Category	No. of shareholders		No. of shares	
	Total	%	Total	%
1-5000	102553	99.70	64499550	12.12
5001- 10000	199	0.19	715656	1.35
10001- 20000	59	0.06	414740	0.78
20001- 30000	13	0.01	158119	0.30
30001- 40000	10	0.01	186731	0.35
40001- 50000	9	0.01	211442	0.40
50001- 100000	13	0.01	434311	0.82
100001 & Above	10	0.01	44635332	83.89
Total	**1,02,866**	**100**	**5,32,06,281**	**100**

128

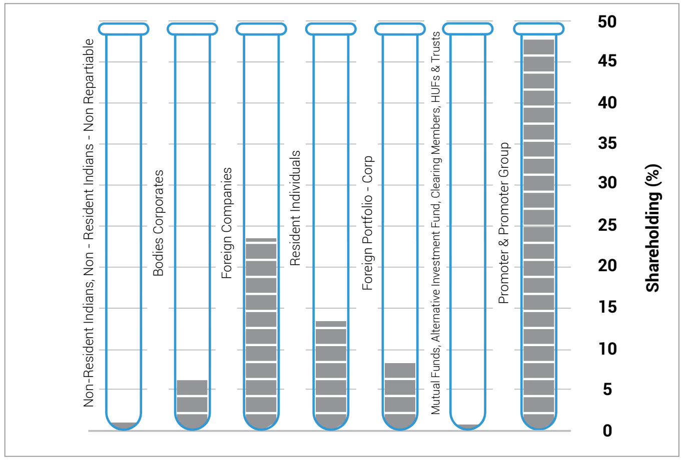
REPORT ON CORPORATE GOVERNANCE (Contd.)

(xiv) Distribution of Shareholding on the basis of ownership as on 31st March, 2024:

Category	No. of Shareholders	Total Shares	Shareholding (%)
Promoter & Promoter Group	6	25169955	47.31
Mutual Funds, Alternative Investment Fund, Clearing Members, HUFs & Trusts	2091	339084	0.64
Foreign Portfolio - Corp	18	4342392	8.16
Resident Individuals	99072	7149637	13.44
Foreign Companies	1	12460615	23.42
Bodies Corporates	231	3290992	6.19
Non-Resident Indians, Non-Resident Indians - Non Repatriable	1447	453606	0.85

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

Graphical representation of shareholding pattern on the basis of ownership:



(xv) Dematerialization of shares and liquidity as on 31st March, 2024:

The Company's entire shareholding is held in dematerialized form as on 31st March, 2024 details of which is given below:

Nature of holding	No. of Shares	Percentage (%) of share capital
Demat		
- NSDL	4,77,89,496	89.82
- CDSL	54,16,785	10.18
Total	**5,32,06,281**	**100.00**

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

129

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)Details of Plant Locations:

Jangalpur Plant Jalan Industrial Complex, Gate No-1, NH-6, Jangalpur, Biparnapara, Begri, Howrah-711411, West Bengal	**Dhulagarh Plant** Master Plot No. PPF-1, Mouza Kandua, JL No-5, PS-Sankrail, Gram Panchayat Kandua, Howrah-711302, West Bengal
Behala Plant -1 36/A/4 Burroshibtolla Main Road Factory, Behala, West Bengal	**Behala Plant -2** 22 Burroshibtolla Main Road Factory, Behala, West Bengal
Kasba Plant 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) Details of Subsidiaries:

The Company on 10th November, 2023 have incorporated a special purpose vehicle, Tarsons Life Science Pte Ltd. ("TLSPL"), as wholly owned subsidiary in Singapore for the purpose of acquisition activities for the Company. Further, TLSPL have acquired two German entities Nerbe R&D GmbH and Nerbe plus GmbH & Co. KG. vide a share purchase agreement dated 20th December, 2023, with control/ownership from 1st January, 2024.

As on the date of this Integrated Annual Report, the Company does not have a material subsidiary, having a net worth exceeding 10% of the consolidated net worth or income of 10% of the consolidated income of the Company. The Policy for determining 'material' subsidiaries is available on the website of the Company at https://tarsons.com/wp-content/uploads/2023/11/TPL-Policy-on-Material-Subsidiaries.pdf.

(xx) Details of Loan and Advances by the Company/its subsidiaries in the nature of loans and advances to firms/ companies in which Directors are interested:

During the financial year ended 31st March, 2024, there were no loans or advances provided by the Company or its subsidiaries to firms/companies in which Directors are interested.

(xxi) 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

REPORT ON CORPORATE GOVERNANCE (Contd.)

(xxii) 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:

Name of the Credit Rating Agencies	Facilities	Revised Rating	Previous Ratings
CARE Ratings	Long term bank facilities	CARE A+ (RWD)*	CARE A+; Stable
	Short-term bank facilities	CARE A1+ (RWD)*	CARE A1+

* Placed on Rating Watch with Developing Implications

10. 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/2023/08/TPL-Code-of-Conduct.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***.

11. 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.

12. 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.

13. 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 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) As of 31st March, 2024 all the funds which was raised by the Company in the Initial Public Offer (IPO) has been completely utilized.

(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.

REPORT ON CORPORATE GOVERNANCE (Contd.)

(v) The Company has complied with all the applicable mandatory requirements of the Listing Regulations during the financial year 2023-24.

(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 Company has not raised any funds through preferential allotment or qualified institutions placement during the financial year 2023-24 as specified in Regulation 32(7A) of the Listing Regulations.

(viii) 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**.

(ix) During the financial year 2023-24, 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.

(x) During the financial year 2023-24, the following payments were made to M/s. Price Waterhouse Chartered Accountants LLP, Statutory Auditors of the Company.

Particulars of payment	Amount (₹ in Millions)
Statutory Audit Fee	2.65
Others	1.70
Total	**4.35**

(xi) 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.

(xii) The Company has formulated a policy on dividend distribution with a view to specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings be utilized etc. The Policy imbibing the above parameters as per the provisions of SEBI Listing Regulations has been hosted in the Company's website under the web link: https://tarsons.com/wp-content/uploads/2022/06/Dividend-Distribution-Policy.pdf

(xiii) The Company along with Tarsons Life Science Pte Ltd., have entered into a Share Purchase & Transfer Agreement to acquire Nerbe R&D GmbH and Nerbe plus GmbH & Co. KG ("Nerbe") by Tarsons Life Science Pte Ltd., consequently making the Nerbe step-down subsidiaries of the Company. The Company has also furnished a corporate guarantee on behalf of Tarsons Life Science Pte Ltd., capped at 15 Million euro for the Earn-out portion of the consideration for the acquisition of Nerbe. The Earn-Out shall be based on the performance of Nerbe in the Fiscal Year 2024 (1st January, 2024 to 31st December, 2024).

(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.

REPORT ON CORPORATE GOVERNANCE (Contd.)

(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 2023-24 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

	Sanjive Sehgal	**Aryan Sehgal**
Place: Kolkata	Chairman and Managing Director	Whole Time Director
Date: 14th August, 2024	DIN: 00787232	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, 2024.

Sanjive Sehgal
Chairman & Managing Director
DIN: 00787232

Place: Kolkata
Date: 30th May, 2024

REPORT ON CORPORATE GOVERNANCE (Contd.)

ANNEXURE B

CERTIFICATE BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

To,

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, 2024 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 2023-24, 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.

Sanjive Sehgal
Chairman & Managing Director
(DIN: 00787232)

Santosh Kumar Agarwal
Chief Financial Officer & Company Secretary

Date: 30th May, 2024
Place: Kolkata

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 Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 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	20th November, 2018
2	Sanjive Sehgal	00787232	25th July, 1983
3	Sucharita Basu De	06921540	10th May, 2021
4	Rohan Sehgal	06963013	1st September, 2014
5	Girish Paman Vanvari	07376482	10th May, 2021
6	Gaurav Pawan Kumar Podar	08387951	10th June, 2019

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

Ensuring the eligibility of 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 of 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: **F007607F000487141**

Date: 29th May, 2024
Place: Kolkata

REPORT ON CORPORATE GOVERNANCE (Contd.)

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of **Tarsons Products Limited**

Auditor's Certificate on compliance with conditions of Corporate Governance

1. This certificate is issued in accordance with the terms of our agreement dated May 10, 2024.

2. The accompanying Statement containing the details of compliance with the conditions of Corporate Governance of Tarsons Products Limited (the "Company") for the year ended March 31, 2024 (the "Statement") has been prepared by the Management of the Company in connection with the requirements for the Company's compliance with the conditions of Corporate Governance set out in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 26A, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V ("the Conditions of Corporate Governance") in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("the SEBI Listing Regulations, 2015"), pursuant to the request received from Mr. Santosh Kumar Agarwal, Chief Financial Officer and Company Secretary vide Letter dated May 6, 2024 (the 'Request') as per requirement of para E of Schedule V of SEBI Listing Regulations, 2015 ('Requirement').

Management's Responsibility for the Statement

3. The preparation of the Statement is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the Company's compliance with the Conditions of Corporate Governance listed in SEBI Listing Regulations, 2015.

4. The Management is also responsible for ensuring that the Company complies with the Conditions of Corporate Governance in the SEBI Listing Regulations, 2015, and that it provides complete and accurate information as requested.

Auditors' Responsibility

5. Pursuant to the Request, it is our responsibility to examine the Statement and the underlying audited books of account and records of the Company and certify whether the Company has complied with the Conditions of Corporate Governance as stipulated in SEBI Listing Regulations, 2015, as set out in the Statement.

6. The financial statements relating to the books of account and records referred to in paragraph 5 above have been audited by us pursuant to the requirements of Companies Act, 2013, on which we issued an unmodified audit opinion vide our report dated May 30, 2024. Our audit of these financial statements has been conducted in accordance with the Standards on Auditing referred to in Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

7. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' and, to the extent considered applicable, the 'Guidance Note on Certification of Corporate Governance' both issued by the ICAI. The 'Guidance Note on Reports or Certificates for Special Purposes' requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements'.

9. Our examination, as referred to in paragraph 7 above, is neither an audit nor an expression of opinion on the financial statements of the Company.

Conclusion

10. Based on our examination as set out in paragraphs 7 and 9 above and the information and explanations given to us, we certify that the Company has complied with the Conditions of Corporate Governance as stipulated in SEBI Listing Regulations, 2015, as set out in the Statement.

11. 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.

Restriction on Use

12. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have as auditors of the Company or otherwise. Nothing in this certificate nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.

13. This certificate has been addressed to the members of the Company and issued at the request of the Board of Directors of the Company solely to be annexed with the Director's report to enable the Company to comply with its obligations under SEBI Listing Regulations, 2015. Our certificate should not be used by any other person or for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any person other than the Company.

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

Amit Peswani
Partner
Membership No: 501213
UDIN: 24501213BKFRKX3767

Place: Gurugram
Date: August 14, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Tarsons Products Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

1. We have audited the accompanying standalone financial statements of Tarsons Products Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, 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 Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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
Revenue recognition as per Ind AS 115 **Refer to Note 2.3 and Note 22 of the standalone financial statements** The Company's revenue for the year ended March 31, 2024 is ₹ 2,773.10 Millions. 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. 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.	Our audit procedures included the following: a) We evaluated the design and tested operating effectiveness of the relevant controls with respect to revenue recognition. b) We assessed the appropriateness of the revenue recognition accounting policy in line with Ind AS 115 "Revenue from Contracts with Customer". 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. 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.

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 standalone financial statements owing to its large volume and results in greater audit effort to address the matter.	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. 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. Based on the above procedures performed, no significant exception was noted by us in the revenue recognised by the Company during the year.

OTHER INFORMATION

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE 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 standalone 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 standalone 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 standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 standalone financial statements.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

(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 except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules").

(c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone 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, 2024, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Rules.

(g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 34(a) to the standalone financial statements;

ii. The Company was not required to recognise a provision as at March 31, 2024 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, 2024;

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, 2024;

iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in Note 5(iii) to the standalone financial statements, 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;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 44(xvi) to the standalone financial statements, 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; 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. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log is not

INDEPENDENT AUDITOR'S REPORT (Contd.)

maintained in case of modification by certain users with specific access and that the audit trail feature has not been enabled at the database level to log any direct data changes. During the course of performing our procedures, other than the aforesaid instances where the question of our commenting on the audit trail feature being tampered with does not arise, we did not notice any instances of audit trail feature being tampered with.

15. Except for managerial remuneration aggregating to ₹ 3.63 Millions, the managerial remuneration paid/ provided for by the Company is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to the Act. As stated in Note 46 to the standalone financial statements, the Company proposes to obtain the required approval of the shareholders at the ensuing annual general meeting for the remuneration aggregating to ₹ 3.63 Millions paid to the Managing Director in excess of the previously approved limits.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Amit Peswani
Partner
Membership Number: 501213
UDIN: 24501213BKFRKI2982

Place: Kolkata
Date: May 30, 2024

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Tarsons Products Limited on the standalone financial statements as of and for the year ended March 31, 2024

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE 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 standalone financial statements of Tarsons Products Limted ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone 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 standalone 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone 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 standalone 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.

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 standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, 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

Amit Peswani
Partner
Membership Number :501213
UDIN: 24501213BKFRKI2982

Place : Kolkata
Date: May 30, 2024

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Tarsons Products Limited on the Standalone Financial Statements as of and for the year ended March 31, 2024

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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) on Property, Plant and Equipment to the Standalone 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 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 the Standalone 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 ₹ 50 Millions, 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 in agreement with the unaudited/audited books of account. The Company has not filed quarterly returns or statements for the quarter ended March 31, 2024 with such banks and it would be appropriately filed by the Company subsequent to the issue of financial statements by the Board of Directors which has been agreed by the Company with the respective banks, and accordingly, the question of our commenting on whether these returns or statements are in agreement with the unaudited books of account of the Company for the quarter ended March 31, 2024 does not arise. (Also, Refer Note 44(i) to the Standalone Financial Statements).

iii. (a) The Company has, during the year, made investment in one Company, granted unsecured loan to one Company and two employees and stood guarantee for one Company. The Company has not granted any advance in nature of loans or provided any security to any Company/ Firm/ Limited Liability Partnership/other party during the year. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans and guarantees to subsidiary and to parties other than subsidiaries are as per the table given below:

	Guarantees (₹ in Millions)	Loans (₹ in Millions)
Aggregate amount granted/ provided during the year		
- Subsidiary	1,375.95	1,098.99
- Others (Employees)	-	0.12
Balance outstanding as at balance sheet date in respect of the above case		
- Subsidiary	1,375.95	1,109.38
- Others (Employees)	-	0.05

(Also, Refer Note 5 and Note 5(iii) to the Standalone Financial Statements

(b) In respect of the aforesaid investment, guarantee and loans including loans to employees (which are interest free), the terms and conditions under which such investment was made, guarantee provided and loans were granted are not prejudicial to the Company's interest.

(c) In respect of the loans other than loan to employees, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable. In respect of the loan to employees, the schedule of repayment of principal amount has been stipulated, and the employees are repaying the principal amount, as stipulated, in a regular manner. Payment of interest is not applicable as these employee loans are interest free in nature.

(d) In respect of the loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans which have fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) There were no loans which were granted during the year, including to promoters/ related parties that were repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion, 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, as applicable.

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.

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. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of professional tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, income 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. Also, refer Note 35 to the Standalone Financial Statements regarding management's assessment on certain matters relating to provident fund.

(b) There are no statutory dues of professional tax, provident fund, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Millions)	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any
Goods & Services Tax Act, 2017	Goods & Services Tax	6.61	2017-18	Joint Commissioner	Net of amount paid ₹ 0.66 Millions

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) 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) 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, the term loans have been applied for the purposes for which they were obtained (Also, refer Note 44(x) to the Standalone Financial Statements).

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT (Contd.)

(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 utilised for long-term purposes by the Company.

(e) 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. The Company did not have any joint ventures or associate company during the year.

(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. The Company did not have any joint ventures or associate company during the year.

x. (a) In our opinion, the monies raised by the Company by way of initial public offer in previous years, were applied for the purpose for which they were raised. Also, refer Note 41 of the Standalone Financial Statements of the Company.

(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, 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, 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 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 related party transactions have been disclosed in the financial statements as required Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion, 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. In our opinion, 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

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT (Contd.)

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.

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) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the 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 the 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: 24501213BKFRKI2982

Place : Kolkata
Date: May 30, 2024

STANDALONE BALANCE SHEET

AS AT 31ST MARCH, 2024

(All amounts in ₹ Millions, unless otherwise stated)

Particulars	Notes	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
Non-Current Assets			
Property, plant and equipment	3(a)	2,448.95	2,177.15
Right-of-use assets	3(b)	65.50	66.22
Capital work-in-progress	3(c)	2,670.22	1,189.67
Intangible assets	3(d)	3.60	5.12
Financial assets			
i. Investment in subsidiary	4	0.00^	-
ii. Loans	5	1,109.38	-
iii. Other financial assets	6	41.00	40.52
Current tax assets (net)	7	20.68	21.97
Other non-current assets	8	1,251.52	1,235.85
Total Non-Current Assets		**7,610.85**	**4,736.50**
Current Assets			
Inventories	9	1,053.38	1,143.73
Financial assets			
i. Trade receivables	10	717.85	657.97
ii. Cash and cash equivalents	11	40.38	590.58
iii. Bank balances other than cash and cash equivalents	12	55.01	9.09
iv. Other financial assets	6	4.51	0.56
Other current assets	8	50.20	118.40
Total Current Assets		**1,921.33**	**2,520.33**
TOTAL ASSETS		**9,532.18**	**7,256.83**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	106.41	106.41
Other equity	14	6,097.76	5,586.62
Total Equity		**6,204.17**	**5,693.03**
Liabilities			
Non-Current Liabilities			
Financial liabilities			
i. Borrowings	15	1,020.07	806.91
ii. Lease liabilities	3(b)	0.50	0.48
iii. Other financial liabilities	17	1.53	0.43
Deferred tax liabilities (net)	18	51.12	54.12
Other non-current liabilities	21	245.21	72.71
Total Non-Current Liabilities		**1,318.43**	**934.65**
Current Liabilities			
Financial liabilities			
i. Borrowings	15	1,546.14	299.50
ii. Lease liabilities	3(b)	0.03	0.03
iii. Trade payables	16		
(A) Total outstanding dues of micro enterprises and small enterprises		4.81	10.70
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		79.90	85.77
iv. Other financial liabilities	17	304.80	154.85
Provisions	19	21.00	20.10
Current tax liabilities (net)	20	20.74	19.29
Other current liabilities	21	32.16	38.91
Total Current Liabilities		**2,009.58**	**629.15**
Total Liabilities		**3,328.01**	**1,563.80**
TOTAL EQUITY AND LIABILITIES		**9,532.18**	**7,256.83**

^Below the rounding off norm adopted by the Company

Summary material accounting policies 2

The accompanying notes are an integral part of these Standalone Financial Statements

This is the Standalone 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

Place: Kolkata
Date: 30th May, 2024

For and on behalf of the Board of Directors

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: 30th May, 2024

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2024

(All amounts in ₹ Millions, unless otherwise stated)

Particulars	Notes	Year ended 31st March, 2024	Year ended 31st March, 2023
Revenue from operations	22	2,773.10	2,832.48
Other income	23	141.64	119.34
Total Income		**2,914.74**	**2,951.82**
EXPENSES			
Cost of materials consumed	24	630.26	711.16
Purchases of stock-in-trade	25	90.83	95.91
Changes in inventories of finished goods, work-in-progress, stock-in-trade	26	6.79	(156.53)
Employee benefits expense	27	387.81	340.70
Depreciation and amortization expense	28	382.84	285.09
Other expenses	29	623.02	543.62
Finance costs	30	99.48	44.67
Total Expenses		**2,221.03**	**1,864.62**
Profit before tax		**693.71**	**1,087.20**
Income tax expense:			
Current Tax	31	184.23	269.51
Deferred Tax charge/(credit)	31	(2.99)	10.55
Total tax expense		**181.24**	**280.06**
Profit for the year (A)		**512.47**	**807.14**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations	32	(1.78)	(16.58)
- Income tax on above	31	0.45	4.17
Total other comprehensive income/(loss) for the year, net of tax (B)		**(1.33)**	**(12.41)**
Total comprehensive income for the year (A+B)		**511.14**	**794.73**
Earnings per equity share (Nominal value of ₹ 2/share)			
Basic earning per share (in ₹)	36	9.63	15.17
Diluted earning per share (in ₹)	36	9.63	15.17
Summary material accounting policies	2		

The accompanying notes are an integral part of these Standalone Financial Statements

This is the Standalone Statement of Profit and Loss 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

Place: Kolkata
Date: 30th May, 2024

For and on behalf of the Board of Directors

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: 30th May, 2024

STANDALONE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH, 2024
(All amounts in ₹ Millions, unless otherwise stated)

Particulars	Notes	Year ended	
		31st March, 2024	31st March, 2023
Cash flow from operating activities			
Profit before tax		693.71	1,087.20
Adjustments for:			
Depreciation and amortization expense	28	382.84	285.09
(Gain)/loss on sale of property, plant & equipments (net)	23	0.00^	(2.67)
Allowance/(reversal) of expected credit loss (net)	29	3.73	(4.39)
Provision for slow/non moving inventories		37.77	-
Interest income	23	(44.51)	(28.94)
Finance costs	30	99.43	44.62
Interest on lease liabilities	30	0.05	0.05
Deferred government grant		(17.45)	(12.68)
Unrealised foreign exchange differences		8.17	(6.04)
Operating cash flow before working capital changes		**1,163.74**	**1,362.24**
Change [(increase)/ decrease] in operating assets			
Trade receivable		(59.85)	2.25
Inventories		52.58	(319.99)
Other financial assets		(4.39)	18.66
Other assets		68.20	(7.44)
Change [increase/ (decrease)] in operating liabilities			
Trade payable		(7.30)	(31.07)
Other financial liabilities		28.48	(3.35)
Other liabilities		(9.22)	(10.87)
Provisions		(0.87)	(11.41)
Cash generated from operations		**1,231.37**	**999.02**
Income taxes paid (net of refund)		(181.04)	(243.03)
Net cash generated from operating activities (A)		**1,050.33**	**755.99**
Cash flows from investing activities			
Payment for purchase of property, plant & equipments and intangible assets		(1,837.32)	(1,899.68)
Proceeds from sale of property, plant & equipments		0.00^	10.62
Investment in subsidiary		0.00^	-
Loan given to subsidiary		(1,098.98)	-
Fixed deposits realised (original maturity more than 3 months)		4.25	69.93
Fixed deposits placed (original maturity more than 3 months)		(49.00)	-
Interest received		16.49	33.65
Net cash used in investing activities (B)		**(2,964.56)**	**(1,785.48)**
Cash flows from financing activities			
Proceeds from long term borrowings		855.28	1,051.68
Repayment of long term borrowings		(417.43)	(150.74)
Payment of lease liabilities (including interest)		(0.03)	(0.03)
Proceeds from working capital demand loans		1,431.98	88.98

^Below the rounding off norm adopted by the Company

STANDALONE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)
(All amounts in ₹ Millions, unless otherwise stated)

Particulars	Notes	Year ended	
		31st March, 2024	31st March, 2023
Payment of working capital demand loans		(410.19)	(99.03)
Finance costs paid		(95.57)	(45.25)
Net cash generated from financing activities (C)		**1,364.04**	**845.61**
Net increase/(decrease) in cash and cash equivalents (A + B +C)		**(550.19)**	**(183.88)**
Cash and cash equivalents at the beginning of the year		590.58	774.42
Exchange gain/(loss) on translation of foreign currency cash and cash equivalent		(0.01)	0.04
Cash and cash equivalents at end of the year		**40.38**	**590.58**
Reconciliation of cash and cash equivalents as per the Standalone Statement of Cash Flows			
Cash and cash equivalents as per above comprise of the following			
Balances with banks			
In current accounts		39.59	58.97
In fixed deposit accounts (Original maturity less than 3 months)		-	531.30
Cash on hand		0.79	0.31
Balances per Standalone Statement of Cash Flows		**40.38**	**590.58**

Notes:

1. Figures in brackets represent cash outflows.
2. The above Standalone 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 (as amended).

The accompanying notes are an integral part of these Standalone Financial Statements

This is the Standalone Statement of Cash flow 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

Place: Kolkata
Date: 30th May, 2024

For and on behalf of the Board of Directors

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: 30th May, 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2024

(All amounts in ₹ Millions, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Notes	Numbers	Amount
Balance as at 1st April, 2023		**5,32,06,281**	**106.41**
Changes in Equity share capital during the year	13	-	-
Balance as at 31st March, 2024		**5,32,06,281**	**106.41**
Balance as at 1st April, 2022		**5,32,06,281**	**106.41**
Changes in Equity share capital during the year	13	-	-
Balance as at 31st March, 2023		**5,32,06,281**	**106.41**

B. OTHER EQUITY

Particulars	Notes	Reserves and surplus				
		Securities premium	Retained earnings	Amalgamation Reserve	Capital Redemption Reserve	Total
Balance as at 1st April, 2023		**1,459.09**	**4,121.59**	**5.86**	**0.08**	**5,586.62**
Profit for the year (A)		-	512.47	-	-	**512.47**
Other comprehensive income for the year, net of tax (B)		-	(1.33)	-	-	**(1.33)**
Total comprehensive income for the year (A+B)		**-**	**511.14**	**-**	**-**	**511.14**
Balance as at 31st March, 2024		**1,459.09**	**4,632.73**	**5.86**	**0.08**	**6,097.76**
Balance as at 1st April, 2022		**1,459.09**	**3,326.86**	**5.86**	**0.08**	**4,791.89**
Profit for the year (A)		-	807.14	-	-	**807.14**
Other comprehensive income for the year, net of tax (B)		-	(12.41)	-	-	**(12.41)**
Total comprehensive income for the year (A+B)		**-**	**794.73**	**-**	**-**	**794.73**
Balance as at 31st March, 2023		**1,459.09**	**4,121.59**	**5.86**	**0.08**	**5,586.62**
Summary material accounting policies	2					

The accompanying notes are an integral part of these Standalone Financial Statements

This is the Standalone Statement of Changes in Equity 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

Place: Kolkata
Date: 30th May, 2024

For and on behalf of the Board of Directors

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: 30th May, 2024

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(All amounts in Rupees Millions, unless otherwise stated)

1 (a) **Corporate Information**

Tarsons Products Limited (here in referred to as "the Company" or "Tarsons") is a Public limited company domiciled in India. The registered office of the Company is situated at Martin Burn Business Park, Plot -3, BP Block, Sector V, Bidhannagar, Kolkata, West Bengal 700091 and its manufacturing facilities are located in West Bengal. The Company has been incorporated under the provisions of Companies Act, 1956. The equity shares of the Company are listed on the BSE Limited and the National Stock Exchange of India Limited. 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 standalone financial statements were approved and authorised for issue by the Company's Board of Directors on 30th May, 2024.

1 (b) **Basis of preparation**

(i) **Compliance with Indian Accounting Standards**

These standalone financial statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) **Functional and presentation currency**

The functional and presentational currency of the Company is Indian Rupee ("INR" or "₹"). All amounts have been rounded-off to the nearest Millions upto two decimal places, unless otherwise indicated.

(iii) **Historical cost convention**

The standalone 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) **Current versus Non-current Classification**

The Company presents assets and liabilities in the balance sheet based on current/non- current classification.

An asset is classified as current when it is:

a) expected to be realised or intended to be sold or consumed in the normal operating cycle,

b) held primarily for the purpose of trading,

c) expected to be realised within twelve months after the reporting period, or

d) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

a) it is expected to be settled in the normal operating cycle,

b) it is held primarily for the purpose of trading,

c) it is due to be settled within twelve months after the reporting period, or

d) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. the Company has identified twelve months as its operating cycle.

(v) New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated 31st March, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective 1st April, 2023:

- Disclosure of accounting policies - amendments to Ind AS 1
- Definition of accounting estimates - amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods. Further, amendment to Ind AS 1, although did not result in any changes in the accounting policy themselves, they impacted the accounting policy information disclosed in the standalone financial statements.

1 (c) Use of estimates and judgements

The preparation of standalone 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 and disclosures of contingent assets and liabilities at the date of these standalone financial statements. 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 standalone 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. Ref note 32.
- **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).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

- **Impairment of Investments in Subsidiaries:** Determining whether the investments in subsidiaries are impaired requires an estimate of the value in use of investments. In considering the value in use, the management anticipates the future commodity prices, capacity utilization of plant, order book position, operating margins, discount rates and other factors of the underlying businesses / operations of the subsidiaries.

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 MATERIAL ACCOUNTING POLICIES

This note provides a list of the material accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) standalone financial statements.These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

2.1 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 accumulated depreciation and accumulated impairment losses, if any.

(ii) 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 generally 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:

Asset	Useful Life
Building	30 to 60 Years
Plant and Machinery and mould	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 lease term, unless the entity expects to use the assets beyond lease term.

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

2.2 Intangible Assets

(i) Recognition and measurement

Computer Software

Intangible assets acquired are reported at cost less accumulated amortization and accumulated impairment losses, if any.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

Computer Software for internal use, which is primarily acquired from third-party vendors is capitalized. Cost associated with maintaining software programmes are recognized as an expense as incurred. Cost of computer software includes license fees and cost of implementation/system integration services, where applicable.

(ii) Amortisation methods and periods

Amortisation 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.

2.3 Revenue Recognition

Revenue from sale of products is recognized at the point in time when control of the goods is transferred to the customer,being when the products are delivered to the customer, the customer has the 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 rather the customer accepted the products on accordance with the sales contract, the acceptance provision have lapsed or the Company has objective evidence that all criteria for acceptance have been satisfied.

The Company recognizes revenue from the sale of prdocuts measured at the transaction price allocated to the performance onligation 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.

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.

2.4 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 its business model for managing those assets changes.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

(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 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.

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:

- Amortised 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 finance 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)
(All amounts in ₹ Millions, unless otherwise stated)

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.

(v) 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.

2.5 Inventories

The cost of indivisual items of inventory is determined using the First-in-First out (FIFO) method. Volume rebates or discounts are taken into account when estimating the cost of inventory if it is probable that they have been earned and will take effect.

2.6 Leases

Company as a lessee

The Company's lease asset classes primarily comprise of lease for land and building. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets (ROU)

The Company classifies ROU assets separate from the Property plant and equipment in Balance Sheet and lease liability in "Financial Liability".

(ii) Lease Liabilities

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its shortterm leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)
(All amounts in ₹ Millions, unless otherwise stated)

2.7 Borrowings and Other financial liabilities

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 material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payble on demand on the reporting date, the enity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statemets for issue, not to demand payment as a consequence of the breach.

2.8 Other Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) standalone financial statements.These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

(a) Property, plant and equipment

(i) Recognition and measurement

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.

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 recognized as at 1st April, 2019 measured as per the previous GAAP and use that carrying value as the deemed cost of the Property, plant and equipment.

(b) Capital Work in Progress

(i) Recognition and measurement

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

(c) **Intangible Assets and Intangible Assets under development**

(i) **Recognition and measurement**

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
- 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.

Capitalised 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 intangible assets measured at per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(d) **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 Companyed at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from Other assets or Company's of assets (cash-generating units). Non Financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(e) **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.

(f) **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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

- 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.

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. Low-value assets comprise IT equipment and small items of office furniture.

(g) **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 Government administered provident fund scheme. Obligations

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

for 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 bnenefit. The Company measures the expected cost of such absence as the additonal amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

(h) 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.

(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. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

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 realised 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 realise 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.

(i) 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.

(j) 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).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

(k) 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 realise 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.

(l) Inventories

Inventories are measured at the lower of cost or net realisable 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. The cost comprises cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work in progress, incurred in bringing such inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

(m) Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of primary economic environment in which the entiry operates ('the functional currency'). The financial statement are presented in Indian rupee (₹), which is Tarsons Produts 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 gain 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. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

(n) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

(o) 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.

(p) 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 financial institutions, 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.

(q) 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 and excluding treasury share

(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

(r) 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 Tarsons Products Limited 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 38 for details on segment information presented.

(s) 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

3(A) PROPERTY, PLANT AND EQUIPMENT

Description	Gross Carrying amount				Accumulated depreciation				Net Carrying amount
	As at 1st April, 2023 (At cost/ deemed cost) (A)	Additions (B)	Disposals (C)	As at 31st March, 2024 (At cost/deemed cost) (D=A+B-C)	As at 1st April, 2023 (E)	For the Year (F)	On Disposals (G)	As at 31st March, 2024 (H=E+F-G)	As at 31st March, 2024 (I=D-H)
Freehold Land [Refer Note (iv) and (v) below]	471.17	27.34	-	498.51	-	-	-	-	498.51
Buildings [Refer Note (v) below]	199.92	2.29	-	202.21	66.44	12.35	-	78.79	123.42
Plant and Equipment	1,227.49	284.46	-	1,511.95	396.46	190.93	-	587.39	924.56
Moulds	1,129.18	328.69	-	1,457.87	423.18	164.38	-	587.56	870.31
Furniture & Fixtures	29.69	4.05	-	33.74	12.05	4.89	-	16.94	16.80
Office Equipments	6.51	2.84	-	9.35	2.73	2.51	-	5.24	4.11
Computer	7.64	1.11	(0.08)	8.67	5.48	1.42	(0.07)	6.83	1.84
Vehicles	16.08	1.63	-	17.71	4.19	4.12	-	8.31	9.40
Total	**3,087.68**	**652.41**	**(0.08)**	**3,740.01**	**910.53**	**380.60**	**(0.07)**	**1,291.06**	**2,448.95**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

Description	Gross Carrying amount				Accumulated depreciation				Net Carrying amount
	As at 1st April, 2022 (At cost/ deemed cost) (A)	Additions (B)	Disposals (C)	As at 31st March, 2023 (At cost/deemed cost) (D=A+B-C)	As at 1st April, 2022 (E)	For the Year (F)	On Disposals (G)	As at 31st March, 2023 (H=E+F-G)	As at 31st March, 2023 (I=D-H)
Freehold Land [Refer Note (iv) and (v) below]	471.17	-	-	471.17	-	-	-	-	471.17
Buildings [Refer Note (v) below]	190.09	9.83	-	199.92	53.91	12.53	-	66.44	133.48
Plant and Equipment	810.91	417.86	(1.28)	1,227.49	269.56	127.76	(0.86)	396.46	831.03
Moulds	924.45	204.73	-	1,129.18	292.36	130.82	-	423.18	706.00
Furniture & Fixtures	21.29	8.40	-	29.69	7.17	4.88	-	12.05	17.64
Office Equipments	3.43	3.08	-	6.51	1.95	0.78	-	2.73	3.78
Computer	6.16	1.48	-	7.64	3.68	1.80	-	5.48	2.16
Vehicles	21.99	8.24	(14.15)	16.08	6.53	4.28	(6.62)	4.19	11.89
Total	**2,449.49**	**653.62**	**(15.43)**	**3,087.68**	**635.16**	**282.85**	**(7.48)**	**910.53**	**2,177.15**

Notes

(i) Refer to Note 15 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 Standalone Statement of Profit and Loss (Refer Note 28).

(iii) Refer Note 34 (b) 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.

(v) The title deeds of all the immovable properties are held in the name of the Company.

(vi) 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

3(B) LEASES

The Company as a Lessee

The Company has lease contracts 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, 2024:

Description	Gross Carrying amount				Accumulated depreciation				Carrying amount (net)
	As at 1st April, 2023 (A)	Additions (B)	Disposals/ Terminations (C)	As at 31st March, 2024 (D=A+B-C)	As at 1st April, 2023 (E)	For the Year (F)	On Disposal/ Terminations (G)	As at 31st March, 2024 (H=E+F-G)	As at 31st March, 2024 (I=D-H)
Land	4.36	-	-	4.36	0.21	0.04	-	0.25	4.11
Building	64.52	-	-	64.52	2.45	0.68	-	3.13	61.39
Total	**68.88**	**-**	**-**	**68.88**	**2.66**	**0.72**	**-**	**3.38**	**65.50**

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 (A)	Additions (B)	Disposals/ Terminations (C)	As at 31st March, 2023 (D=A+B-C)	As at 1st April, 2022 (E)	For the Year (F)	On Disposal/ Terminations (G)	As at 31st March, 2023 (H=E+F-G)	As at 31st March, 2023 (I=D-H)
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
Total	**68.88**	**-**	**-**	**68.88**	**1.94**	**0.72**	**-**	**2.66**	**66.22**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ 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, 2024	As at 31st March, 2023
Non-Current	0.50	0.48
Current	0.03	0.03
	0.53	**0.51**

The following is the movement of lease liabilities:

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Balance at the beginning of the year	0.51	0.48
Additions	-	-
Finance cost accrued during the year	0.05	0.05
Payments of Lease liabilities	(0.03)	(0.03)
Balance at the end of the year	**0.53**	**0.51**

Amount recognized in standalone statement of profit and loss

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
(i) Depreciation expense of Right-of -use of Assets (Note 28)	0.72	0.72
(ii) Interest expense on lease liabilities (Note 30)	0.05	0.05
(iii) Expense relating to short term leases (Note 29)	**7.73**	**7.01**

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 the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. In case of building, Company have extension right 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 can 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 Millions for leases for the year ended 31st March, 2024 (Previous year: ₹ 0.03 Millions)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

3(C) CAPITAL WORK-IN-PROGRESS

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Opening balance	1,189.67	322.45
Add: Addition during the year	1,654.01	1,520.84
Less: Capitalized during the year	(173.46)	(653.62)
Closing Balance	**2,670.22**	**1,189.67**

(i) Capital work in progress ageing schedule as at 31st March, 2024

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	1,654.02	795.73	220.47	-	2,670.22

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

(ii) Completion Schedule for Capital work in progress whose completion is overdue compared to its original plan

As at 31st March, 2024	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	
Panchala Civil Project	558.24	-	-	-	558.24
Panchala Pippette Tips Project	137.97	-	-	-	137.97

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	-	-	-	-	-

(iii) There are no Capital work in progress which has exceeded its cost compared to its original plan

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

3 (D) INTANGIBLE ASSETS

Description	Gross Carrying amount				Accumulated amortization				Net Carrying amount
	As at 1st April, 2023 (At cost) (A)	Additions (B)	Disposals (C)	As at 31st March, 2024 (At cost) (D=A+B-C)	As at 1st April, 2023 (E)	For the Year (F)	On Disposals (G)	As at 31st March, 2024 (H=E+F-G)	As at 31st March, 2024 (I=D-H)
Computer Software	8.01	-	-	8.01	2.89	1.52	-	4.41	3.60
Total	**8.01**	**-**	**-**	**8.01**	**2.89**	**1.52**	**-**	**4.41**	**3.60**

Description	Gross Carrying amount				Accumulated amortization				Net Carrying amount
	As at 1st April, 2022 (At cost) (A)	Additions (B)	Disposals (C)	As at 31st March, 2023 (At cost) (D=A+B-C)	As at 1st April, 2022 (E)	For the Year (F)	On Disposals (G)	As at 31st March, 2023 (H=E+F-G)	As at 31st March, 2023 (I=D-H)
Computer Software	8.01	-	-	8.01	1.37	1.52	-	2.89	5.12
Total	**8.01**	**-**	**-**	**8.01**	**1.37**	**1.52**	**-**	**2.89**	**5.12**

Notes:

(i) Aggregate amount of amortization has been included under "Depreciation and Amortization expense" in the Standalone Statement of Profit and Loss (Refer Note 28).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

4 INVESTMENTS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non Current		
Investments in Equity Instruments		
Unquoted		
Investment in subsidiary		
Tarsons Life Science Pte Ltd		
One (31st March, 2023: Nil) fully paid ordinary share of USD 1	0.00^	-
Total	**0.00^**	**-**

^Below the rounding off norm adopted by the Company

Aggregate amount of unquoted investments	0.00^	-
Aggregate amount of Impairment in the value of investments	-	-

5 LOANS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non Current		
Loans		
Unsecured, considered good		
Loan to subsidiary* [including interest accrued amounting ₹ 26.80 Millions] [Refer Note 37]	1,109.38	-
Total	**1,109.38**	**-**

*restated at closing exchange rate

Notes:

(i) Disclosure required under section 186(4) as per Companies Act, 2013

(a) As at 31st March, 2024

Particulars	As at 31st March, 2024	Maximum balance outstanding during the year
Loan to subsidiary		
(1) Tarsons Life Science Pte Ltd (interest rate @ 10% payable quarterly; tenure 15 years)	1,109.38	1,109.38
Total	**1,109.38**	**1,109.38**

(b) As at 31st March, 2023

Particulars	As at 31st March, 2023	Maximum balance outstanding during the year
Loan to subsidiary	-	-
Total	-	-

(ii) There are no outstanding loans 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.

(iii) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities ("Intermediaries") with the

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

5 LOANS (CONTD.)

understanding (whether recorded in writing or otherwise) that the Intermediary shall, whether, directly or indirectly lend or invest in other persons/ 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 other than loans amounting to Euro 12 Millions given in the current year (equivalent to ` 1,098.99 Millions) to Tarsons Life Science Pte Ltd, a wholly owned subsidiary of the Company in the ordinary course of business for onward acqusition of Nerbe plus GmbH & Co. KG & Nerbe R&D KG Gmbh, step-down subsidiaries of the Company and corporate gurantee amounting to Euro15 Millions (equivalent to ` 1375.95 Millions) on behalf of Tarsons Life Science Pte Ltd to Philip Nerbe (erstwhile owner of Nerbe Plus Co KG Gmbh & Nerbe R&D Gmbh) for complying with the Earn-Out payments committed to Philip Nerbe on fulfillment of certain conditions included in the Share Purchase Agreement.

6 OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-Current		
Security deposits	40.28	39.84
Long term deposits with banks (with maturity of more than 12 months)	0.72	0.68
Total	**41.00**	**40.52**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current		
Loan to employees [Refer Note (i) and (ii) below]	0.28	0.56
Commission charges Receivable [Refer Note 37]	4.23	-
Total	**4.51**	**0.56**

Note:

(i) 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 severely 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.

(ii) The Company has granted unsecured loans to two employees during the year. The aggregate amount during the year and balance outstanding at the balance sheet date with respect to these loans to employees are as per the table given below:

Particulars	Amount
Aggregate amount granted/ provided during the year	
- Others (Employees)	0.12
Balance outstanding as a balance sheet date in respect of the above case	
- Others (Employees)	0.05

7 CURRENT TAX ASSETS (NET)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance tax [Net of Provision of ₹ 1,556.53 Millions (31st March, 2023: ₹ 1,291.21 Millions)]	20.68	21.97
Total	**20.68**	**21.97**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

8 OTHER ASSETS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-current		
Capital advances	1,251.52	1,235.85
Total	**1,251.52**	**1,235.85**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current		
Advance to suppliers for goods and services	40.89	47.09
Prepaid expenses	3.15	2.73
Prepaid CSR expenses	-	1.25
Export benefit receivable	6.16	6.98
Advance with public bodies (Goods and service tax, excise duty etc.)	0.67	61.02
	50.87	**119.07**
Less: Provision for doubtful advances with public bodies	(0.67)	(0.67)
Total	**50.20**	**118.40**

9 INVENTORIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Raw materials	330.64	428.87
Work-in-progress	124.48	134.75
Finished goods	413.22	422.27
Stock in trade	72.11	81.13
Packing materials	80.44	54.88
Consumable stores and spares	31.39	19.77
Scrap	1.10	2.06
Total	**1,053.38**	**1,143.73**

Notes:

(i) Refer Note 15 for information on inventories hypothecated as security by the Company.

(ii) There are no goods in transit as at 31st March, 2024 and as at 31st March, 2023

(iii) The Company has made a provision of ₹ 37.77 Millions (₹ 22.51 Millions for Finished goods and ₹ 15.26 Millions for Raw materials) (31st March, 2023: ₹ Nil) towards slow moving, non-moving and obsolete inventory as at 31st March, 2024.The same has been recognized as an expense in the Standalone Statement of Profit & Loss.

10 TRADE RECEIVABLES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current		
Unsecured, considered good		
Trade receivables from contract with customers	721.58	657.97
Less: Allowance for expected credit losses	(3.73)	-
Total	**717.85**	**657.97**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

10 TRADE RECEIVABLES (CONTD.)

Break up of security details

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	721.58	657.97
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	**721.58**	**657.97**
Less: Allowance for expected credit losses	(3.73)	-
Total	**717.85**	**657.97**

Notes:

(i) 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.

(ii) Movement in the allowance for expected credit loss

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance at the beginning of the year	-	4.39
Provided/(Reversed)	3.73	(4.39)
Balance at the end of the year	**3.73**	**-**

(iii) Expected credit loss for Trade receivables under simplified approach

Outstanding for following periods from the due date	As at 31st March, 2024		
	Gross	Expected Credit loss	Net credit risk
Unbilled	-	-	-
Not due	605.44	-	605.44
Less than 6 months	114.57	(2.45)	112.12
6 months to 1 year	0.09	(0.07)	0.02
1-2 years	0.54	(0.44)	0.10
2-3 years	0.94	(0.77)	0.17
more than 3 years	-	-	-
Total	**721.58**	**(3.73)**	**717.85**

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	-	-	-
Total	**657.97**	**-**	**657.97**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)
(All amounts in ₹ Millions, unless otherwise stated)

10 TRADE RECEIVABLES (CONTD.)

(iv) **Trade receivables ageing schedule as at 31st March, 2024**

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	-	605.44	114.57	0.09	0.54	0.94	-	**721.58**
(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	-	-	-	-	-	-	-	-

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	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-

(v) 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.

(vi) Refer Note 37 for trade receivables from related party.

(vii) Refer Note 33 for information about credit risk and market risk on receivables.

(viii) Refer Note 15 for information on Trade receivable hypothecated as security by the Company

(ix) There are no customers contributing more than 10% of the total outstanding receivables as at 31st March, 2024 and 31st March, 2023.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)
(All amounts in ₹ Millions, unless otherwise stated)

11 CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks		
- in current accounts	39.59	58.97
- in term deposit accounts with original maturity period not more than three months	-	531.30
Cash on hand	0.79	0.31
Total	**40.38**	**590.58**

12 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks		
- Balances in term deposit account with original maturity period of more than three months and not more than twelve months	55.01	9.09
Total	**55.01**	**9.09**

13 EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2024	As at 31st March, 2023
Authorised equity share capital		
10,00,00,000 (31st March, 2023: 10,00,00,000) class A and class B equity shares of ₹ 2 (31st March, 2023: ₹ 2) each [Refer Note (g) below]	200.00	200.00
	200.00	**200.00**

(a) Reconciliation of authorised equity share capital at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number	Amount	Number	Amount
Equity shares				
At the commencement of the year (Class A and B equity shares)	10,00,00,000	200.00	10,00,00,000	200.00
Change during the year	-	-	-	-
At the end of the year (Class A and B equity shares)	**10,00,00,000**	**200.00**	**10,00,00,000**	**200.00**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Issued, subscribed and paid-up equity share capital		
53,206,281 (31st March, 2023 : 53,206,281) equity shares of ₹ 2 (31st March, 2023: ₹ 2) each [Refer Note (g) below]	106.41	106.41
Total [A]	**106.41**	**106.41**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

13 EQUITY SHARE CAPITAL (CONTD.)

(b) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number	Amount	Number	Amount
Equity shares				
At the commencement of the year (Class A equity shares)	5,32,06,281	106.41	5,32,06,281	106.41
Change during the year	-	-	-	-
At the end of the year (Class A equity shares)	**5,32,06,281**	**106.41**	**5,32,06,281**	**106.41**

(c) Rights, Preferences and Restrictions

Equity Shares

The Company has two class of equity shares having a par value of ₹ 2 per share. Class A Shareholder are 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 2,200,000 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 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.

(d) Particulars of shareholders holding more than 5% shares of Equity Shares

Name of the shareholder	As at 31st March, 2024		As at 31st March, 2023	
	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

(e) Particulars of Promoters shareholding

Shareholding of promoters as on 31st March, 2024

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	-
Total	**2,51,54,595**	**47.28**	

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	-
Total	**2,51,54,595**	**47.28**	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

13 EQUITY SHARE CAPITAL (CONTD.)

(f) A bonus issue was made to the equity 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 49,979,280 Class A bonus equity shares of ₹ 2 each.

(g) 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.

(h) The Company has bought back 8,013 Class B equity shares having face value of ₹ 10 each during the year ended 31st March, 2021.

(i) No equity shares were allotted as fully paid up pursuant to contract without payment being received in cash during the last five years.

14 OTHER EQUITY

Particulars		As at 31st March, 2024	As at 31st March, 2023
Reserve and surplus			
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)	4,632.73	4,121.59
Total other equity		**6,097.76**	**5,586.62**

(i) Securities premium

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening balance	1,459.09	1,459.09
Changes during the year	-	-
Closing balance	**1,459.09**	**1,459.09**

(ii) Amalgamation Reserve

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening balance	5.86	5.86
Changes during the year	-	-
Closing balance	**5.86**	**5.86**

(iii) Capital Redemption Reserve

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening balance	0.08	0.08
Changes during the year	-	-
Closing balance	**0.08**	**0.08**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

14 OTHER EQUITY (CONTD.)

(iv) Retained earnings

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening balance	4,121.59	3,326.86
Add: Profit during the year	512.47	807.14
Add: Items of other comprehensive income recognized directly in retained earnings and will not be reclassified to Profit or Loss		
- Remeasurement of Post employment benefit obligation (net of tax)	(1.33)	(12.41)
Closing balance	**4,632.73**	**4,121.59**
Total other equity	**6,097.76**	**5,586.62**

Nature and purpose of reserves

(a) Securities premium:

Amounts received on issue of shares in excess of the par value has been classified as securities premium. The Security premium is utilized in accordance with the provisions of the Companies Act, 2013.

(b) 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.

(c) 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.

(d) 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 Standalone Statement of Profit and Loss to retained earnings. Other comprehensive income comprises actuarial gains and losses on defined benefit obligation.

15 BORROWINGS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-Current		
Secured		
Term Loans		
From Banks		
Rupee Loan [Refer Note (b) below]	1,545.62	1,106.51
Less: Current Maturities of Long Term borrowing (included in current borrowings)	(524.35)	(299.50)
Total	**1,021.27**	**807.01**
Less: Interest accrued	(1.20)	(0.10)
Total	**1,020.07**	**806.91**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

15 BORROWINGS (CONTD.)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current		
Secured		
(i) Current Maturities of Long Term borrowing	524.35	299.50
Loans Repayable on demand from banks		
(ii) Cash Credit/WCDL/EPC Loan [Refer Note (c) below]	1,024.40	-
Total	**1,548.75**	**299.50**
Less: Interest accrued	(2.61)	-
Total	**1,546.14**	**299.50**

(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, 2024	As at 31st March, 2023
Cash and cash equivalents	40.38	590.58
Current borrowings	(1,546.14)	(299.50)
Non-current borrowings	(1,020.07)	(806.91)
Lease liabilities	(0.53)	(0.51)
Net Cash and Cash Equivalent/ (debt)	**(2,526.36)**	**(516.34)**

Particulars	Other assets	Liabilities from financing activities		Net
	Cash and cash equivalents	Non-current and Current borrowings	Lease liabilities	
	A	B		(A-B)
Net (Debt)/Cash and Cash Equivalent as at 31st March, 2022	774.42	(216.17)	(0.48)	557.77
Cash flows	(183.88)	(890.87)	0.03	(1,074.71)
Foreign exchange adjustments	0.04	-	-	0.04
Finance cost	-	(44.62)	(0.06)	(44.68)
Interest paid	-	45.25	-	45.25
Net (Debt)/Cash and Cash Equivalent as at 31st March, 2023	**590.58**	**(1,106.41)**	**(0.51)**	**(516.34)**
Cash flows	(550.19)	(1,459.65)	0.03	(2,009.81)
Foreign exchange adjustments	(0.01)	-	-	(0.01)
Finance cost*	-	(95.72)	(0.05)	(95.77)
Interest paid	-	95.57	-	95.57
Net (Debt)/Cash and Cash Equivalent as at 31st March, 2024	**40.38**	**(2,566.21)**	**(0.53)**	**(2,526.36)**

*excluding interest accrued amouting to ₹ 3.71 Millions

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

15 BORROWINGS (CONTD.)

(b) Repayment schedule of borrowings and assets pledged as security as at 31st March, 2024 and 31st March, 2023

Name of Bank/ Financial Institution	Loan Amount	Repayment Schedule	No of Installments	Interest Rate	Installment Amount	Security
Axis Bank -Term Loan	₹ 103 Millions (31st March, 2023 : ₹ 213 Millions)	Quarterly	Total - 14 (Outstanding - 4)	Repo+220 bps	(i) Equal amount of principal installments - ₹ 27.50 Millions , (ii) Last amount of principal installment ₹ 20.50 Millions	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.
Axis Bank -Term Loan	₹ 17.6 Millions (31st March, 2023 : Nil)	Quarterly	Total - 1 (Outstanding - 1)	Repo+200 bps	(ii) Single amount of principal installment ₹ 17.6 Millions	
HDFC Bank - Term loan	₹ 1.84 Millions (31st March, 2023 : ₹ 9.18 Millions)	Quarterly	Total - 8 (Outstanding - 1)	T Bills+190 bps	Equal amount of principal installments - ₹ 1.84 Millions	
HDFC Bank - Term loan	₹ 96.89 Millions (31st March, 2023 : Nil)	Quarterly	Total - 12 (Outstanding - 11)	T Bills+190 bps	Equal amount of principal installments - ₹ 8.81Millions	
HDFC Bank - Term loan	₹ 28 Millions (31st March, 2023 : Nil)	Quarterly	Total - 4 (Outstanding - 1)	T Bills+190 bps	Equal amount of principal installments - ₹ 28 Millions	
HDFC Bank - Term loan	₹ 36.53 Millions (31st March, 2023 : Nil)	Quarterly	Total - 16 (Outstanding - 16)	T Bills+190 bps	Equal amount of principal installments - ₹ 2.28 Millions	
Federal Bank - Term loan	₹ 266.67 Millions (31st March, 2023 : ₹ 19.2 Millions)	Quarterly	Total - 18 (Outstanding - 16)	Repo+Spread 1.65%	(i) Equal amount of principal installments - ₹ 16.67 Millions	Exclusive charge on movable fixed assets purchased/financed from proceeds of borrowing
Federal Bank - Term loan	₹ 210.65 Millions (31st March, 2023 : Nil)	Quarterly	Total - 8 (Outstanding - 8)	Repo +Spread 1.65%	(i) Equal amount of principal installments - ₹ 27.70 Millions, (ii) Last amount of principal installment ₹ 16.75 Millions	
ICICI Bank - Term loan (Tranche -1)	₹ 98.48 Millions (31st March, 2023 : ₹ 122.12 Millions)	Monthly	Total - 66 (Outstanding 50)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 1.97 Millions	
ICICI Bank - Term loan (Tranche -2)	₹ 29.55 Millions (31st March, 2023 : ₹ 36.64 Millions)	Monthly	Total - 66 (Outstanding 50)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.59 Millions	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

15 BORROWINGS (CONTD.)

Name of Bank/ Financial Institution	Loan Amount	Repayment Schedule	No of Installments	Interest Rate	Installment Amount	Security
ICICI Bank - Term loan (Tranche -3)	₹ 90.72 Millions (31st March, 2023 : ₹ 112.06 Millions)	Monthly	Total - 66 (Outstanding 51)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 1.78 Millions	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 borrowing.
ICICI Bank - Term loan (Tranche -4)	₹ 36.24 Millions (31st March, 2023 : ₹ 44.77 Millions)	Monthly	Total - 66 (Outstanding 51)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.71 Millions	
ICICI Bank - Term loan (Tranche -5)	₹ 67.22 Millions (31st March, 2023 : ₹ 83.05 Millions)	Monthly	Total - 66 (Outstanding 51)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 1.32 Millions	
ICICI Bank - Term loan (Tranche -6)	₹ 23.95 Millions (31st March, 2023 : ₹ 29.59 Millions)	Monthly	Total - 66 (Outstanding 51)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.47 Millions	
ICICI Bank - Term loan (Tranche -7)	₹ 50.34 Millions (31st March, 2023 : ₹ 61.96 Millions)	Monthly	Total - 66 (Outstanding 52)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.97 Millions	
ICICI Bank - Term loan (Tranche -8)	₹ 13.95 Millions (31st March, 2023 : ₹ 17.16 Millions)	Monthly	Total - 66 (Outstanding 52)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.27 Millions	
ICICI Bank - Term loan (Tranche -9)	₹ 45.53 Millions (31st March, 2023 : ₹ 55.84 Millions)	Monthly	Total - 66 (Outstanding 53)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.86 Millions	
ICICI Bank - Term loan (Tranche -10)	₹ 9.18 Millions (31st March, 2023 : ₹ 11.22 Millions)	Monthly	Total - 66 (Outstanding 54)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.17 Millions	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

15 BORROWINGS (CONTD.)

Name of Bank/ Financial Institution	Loan Amount	Repayment Schedule	No of Installments	Interest Rate	Installment Amount	Security
ICICI Bank - Term loan (Tranche -11)	₹ 82.62 Millions (31st March, 2023 : ₹ 100.98 Millions)	Monthly	Total - 66 (Outstanding 54)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 1.53 Millions	
ICICI Bank - Term loan (Tranche -12)	₹ 145.62 Millions (31st March, 2023 : ₹ 188 Millions)	Monthly	Total - 66 (Outstanding 51)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 2.85 Millions	
ICICI Bank - Term loan (Tranche -13)	₹ 69.23 Millions (31st March, 2023 : Nil)	Monthly	Total - 66 (Outstanding 64)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 1.08 Millions	
ICICI Bank - Term loan (Tranche -14)	₹ 19.98 Millions (31st March, 2023 : Nil)	Monthly	Total - 66 (Outstanding 64)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.3 Millions	
HDFC Bank -Car Loan	₹ 1.94 Millions (31st March, 2023 : ₹ 3.12 Millions)	Monthly	Total - 60 (Outstanding 18)	7.50%	Equated Monthly Installments (EMI)- ₹ 0.11 Millions	Secured against hypothecation of vehicles purchased/ financed from proceeds of borrowing

(c) Repayment schedule of current borrowings and assets pledged as security as at 31st March, 2024 and 31st March, 2023

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:

(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.

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:

(i) Entire current assets of the Company both present and future, except exclusively finance by other Banks.

16 TRADE PAYABLES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current		
Total outstanding dues of micro enterprises and small enterprises [Refer Note (i) below]	4.81	10.70
Total outstanding dues of creditors other than micro enterprises and small enterprises	79.90	85.77
Total Trade payables	**84.71**	**96.47**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

16 TRADE PAYABLES (CONTD.)

Notes:

(i) Dues to Micro, Small and Medium Enterprises

Amount due to micro enterprises and small enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosure relating to micro enterprises and small enterprises is as below:

Particulars	As at 31st March, 2024	As at 31st March, 2023
i) The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	4.81	10.70
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, 2024

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	-	4.81	-	-	-	-	4.81
(ii) Undisputed dues Others	19.10	35.63	24.06	0.76	0.35	-	79.90
(iii) Disputed dues - Micro, Small and Medium Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**19.10**	**40.44**	**24.06**	**0.76**	**0.35**	**-**	**84.71**

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	-	-	-	-	-	-	-
Total	**14.09**	**59.35**	**22.66**	**0.37**	**-**	**-**	**96.47**

(iii) There are no trade payables to related parties as at 31st March, 2024 and as at 31st March, 2023

(iv) Refer Note 33 for information about liquidity risk on trade payables.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

17 OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-Current		
Security deposit	1.53	0.43
Total	**1.53**	**0.43**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current		
Capital creditors	243.28	124.41
Interest accrued on borrowings	3.81	0.10
Payable to employees	57.71	30.34
Total	**304.80**	**154.85**

18 DEFERRED TAX LIABILITIES

The balances comprises temporary differences attributable to:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred tax liabilities		
Property plant & Equipment	59.27	53.20
Right of use asset	2.06	1.63
Intangible assets	0.05	0.15
Borrowings	0.33	0.37
Total deferred tax liabilities (A)	**61.71**	**55.35**
Deferred tax assets		
Lease liabilities	0.14	0.13
Trade receivables	0.94	1.10
Provision for slow/non moving Inventories	9.51	-
Total deferred tax assets (B)	**10.59**	**1.23**
Net deferred tax liabilities (A-B)	**51.12**	**54.12**

Movement of deferred tax assets / liabilities presented in the balance sheet for each of the period

For the year ended 31st March, 2024	As at 1st April, 2023	Recognized in profit or loss	Recognized in Other Comprehensive Income	As at 31st March, 2024
Deferred tax liability on:				
Property plant & Equipment	53.20	6.07	-	59.27
Right of use asset	1.63	0.43	-	2.06
Intangible assets	0.15	(0.10)	-	0.05
Borrowing	0.37	(0.04)	-	0.33
Gross deferred tax liabilities (A)	**55.35**	**6.36**	**-**	**61.71**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

18 DEFERRED TAX LIABILITIES (CONTD.)

For the year ended 31st March, 2024	As at 1st April, 2023	Recognized in profit or loss	Recognized in Other Comprehensive Income	As at 31st March, 2024
Deferred tax assets on:				
Lease liabilities	0.13	0.00^	-	0.14
Trade receivables	1.10	(0.16)	-	0.94
Provision for slow/non moving Inventories	-	9.51		9.51
Gross deferred tax assets (B)	**1.23**	**9.35**	**-**	**10.59**
Net deferred tax liabilities (A-B)	**54.12**	**(2.99)**	**-**	**51.12**

^Below the rounding off norm adopted by the Company

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
Deferred tax liability on:				
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
Gross deferred tax liabilities (A)	**46.77**	**8.58**	**-**	**55.35**
Deferred tax assets on:				
Lease liabilities	0.12	0.01	-	0.13
Trade receivables	1.10	0.00^	-	1.10
Provision for Gratuity	1.98	(1.98)	-	-
Gross deferred tax assets (B)	**3.20**	**(1.97)**	**-**	**1.23**
Net deferred tax liabilities (A-B)	**43.57**	**10.55**	**-**	**54.12**

^Below the rounding off norm adopted by the Company

19 PROVISIONS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current		
Provision for employee benefits		
Gratuity (Refer Note 32)	11.86	12.51
Provisions for compensated absences	9.14	7.59
Total	**21.00**	**20.10**

20 CURRENT TAX LIABILITIES (NET)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current		
Provision for Income tax [Net of Tax Deducted At Source and Advance Tax ₹ 163.05 Millions (31st March, 2023: ₹ 246.03 Millions)]	20.74	19.29
Total	**20.74**	**19.29**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

20 CURRENT TAX LIABILITIES (NET) (CONTD.)

Current tax liabilities/(Current tax assets)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	(2.68)	(24.99)
Add: Current tax payable for the year	183.78	265.34
Less: Taxes Paid	(181.04)	(243.03)
Closing Balance	**0.06**	**(2.68)**

21 OTHER LIABILITIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-current		
Deferred government grant	245.21	72.71
Total	**245.21**	**72.71**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current		
Statutory dues (Contribution to PF and ESIC, GST, Withholding Taxes, TDS etc.)	12.27	10.41
Advances from customers (Contract liabilities)	4.37	15.45
Deferred government grant	15.52	13.05
Total	**32.16**	**38.91**
Total Other liabilities	**277.37**	**111.62**

Movement of Government grants

Particulars	As at 31st March, 2024	As at 31st March, 2023
(Assets)/liabilities at the beginning of the year (net)	78.78	47.93
Add: Grants during the year	211.55	63.23
Less: Realised to profit and loss	(35.76)	(32.38)
(Assets)/liabilities at the end of the year (net)	**254.57**	**78.78**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred Government Grant - Current	15.52	13.05
Deferred Government Grant - Non Current	245.21	72.71
Export Benefit Receivable - Current (Refer Note 8)	(6.16)	(6.98)
Total	**254.57**	**78.78**

22 REVENUE FROM OPERATIONS

Particulars	Year ended	
	31st March, 2024	31st March, 2023
Revenue from contract with customer		
Sale of products	2,756.60	2,813.62
Other Operating Revenues:		
Sale of scrap	16.50	18.86
Total	**2,773.10**	**2,832.48**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

22 REVENUE FROM OPERATIONS (CONTD.)

Notes:

(i) Particulars of sale of products

Particulars	Year ended	
	31st March, 2024	31st March, 2023
Manufactured goods		
- Plastic products	2,468.46	2,497.05
- Instruments & equipments	96.08	116.80
	2,564.54	**2,613.84**
Traded goods		
- Plastic products	192.06	172.43
- Instruments & equipments	-	27.35
	192.06	**199.78**
Total	**2,756.60**	**2,813.62**

(ii) Refer Note 38 for disaggregation of revenue by geographical region.

(iii) Reconciliation of revenue recognized with contract price:

Particulars	Year ended	
	31st March, 2024	31st March, 2023
Contracted price	2,764.29	2,823.73
Adjustments:		
Refund liabilities and discounts	7.69	10.11
Revenue from contracts with customers	**2,756.60**	**2,813.62**

(iv) The contract liabilities relates to advance received from customer of ₹ 15.45 Millions (31st March, 2023: ₹ 14.15 Millions) are recognized as revenue during the year.

(v) Entire revenue from operation is recognized at a point in time.

23 OTHER INCOME

Particulars	Year ended	
	31st March, 2024	31st March, 2023
Foreign exchange fluctuation (Net)	56.51	54.66
Interest income on financial assets measured at amortized cost	44.51	28.94
Corporate Guarantee income	4.23	-
Gain/(Loss) on sale of Property, plant & equipments (net)	0.00^	2.67
Government grants [Refer Note (i) below]	35.76	32.38
Miscellaneous income	0.63	0.69
Total	**141.64**	**119.34**

^Below the rounding off norm adopted by the Company

Notes:

(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.Under such scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities.The Company also benefits from incentive received from the Government on export of goods such as duty drawbacks and other export benefit entitlements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

24 COST OF MATERIALS CONSUMED

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Plastic Granules & Components		
Inventories at the beginning of the year	428.87	306.88
Add: Purchases during the year	547.29	833.15
Less: Inventories at the end of the year	(345.90)	(428.87)
Total	**630.26**	**711.16**

Note:

(i) Refer Note 9(iii) for the provision made towards slow moving, non-moving and obsolete inventories.

25 PURCHASES OF STOCK-IN-TRADE

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Plastic products, instruments and equipments	90.83	95.91
Total	**90.83**	**95.91**

26 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, STOCK-IN-TRADE AND SCRAP

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Opening Balance		
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
Total (A)	**640.21**	**483.68**
Closing Balance		
Finished goods	435.73	422.27
Work-in-progress	124.48	134.75
Stock in Trade	72.11	81.13
Scrap	1.10	2.06
Total (B)	**633.42**	**640.21**
Changes in inventories of finished goods, work-in-progress, stock-in-trade [(Increase) / Decrease](A-B)	**6.79**	**(156.53)**

Note:

(i) Refer Note 9(iii) for the provision made towards slow moving, non-moving and obsolete inventories.

27 EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Salaries, wages and bonus	354.81	316.79
Contribution to provident and other funds	28.80	21.86
Staff welfare expenses	4.20	2.05
Total	**387.81**	**340.70**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

28 DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Depreciation on Property, plant and equipment [Refer Note 3(a)]	380.60	282.85
Amortization of Intangible assets [Refer Note 3(d)]	1.52	1.52
Depreciation on Right-of-use assets [Refer Note 3(b)]	0.72	0.72
Total	**382.84**	**285.09**

29 OTHER EXPENSES

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Consumption of packing materials	111.87	124.01
Consumption of consumable stores and spares	8.97	7.85
Assembly and sterilisation Charges	38.72	34.97
Power and fuel	108.42	98.86
Freight & forwarding	52.27	61.39
Sales promotion expenses	37.90	42.96
Payment to Auditors [Refer Note 29(a)]	4.35	3.29
Insurance	15.61	15.38
Rent	7.73	7.01
Rates and taxes	3.22	1.88
Repairs to		
Plant & equipments	30.04	23.94
Moulds	4.00	3.37
Buildings	7.38	13.56
Others	1.37	2.87
Travelling and conveyance	27.35	26.00
Donation	0.01	0.06
Provision for slow/non moving Inventories	37.77	-
Legal & Professional Expenses	47.07	14.51
Expenditure towards CSR activities (Refer Note 39)	22.39	18.55
Allowance/(Reversal) of expected credit loss (net)	3.73	(4.39)
Miscellaneous expenses	52.85	47.55
Total	**623.02**	**543.62**

29 (a) Details of payment to auditors

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
As Auditors		
Statutory audit fees	2.65	2.00
Limited review fees	0.93	0.85
Certification fees	0.32	0.15
Reimbursement of expenses	0.45	0.29
Total	**4.35**	**3.29**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)
(All amounts in ₹ Millions, unless otherwise stated)

30 FINANCE COSTS

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
(a) Interest expenses		
i) On financial liabilities measured at amortized cost i.e. Borrowings [Net of amount capitalized ₹ 37.63 Millions][Previous year - Nil]	98.30	42.43
ii) On lease liabilities	0.05	0.05
iii) On others	0.12	1.38
(b) Other borrowing costs	1.01	0.81
Total	**99.48**	**44.67**

31 INCOME TAX EXPENSE

A. Income tax expense recognized in standalone statement of profit or loss

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Current tax		
In respect of Current Year	184.23	269.51
Deferred tax		
Decrease / (increase) in deferred tax assets	(9.35)	1.97
(Decrease) / increase in deferred tax liabilities	6.36	8.58
Total deferred tax expense/(benefit)	**(2.99)**	**10.55**
Income tax expense recognized in standalone statement of Profit and Loss	**181.24**	**280.06**

B. Income tax recognized in other comprehensive income

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Income tax on remeasurement of the net defined benefit liability/asset	(0.45)	(4.17)
Total	**(0.45)**	**(4.17)**

C. Reconciliation of effective tax rate

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Profit before income tax expense	693.71	1,087.20
Tax at Indian tax rate of 25.168% [Previous year - 25.168%]	174.59	273.63
(i) Tax effects of amounts which are not deductible (taxable) in calculating taxable income:	5.64	4.68
(ii) Others	1.01	1.75
Income tax expense	**181.24**	**280.06**

32 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 (15 days 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 2.8(g) based upon which the Company makes contribution to the Gratuity fund.

32 EMPLOYEE BENEFIT OBLIGATIONS (CONTD.)

(a) 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 (A)	Fair value of plan assets (B)	Total (A-B)
Liability/(assets) as at 31st March, 2022	32.04	24.20	7.84
Current service cost	4.11	-	4.11
Total service cost	4.11	-	4.11
Interest expense on defined benefit obligation	2.20	-	2.20
Interest income on plan assets	-	2.21	(2.21)
Total net interest	2.20	2.21	(0.01)
Total amount recognized in statement of profit and loss	6.31	2.21	4.10
Remeasurements			
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(1.03)	-	(1.03)
(Gain)/loss from change in experience	17.84	-	17.84
Return on plan assets (greater) / less than discount rate	-	0.23	(0.23)
Total amount recognized in other comprehensive income	**16.81**	**0.23**	**16.58**
Employer contribution	-	16.01	(16.01)
Benefit payouts from plan	(1.24)	(1.24)	-
Liability/(assets) as at 31st March, 2023	**53.92**	**41.41**	**12.51**
Current service cost	6.51	-	6.51
Total service cost	**6.51**	**-**	**6.51**
Interest expense on Defined Benefit Obligation	3.70	-	3.70
Interest income on plan assets	-	3.11	(3.11)
Total net interest	**3.70**	**3.11**	**0.59**
Total amount recognized in profit or loss	**10.21**	**3.11**	**7.10**
Remeasurements			
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	0.78	-	0.78
Experience (gains)/losses	1.23	-	1.23
Return on Plan Assets (Greater) / Less than Discount rate	-	0.23	(0.23)
Total amount recognized in other comprehensive income	**2.01**	**0.23**	**1.78**
Employer contribution	-	9.53	(9.53)
Benefit payouts from plan	(5.00)	(5.00)	-
Liability/(assets) as at 31st March, 2024	**61.14**	**49.28**	**11.86**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

32 EMPLOYEE BENEFIT OBLIGATIONS (CONTD.)

	Particulars	As at 31st March, 2024	As at 31st March, 2023
(b)	**Disclosed under Note 19: Provisions**	**11.86**	**12.51**

(c) The net liability presented above related to funded and unfunded plans are as follows:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Present value of funded obligations	61.14	53.92
Fair value of plan assets	49.28	41.41
Net Defined Benefit Liability / (Asset)	**11.86**	**12.51**

(d) Major categories of plan assets

Particulars	As at 31st March, 2024	As at 31st March, 2023
Pooled assets with an insurance company (Life Insurance Corporation of India) - conventional products	100%	100%

(e) Significant actuarial assumptions

Particulars	As at 31st March, 2024	As at 31st March, 2023
Discount rate	7.00%	7.20%
Salary escalation	8.00%	8.00%
Withdrawal rate	5.00%	5.00%
Weighted average duration of Defined Benefit Obligation (Years)	10 years	9 years
Mortality	IALM (2006-08) Ultimate	

Notes:

IALM represents Indian assured lives mortality.

(f) Sensitivity analysis

As at 31st March, 2024	% impact on Defined Benefit Obligation	Increase/ (Decrease) in Defined Benefit Obligation liability
Discount rate +100 basis points	(9.00)	(5.75)
Discount rate -100 basis points	10.00	6.78
Salary escalation rate +100 basis points	10.00	6.61
Salary escalation rate -100 basis points	(9.00)	(5.76)

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)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

32 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 at the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

(g) The following payments are expected contribution to the defined benefit plans in the future years:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Expected contribution for the next annual reporting period	12.73	5.74

(h) The expected maturity profile of undiscounted gratuity obligations:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Within 1 year	2.94	5.74
1-2 year	3.45	4.28
2-3 year	3.71	3.73
3-4 year	4.53	4.31
4-5 year	4.89	5.76
5-10 years	24.64	38.49

(i) Risk Exposure

The Gratuity scheme is a defined benefit plan that provides for a lump sum payment to be 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 Company is exposed to various risks in providing the above gratuity benefit which are as follows:

(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 escalation risk

The present value of the defined benefit plan's calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(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.

(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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)
(All amounts in ₹ Millions, unless otherwise stated)

32 EMPLOYEE BENEFIT OBLIGATIONS (CONTD.)

contributed and it has no further contractual nor any constructive obligation. The expense recognized during the year towards provident fund is ₹ 19.00 Millions (Previous year: ₹ 15.34 Millions). The Company has also contributed ₹ 2.26 Millions (Previous year: ₹ 2.39 Millions) towards Employees' State Insurance Scheme. These has been recognized as an expense and included under 'Contribution to provident and other fund' (Note 27).

33 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT AND CAPITAL 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, 2023

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, 2024

Particulars	Carrying value			
	FVTPL	FVOCI	Amortized costs	Total carrying amount
Financial assets				
Investments	-	-	0.00^	0.00^
Loan	-	-	1,109.38	1,109.38
Trade receivables	-	-	717.85	717.85
Cash and cash equivalents	-	-	40.38	40.38
Other bank balances	-	-	55.01	55.01
Other financial assets	-	-	45.51	45.51
Total financial assets	**-**	**-**	**1,968.13**	**1,968.13**
Financial liabilities				
Borrowings	-	-	2,566.21	2,566.21
Trade payables	-	-	84.71	84.71
Lease liabilities	-	-	0.53	0.53
Other financial liabilities	-	-	306.33	306.33
Total financial liabilities	**-**	**-**	**2,957.78**	**2,957.78**

^ Below the rounding off norm adopted by the Company

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)
(All amounts in ₹ Millions, unless otherwise stated)

33 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT AND CAPITAL MANAGEMENT (CONTD.)

As at 31st March, 2023

Particulars	Carrying value			
	FVTPL	FVOCI	Amortized costs	Total carrying amount
Financial assets				
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
Total financial assets	**-**	**-**	**1,298.73**	**1,298.73**
Financial liabilities				
Borrowings	-	-	1,106.41	1,106.41
Trade payables	-	-	96.47	96.47
Lease liabilities	-	-	0.51	0.51
Other financial liabilities	-	-	155.28	155.28
Total financial liabilities	**-**	**-**	**1,358.67**	**1,358.67**

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 borrowings, certain security deposits given and taken (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.

B Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk(B)(ii) ;
- Liquidity risk(B)(iii) ; and
- Market risk (B)(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.

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 also arises from cash held with banks and financial institutions and

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

33 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT AND CAPITAL MANAGEMENT (CONTD.)

other financial instruments. 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.

At each reporting date the Company measures loss allowance for certain class of financial assets based on historical trend industry practice and the business environment in which the Company operates. The assumptions and estimates applied for determining credit loss are reviewed periodically. The Company also uses lifetime of expected credit loss model based on provisional matrix for estimating the allowance for excepted credit losses.

Cash and cash equivalents and other financial assets

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.

Contractual maturities of financial liabilities

31st March, 2024	Less than 1 year	1-2 years	More than 2 years
Borrowings	1,546.14	400.34	619.73
Trade payables	84.71	-	-
Lease liabilities	0.03	0.03	23.44
Other financial liabilities (excluding accrued interest)	300.99	-	1.53
Interest Accrued	3.81	-	-
	1,935.68	**400.37**	**644.70**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

33 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT AND CAPITAL MANAGEMENT (CONTD.)

Contractual maturities of financial liabilities

31st March, 2023	Less than 1 year	1-2 years	More than 2 years
Borrowings	299.50	267.89	539.02
Trade payables	96.46	-	-
Lease liabilities	0.03	0.03	23.47
Other financial liabilities (excluding accrued interest)	154.75	-	0.43
Interest Accrued	0.10	-	-
	550.84	**267.92**	**562.92**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31st March, 2024	As at 31st March, 2023
-Non fund based	259.60	799.82
-Expiring within one year (other facilities)	385.60	1,410.00
-Expiring beyond one year (bank loans)	1,054.09	758.42

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. Financial instruments affected by market risk includes Trade receivable/payable, other financial assets and liabilities. The Company is not exposed to any factors arising due to price risk.

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. It's borrowings are at floating rates and its future cash flows will fluctuate because of changes in market interest rates. The Company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

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, 2024	As at 31st March, 2023
Variable rate borrowings	2,564.27	1,103.29

Sensitivity Analysis

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates:

Particulars	Year ended 31st March, 2024		Year ended 31st March, 2023	
	Impact on Profit before Tax [Increase/ (Decrease)]	Impact on post tax Equity [Increase/ (Decrease)]	Impact on Profit before Tax [Increase/ (Decrease)]	Impact on post tax Equity [Increase/ (Decrease)]
Interest Rates - Increase by 50 basis points (50 bps)	(12.82)	(9.59)	(5.52)	(4.13)
Interest Rates - Decrease by 50 basis points (50 bps)	12.82	9.59	5.52	4.13

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

33 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT AND CAPITAL MANAGEMENT (CONTD.)

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 Standalone Statement of Profit and Loss.

The Company's exposure to foreign currency risk at the end of the reporting period:

Particulars	As at 31st March, 2024					As at 31st March, 2023				
	₹ Equivalent of					₹ Equivalent of				
	USD	EURO	CHF	JPY	SGD	USD	EURO	CHF	JPY	SGD
Financial Assets										
Trade receivables	192.13	57.21	-	-		173.69	36.33	-	-	-
Cash & Cash Equivalents	9.36	28.68	0.00^	-	0.02	10.49	0.40	-	-	0.02
Investment	-	0.00	-	-	-	-	-	-	-	-
Loans	-	1,109.38	-	-	-	-	-	-	-	-
Net exposure to foreign currency risk (assets)	**201.49**	**1,195.27**	**0.00^**	**-**	**0.02**	**184.18**	**36.73**	**-**	**-**	**0.02**
Financial Liabilities										
Trade payables	2.59	189.06	2.95	16.86	-	22.11	1.90	0.82	48.45	-
Net exposure to foreign currency risk (liabilities)	**2.59**	**189.06**	**2.95**	**16.86**	**-**	**22.11**	**1.90**	**0.82**	**48.45**	**-**

^ Below the rounding off norm adopted by the Company

Sensitivity Analysis

The sensitivity of profit or loss to changes in the exchange rates:

Particulars	Year ended 31st March, 2024		Year ended 31st March, 2023	
	Impact on Profit before Tax	Impact on post tax Equity	Impact on Profit before Tax	Impact on post tax Equity
	[Increase/ (Decrease)]	[Increase/ (Decrease)]	[Increase/ (Decrease)]	[Increase/ (Decrease)]
USD Sensitivity				
₹/USD- Increase by 10%	19.89	14.88	16.21	12.13
₹/USD- Decrease by 10%	(19.89)	(14.88)	(16.21)	(12.13)
EUR Sensitivity				
₹/EUR- Increase by 10%	100.62	75.30	3.48	2.61
₹/EUR- Decrease by 10%	(100.62)	(75.30)	(3.48)	(2.61)
CHF Sensitivity				
₹/CHF- Increase by 10%	(0.30)	(0.22)	(0.08)	(0.06)
₹/CHF- Decrease by 10%	0.30	0.22	0.08	0.06
JPY Sensitivity				
₹/JPY- Increase by 10%	(1.69)	(1.26)	(4.85)	(3.63)
₹/JPY- Decrease by 10%	1.69	1.26	4.85	3.63
SGD Sensitivity				
₹/SGD- Increase by 10%	0.00^	0.00^	0.00^	0.00^
₹/SGD- Decrease by 10%	(0.00)^	(0.00)^	(0.00)^	(0.00)^

^ Below the rounding off norm adopted by the Company

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

33 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT AND CAPITAL MANAGEMENT (CONTD.)

(C) Capital Management

(i) Risk management framework

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.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, long term borrowings and short term borrowings. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following 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, 2024	As at 31st March, 2023
Total Equity	6,204.17	5,693.03
Net Debt (Refer Note 15)	2,526.36	516.34
Net Debt to Equity Ratio	**0.41**	**0.09**

(ii) Dividends paid and proposed

Particulars	As at 31st March, 2024	As at 31st March, 2023
Equity shares		
(i) Dividend declared and paid during the year		
Final dividend paid during the year	-	-
(ii) Proposed dividends not recognized at the end of the reporting period		
The Board of Directors have recommended the payment of a final dividend of ₹ 2 per fully paid equity share for the year ended 31st March, 2024 (31st March, 2023: Nil). This proposed dividend is subject to the approval of the shareholders in the ensuing annual general meeting.	106.41	-

34 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contingent liabilities

Particulars	As at 31st March, 2024	As at 31st March, 2023
Claims against the Company not acknowledged as debts		
Disputed Goods & Service Tax	20.87	-

In respect of the contingent liabilities mentioned above, pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any. The Company does not expect any reimbursements in respect of the above contingent liabilities.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

34 CONTINGENT LIABILITIES AND COMMITMENTS (CONTD.)

(b) Capital commitments

Particulars	As at 31st March, 2024	As at 31st March, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for [Net of Advances of ₹ 1,251.52 (31st March, 2023: ₹ 1,111.44)]	1,747.52	2,600.94

35 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 standalone 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.

36 EARNINGS PER SHARE (EPS)

The following table sets forth the computation of basic and diluted earnings per share:

Earnings	Year ended 31st March, 2024	Year ended 31st March, 2023
Profit for the year attributable to equity shareholders for calculation of basic EPS	512.47	807.14
Effect of dilutive potential equity shares	-	-
Profit for the year attributable to equity shareholders for calculation of diluted EPS	**512.47**	**807.14**
Shares		
Weighted average number of equity shares outstanding during the year for calculation of basic EPS (Numbers in Millions)	53.21	53.21
Effect of dilutive potential equity shares	-	-
Weighted average number of equity shares for calculation of diluted EPS	**53.21**	**53.21**
Basic earnings per share	**9.63**	**15.17**
Diluted earnings per share	**9.63**	**15.17**

37 RELATED PARTY DISCLOSURES

A Names of related parties and description of relationship

(i) Where control exist:

Subsidiary

Tarsons Life Science Pte. Ltd.- (with effect from 10th November, 2023)

Subsidiaries of Subsidiary

Nerbe plus GmbH & Co. KG - (Partnership Firm) (with effect from 1st January, 2024)

Nerbe R&D Gmbh - (with effect from 1st January, 2024)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

37 RELATED PARTY DISCLOSURES (CONTD.)

(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. Gaurav Pawan Kumar Poddar	Non-Executive Nominee Director
Mr. Viresh Oberoi	Non-Executive Independent Director
Mr. Girish Paman Vanvari	Non-Executive Independent Director
Mrs. Sucharita Basu De	Non-Executive Independent Director
Mr. Santosh Kumar Agarwal	Chief Financial Officer, Company Secretary and Compliance Officer

Investor in respect of which the Company is an Associate

Clear Vision Investment Holdings Pte Limited, Republic of Singapore

Individual having significant influence over the Company

Mr. Sanjive Sehgal and

Mr. Rohan Sehgal

B. The following transactions were carried out with the related parties in the ordinary course of business:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Mr. Sanjive Sehgal		
Short-term employee benefits	42.50	42.50
Reimbursement of expenses	0.24	0.99
Mr. Rohan Sehgal		
Short-term employee benefits	37.50	37.50
Reimbursement of expenses	2.14	3.63
Mr. Santosh Agarwal		
Short-term employee benefits	7.20	8.17
Post employment benefits	0.57	0.29
Reimbursement of expenses	0.31	0.37
Mr. Viresh Oberai		
Director fees	1.20	1.20
Mr. Girish Paman Vanvari		
Director fees	1.20	1.20
Mrs. Sucharita Basu De		
Director fees	1.20	1.20
Tarsons Life Science Pte. Ltd.		
Investment in equity shares	0.00^	-
Loan given	1,098.99	-
Corporate gurantee charges	4.23	
Interest income on loan given	26.80	-
Reimbursement of expenses	51.69	-
Nerbe plus GmbH & Co. KG		
Sale of Finished Goods	0.05	-

^ Below the rounding off norm adopted by the Company

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

37 RELATED PARTY DISCLOSURES (CONTD.)

C. Outstanding Balances Receivable/ (Payable)

Particulars	As at 31st March 2024	As at 31st March 2023
Payable to employees		
Mr. Sanjive Sehgal	(9.15)	(0.01)
Mr. Rohan Sehgal	(9.11)	(3.50)
Mr. Santosh Agarwal	(2.13)	(1.88)
Investment in subsidiary		
Tarsons Life Science Pte. Ltd.	0.00^	-
Loan		
Tarsons Life Science Pte. Ltd. @	1,109.38	-
Other financial assets		
Tarsons Life Science Pte. Ltd.	4.23	-
Other assets		
Tarsons Life Science Pte. Ltd.	0.17	-
Trade Receivable		
Nerbe plus GmbH & Co. KG	0.05	-

^ Below the rounding off norm adopted by the Company

@ includes in aggregate ₹ 16.40 Millions on account of foreign exchange loss and interest accrued amounting ₹ 26.80 Millions

Notes:

(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.

(iii) No provisons are held against receivable from related parties.

(iv) Refer Note 5(iii) for details of corporate guarantee given by the Company.

38 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	Year ended 31st March, 2024	Year ended 31st March, 2023
India	1,927.17	1,889.73
Outside India	829.43	923.89
Total	**2,756.60**	**2,813.62**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

38 SEGMENT REPORTING (CONTD.)

The total non-current assets other than financial instruments broken down by location of assets is shown below

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
India	6,460.47	4,695.98
Outside India	-	-
Total	**6,460.47**	**4,695.98**

39 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	Year ended 31st March, 2024	Year ended 31st March, 2023
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	22.39	18.55
(b) Amount approved by the Board to be spent on CSR activities	22.39	18.55
(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	1.25	18.55
- In Cash	21.14	-
- Yet to be paid in Cash	-	-
Total	**22.39**	**18.55**

Details of CSR expenditure under section 135(5) of the Act in respect of other than ongoing projects

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Opening Balance unspent	**-**	**-**
Amount deposited in a specified fund of Schedule VII of the Act within 6 months	-	-
Amount required to be spent during the year	22.39	18.55
Amount spent during the year	21.14	-
Amount set-off from Prepaid CSR of preceding financial year	1.25	18.55
Closing Balance unspent	**-**	**-**

Details of excess CSR expenditure under section 135(5) of the Act

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Opening Balance excess spent	1.25	19.80
Amount required to be spent during the year	22.39	18.55
Amount spent during the year	21.14	-
Amount set-off from the preceding financial year	1.25	18.55
Closing Balance excess spent	-	1.25

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

40 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.

41 The Company had completed its initial public offer (IPO) of 15,465,861 equity shares having face value of ₹ 2 each at an issue price of ₹ 662 per share aggregating to ₹ 10,234.74 Millions, comprising fresh issue of 2,265,861 shares aggregating to ₹ 1,496.34 Millions and offer for sale of 13,200,000 shares by selling shareholders aggregating to ₹ 8,738.40 Millions during the year ended 31st March, 2022. 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 had received an amount of ₹ 1,497.01 Millions from proceeds out of fresh issue of equity shares (including amount received on account of lower subscription of Employee Reserved Shares amounting to ₹ 0.67 Millions). 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 31 March , 2024	Amount unutilized as on 31 March , 2024
(i)	Repayment/prepayment of certain borrowings of the Company **[Refer Note (a) below]**	785.40	785.40	785.40	-
(ii)	Funding a part of the capital expenditure for the new manufacturing facility at Panchla, West Bengal **[Refer Note (b) below]**	620.00	620.00	620.00	-
(iii)	General corporate purposes **[Refer Note (c) below]**	16.21	20.47	20.47	-
(iv)	Offer related expenses in relation to the IPO **[Refer Note (c) below]**	74.73	71.14	71.14	-
	Total [(i) to (iv)]	**1,496.34**	**1,497.01**	**1,497.01**	**-**

(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 Millions 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) The Company has utilized (i) unspent offer related expenses amounting to ₹ 3.59 Millions and (ii) amount received on lower subscription of Employee Reserved Shares amounting to ₹ 0.67 Millions 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 Millions to ₹ 20.47 Millions.

(c) The Company has earned total interest of ₹ 39.43 Millions on deployment of IPO proceeds pending utilization in the fixed deposit with scheduled bank. The Company has utilized aforesaid interest income for the purpose for which the underlying funds were intended to be utilized per the offer document. The utilization amount of net proceeds as

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

41 (CONTD.)

summarised above are excluding the amount of interest utilized.

(d) The Company has fully utilized the amount of IPO proceeds during the year ended 31st March, 2024 pursuant to the revised approval of the Board of Directors in their meeting held on 25th July, 2023 and approval of the shareholders vide Special Resolution passed through postal ballot on 31st August, 2023, with respect to using the unutilized fund in a fungible/interchangeable manner along with the utilization for machines and moulds within Panchla facility as a separate sub head in addition to existing sub head.

42 ANALYTICAL RATIOS:

Ratio

Particulars	31st March, 2024	31st March, 2023	% change from 31st March, 2023 to 31st March, 2024	Reasons for variance of more than 25% in above ratios
Current ratio (no of times)	0.96	4.01	(76.13%)	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 Working Capital utilsation . (ii) Increase in capital creditors as at the year end. (iii) Decrease in cash & cash equivalent due to utilization of IPO funds for Panchala factory
Debt-Equity Ratio (no of times)	0.41	0.19	113.07%	The change in ratio is due to increase in long term and short term borrowings from banks received during the year
Debt Service Coverage ratio (no of times)	0.39	1.01	(61.15%)	The change in ratio is due to: (i) Decrease in earnings during the year and (ii) Increase in long term and short term borrowings from banks received during the year.
Return on Equity Ratio (%)	8.61	15.24	(43.48%)	The change in ratio is due to: Decrease in earnings during the year and
Inventory Turnover ratio (no of times)	2.52	2.88	(12.33%)	-
Trade receivable Turnover Ratio (no of times)	4.03	4.33	(6.80%)	-
Trade payable Turnover Ratio (no of times)	13.63	12.91	5.62%	-
Net Capital Turnover Ratio (no of times)	3.08	1.42	116.52%	The change in ratio is due to: (i) Decrease in revenue from operations during the year and (ii) Decrease in average working capital due to increase in short term borrowing & capital Creditors and Decrease in cash & cash equivalent due to utilization of IPO funds for Panchala factory

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

42 ANALYTICAL RATIOS: (CONTD.)

Particulars	31st March, 2024	31st March, 2023	% change from 31st March, 2023 to 31st March, 2024	Reasons for variance of more than 25% in above ratios
Net Profit Ratio (%)	18.48	28.50	(35.15%)	The change in ratio is due to: (i) Decrease in revenue from operations during the year and (ii) Increase in material cost, employee cost, depreciation,other expenses and finance cost due to decrease in revenue from operations from last year.
Return on Capital Employed (%)	9.14	18.25	(49.94%)	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 and short term borrowings from banks received during the year and Decrease in cash & cash equivalent due to utilization of IPO funds for Panchala factory.
Return on Investment (%)	8.32	15.60	(46.65%)	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, 2024		31st March, 2023	
			Numerator	Denominator	Numerator	Denominator
Current ratio (no of times)	Current Assets	Current Liabilities	1,921.33	2,009.58	2,520.33	629.15
Debt-equity ratio (no of times)	Gross Debt = Debt (Borrowing) + Lease liabilities + Interest Accrued on Borrowings	Total Equity	2,570.55	6,204.17	1,107.02	5,693.03
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	1,007.87	2,570.55	1,117.16	1,107.02
Return on Equity (%)	Profit for the year	Average Total Equity	512.47	5,948.60	807.14	5,295.66

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

42 ANALYTICAL RATIOS: (CONTD.)

Ratios	Numerator	Denominator	31st March, 2024		31st March, 2023	
			Numerator	Denominator	Numerator	Denominator
Inventory Turnover ratio (no of times)	Revenue from operations	Average Inventory	2,773.10	1,098.56	2,832.48	983.73
Trade receivable Turnover Ratio (no of times)	Revenue from operations	Average Trade receivable	2,773.10	687.91	2,832.48	654.87
Trade payable Turnover Ratio (no of times)	Total credit Purchases	Average Trade payable	1,235.02	90.58	1,458.53	112.99
Net Capital Turnover Ratio (no of times)	Revenue from operations	Average Working Capital = Current Assets - Current Liabilities	2,773.10	901.46	2,832.48	1,993.64
Net Profit (%)	Profit for the year	Revenue from operations	512.47	2,773.10	807.14	2,832.48
Return on Capital Employed (%)	Earning before Interest and Tax = Profit Before Tax + Finance cost	Capital employed = Equity + Debt (Borrowings) - Cash and Cash Equivalents	793.19	8,679.33	1,131.87	6,200.38
Return on Investment (%)	Earning before Interest and Tax = Profit Before Tax + Finance cost	Total assets	793.19	9,532.18	1,131.87	7,256.83

43 ADDITIONAL DISCLOSURES RELATING TO INVESTMENTS IN SUBSIDIARIES

Set out below are the list of subsidiaries of the Company as at 31st March, 2024. These investments are carried at cost less impairment, if any. The country of incorporation or registration is also their principal place:

Serial No.	Name of the Entity	Relationship	Principal place of Business/ Country of Incorporation	Ownership Interest in percentage(%)
1	Tarsons Lifescience Pte. Ltd. (w.e.f 10th November, 2023)	Wholly Owned Subsidiary	Singapore	100
2	Nerbe plus GmbH & Co. KG (w.e.f 1st January, 2024), a partnership firm	Subsidiary of Tarsons Lifescience Pte. Ltd.	Germany	100
3	Nerbe R&D GmbH (w.e.f 1st January, 2024)	Subsidiary of Tarsons Lifescience Pte. Ltd.	Germany	100

44 OTHER REGULATORY INFORMATION

(i) Borrowing secured against current assets

Year ended 31st March, 2024

The Company has been sanctioned working capital limits in excess of ₹ 50 Millions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with the banks are in agreement with the books of accounts. Returns/Statements for the quarter ended 31st March, 2024 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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

44 OTHER REGULATORY INFORMATION (CONTD.)

Directors which has been agreed by the Company with the respective banks.

Year ended 31st March, 2023

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 quarter:

Name of the 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	Reason for 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	

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 was not filed by the Company till the approval of financial statements for the year ended 31st March, 2023 basis their agreement 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.

(ii) 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.

(iii) 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.

(iv) 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

(v) 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.

(vi) 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

44 OTHER REGULATORY INFORMATION (CONTD.)

(vii) 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.

(viii) 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.

(ix) 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.

(x) 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.

(xi) Foreseeable losses on long term contracts

The Company has long term contracts as at 31st March, 2024 for which there were no material foreseeable losses. The Company did not have any derivative contract.

(xii) 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, 2024.

(xiii) 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.

(xiv) 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.

(xv) Audit Trail

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log is not maintained in case of modification by certain users with specific access and that the audit trail feature has not been enabled at the database level to log any direct data changes.

(xvi) Utilization of borrowed funds and share premium

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

45 During the year ended 31st March, 2024, the Group has completed the acquisition of Nerbe Plus GmbH & Co KG and Nerbe R&D GmbH (collectively known as "Nerbe Group") through its wholly owned subsidiary, Tarsons Life Science Pte Ltd ("TLSPL") incorporated in Singapore on 10th November, 2023. Consequent to the acquisition, TLSPL has acquired 100% controlling stake of the Nerbe Group with effect from 1st January, 2024. The Nerbe Group is involved in the business of distribution of medical and laboratory disposables in Germany.

46 During the year ended 31st March, 2024, the Company has paid excess remuneration amounting to ₹ 3.63 Millions to its managing director in reference to the provisions of Section 197 of the Companies Act, 2013 read with Schedule V thereto. The Company is in the process of taking approval for the waiver of such excess remuneration paid, by way of special resolution in the ensuing general meeting.

This is the Standalone Notes to Accounts 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

Place: Kolkata
Date: 30th May, 2024

For and on behalf of the Board of Directors

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: 30th May, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Tarsons Products Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

1. We have audited the accompanying consolidated financial statements of Tarsons Products Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), (refer Note 40(i) to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated 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 Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 14 and 16 of the Other Matters section below, other than the unaudited financial information as certified by the management and referred to in sub-paragraph 15 of the Other Matters section below, 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 judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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
Revenue recognition as per Ind AS 115 **Refer to Note 2.3 and Note 21 of the consolidated financial statements** The Group's revenue for the year ended March 31, 2024 is ₹ 2,963.94 Millions. The Group 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.	Our audit procedures included the following: a) We evaluated the design and tested operating effectiveness of the relevant controls with respect to revenue recognition. b) We assessed the appropriateness of the revenue recognition accounting policy in line with Ind AS 115 "Revenue from Contracts with Customer". 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Key audit matter	How our audit addressed the key audit matter
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. We identified revenue recognition as a key audit matter as revenue is significant to the consolidated financial statements owing to its large volume and results in greater audit effort to address the matter.	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. 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. 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. Based on the above procedures performed, no significant exception was noted by us in the revenue recognised by the Company during the year.
Appropriateness of Purchase Price Allocation (PPA) in case of acquisition of Nerbe plus GmbH & Co. KG and Nerbe plus in accordance with Ind AS 103 'Business Combinations' Refer Note 2.8 and Note 41 to the Consolidated Financial Statements During the year, the Group acquired controlling stake in two entities namely, Nerbe plus GmbH & Co. KG and Nerbe R&D GmbH (collectively known as 'Nerbe Group'), both based in Germany for a purchase consideration of Euro 10 Millions (equivalent ₹ 981.30 Millions) through a Business Transfer Agreement (BTA) entered into by it. The Group determined the acquisition to be a business combination in accordance with Ind AS 103 'Business Combinations', which requires the identifiable assets acquired and the liabilities assumed to be recognised at their fair values as at the date of acquisition, and the excess of the purchase consideration over the fair values of identified assets and liabilities to be recognised as Goodwill as at that date. The Group's Management had engaged an independent professional valuers ("management's experts") to identify the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets in accordance with Ind AS 38 'Intangible Assets') and liabilities assumed in each of the acquisitions, and to determine their fair values for the purpose of allocation of the purchase consideration to the various assets and liabilities based on such fair values ("Purchase Price Allocation" or "PPA"). Consequent to the PPA, the Group has recognised net assets of ₹ 326.10 Millions and Goodwill of ₹ 325.25 Millions in accordance with the principles of Ind AS 103. The PPA involved use of significant assumptions, estimates and judgement by the Group's management in identification of the identifiable assets acquired and liabilities assumed and determination of their fair values. Thus, we considered this to be a key audit matter.	We performed audit procedures which included the following: a) We understood from the management and assessed the design and tested the operating effectiveness of the Group's controls over the accounting of business combinations including purchase price allocation. b) We evaluated the management's assessment for determining whether the acquisitions represent a business combination in accordance with the definition under Ind AS 103; c) We perused the BTA to verify the value of purchase consideration transferred and understand various other terms of the transaction. d) We evaluated the competence, capability and objectivity of the management's experts, conducted enquiries with them to obtain an understanding of the assumptions considered and evaluated the appropriateness of the expert's work. e) With the involvement of our experts ("auditor's experts"), we evaluated the PPA and assessed the reasonableness of the underlying key assumptions used in determining the fair values of assets and liabilities as at the acquisition date. f) We verified the mathematical accuracy of the calculations involved and the computation of Goodwill. g) We assessed the adequacy and appropriateness of the disclosures made in the consolidated financial statements in accordance with the requirements of Ind AS 103. Based on our procedures performed as above, we noted no significant exceptions in accounting for the aforesaid acquisitions.

INDEPENDENT AUDITOR'S REPORT (Contd.)

OTHER INFORMATION

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies and Governing body of LLP included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies and Governing body of LLP included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies and Governing body of LLP included in the Group are responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

INDEPENDENT AUDITOR'S REPORT (Contd.)

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. 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.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT (Contd.)

OTHER MATTERS

14. We did not audit the financial information of one subsidiary located outside India, whose financial information reflect total assets of ₹ 582.36 Millions and net assets of ₹ 31.61 Millions as at March 31, 2024, total revenue of ₹ 190.90 Millions, total comprehensive income (comprising of profit and other comprehensive income) of ₹ 3.96 Millions and net cash flows amounting to ₹ 17.26 Millions for the year ended on that date, as considered in the consolidated financial statements. The financial information has been audited by other auditor, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.
15. We did not audit the financial information of one subsidiary located outside India, whose financial information reflect total assets of ₹ 3.48 Millions and net assets of ₹ 2.06 Millions as at March 31, 2024, total revenue of ₹ 5.21 Millions, total comprehensive loss (comprising of loss and other comprehensive income) of ₹ 0.02 Millions and net cash flows amounting to ₹ Nil for the year ended on that date, as considered in the consolidated financial statements. The financial information is unaudited and has been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, the financial information is not material to the Group.
16. The financial statements of one subsidiary located outside India, included in the consolidated financial statements, which constitute total assets of ₹ 1,036.01 Millions and net assets of ₹ (-) 62.61 Millions as at March 31, 2024, total revenue of ₹ Nil, total comprehensive loss (comprising of loss and other comprehensive income) of ₹ 62.16 Millions and net cash flows amounting to ₹ 65.65 Millions for the year then ended has been prepared in accordance with accounting principles generally accepted in its country and has been audited by other auditor under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from the accounting principles generally accepted in its country to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India, including other information, is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

    Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT

17. This report does not contain a statement on the matter specified in paragraph 3(xxi) of 'the Companies (Auditor's Report) Order, 2020 ("CARO 2020") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act as, in our opinion, and according to the information and explanations given to us, CARO 2020 is not applicable to any of the subsidiary companies which are incorporated outside India and included in these Consolidated Financial Statements.
18. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) (the "Rules").

INDEPENDENT AUDITOR'S REPORT (Contd.)

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Rules.

(g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group - Refer Note 33(a) to the consolidated financial statements;

ii. The Group was not required to recognise a provision as at March 31, 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Group did not have any derivative contracts as at March 31, 2024;

iii. During the year ended March 31, 2024, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company;

iv. (a) The Management of the Holding Company has represented to us that, to the best of their knowledge and belief, other than as disclosed in Note 42(xv)(A) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management of the Holding Company has represented to us that, to the best of their knowledge and belief, as disclosed in the Notes 42(xv)(B) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, 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;

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

INDEPENDENT AUDITOR'S REPORT (Contd.)

v. The Holding Company has not declared or paid any dividend during the year;

vi. Based on our examination, which included test checks, the Holding company which is the only company in the Group which is incorporated in India and whose financial statements have been audited under the Act, has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log is not maintained in case of modification by certain users with specific access and that the audit trail feature has not been enabled at the database level to log any direct data changes. During the course of performing our procedures, other than the aforesaid instances where the question of our commenting on the audit trail feature being tampered with does not arise, we did not notice any instance of audit trail feature being tampered with.

19. Except for managerial remuneration aggregating to ₹ 3.63 Millions, the managerial remuneration paid/ provided for by the Holding Company, is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to the Act. As stated in Note 43 to the consolidated financial statements, the Holding Company proposes to obtain the required approval of the shareholders at the ensuing annual general meeting for the remuneration aggregating to ₹ 3.63 Millions paid to the Managing Director in excess of the previously approved limits.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Amit Peswani
Partner
Membership Number: 501213
UDIN: 24501213BKFRKJ8950

Place: Kolkata
Date: May 30, 2024

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 18(g) of the Independent Auditor's Report of even date to the members of Tarsons Products Limited on the consolidated financial statements as of and for the year ended March 31, 2024

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Tarsons Products Limited (hereinafter referred to as "the Holding Company") and its subsiiaries as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to three foreign subsidiaries.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The Board of Directors of the Holding Company is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding 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 Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 consolidated 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 Holding Company's internal financial controls system with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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 control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

8. In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, 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 the ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Amit Peswani
Partner
Membership Number: 501213
UDIN: 24501213BKFRKJ8950

Place: Kolkata
Date: May 30, 2024

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2024

(All amounts in ₹ Millions, unless otherwise stated)

Particulars	Notes	As at 31st March, 2024
ASSETS		
Non-Current Assets		
Property, plant and equipment	3(a)	2,478.39
Right-of-use assets	3(b)	188.23
Capital work-in-progress	3(c)	2,670.23
Goodwill	4	325.25
Other Intangible assets	3(d)	366.03
Financial assets		
i. Other financial assets	5	47.21
Current tax assets (net)	6	42.21
Other non-current assets	7	1,251.52
Total Non-Current Assets		**7,369.07**
Current Assets		
Inventories	8	1,287.26
Financial assets		
i. Trade receivables	9	778.86
ii. Cash and cash equivalents	10	171.10
iii. Bank balances other than cash and cash equivalents	11	55.01
iv. Other financial assets	5	0.32
Other current assets	7	60.22
Total Current Assets		**2,352.77**
TOTAL ASSETS		**9,721.84**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	12	106.41
Other equity	13	6,022.21
Total Equity		**6,128.62**
Liabilities		
Non-Current Liabilities		
Financial liabilities		
i. Borrowings	14	1,020.07
ii. Lease liabilities	3(b)	97.52
iii. Other financial liabilities	16	4.90
Provisions	18	1.81
Deferred tax liabilities (net)	17	92.16
Other non-current liabilities	20	245.21
Total Non-Current Liabilities		**1,461.67**
Current Liabilities		
Financial liabilities		
i. Borrowings	14	1,547.75
ii. Lease liabilities	3(b)	24.86
iii. Trade payables	15	
(A) Total outstanding dues of micro enterprises and small enterprises		4.81
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		141.60
iv. Other financial liabilities	16	327.16
Provisions	18	24.20
Current tax liabilities (net)	19	20.74
Other current liabilities	20	40.43
Total Current Liabilities		**2,131.55**
Total Liabilities		**3,593.22**
TOTAL EQUITY AND LIABILITIES		**9,721.84**
Summary of material accounting policies	2	

The accompanying notes are an integral part of these Consolidated Financial Statements

This is the Consolidated 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

Place: Kolkata
Date: 30th May, 2024

For and on behalf of the Board of Directors

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: 30th May, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2024

(All amounts in ₹ Millions, unless otherwise stated)

Particulars	Notes	Year ended 31st March, 2024
Revenue from operations	21	2,963.94
Other income	22	114.75
Total Income		**3,078.69**
EXPENSES		
Cost of materials consumed	23	630.26
Purchases of stock-in-trade	24	162.48
Changes in inventories of finished goods, work-in-progress, stock-in-trade	25	29.35
Employee benefits expense	26	442.66
Depreciation and amortization expense	27	404.03
Other expenses	28	701.05
Finance costs	29	101.18
Total Expenses		**2,471.01**
Profit before tax		**607.68**
Income tax expense:		
Current tax	30	185.50
Deferred tax charge/(credit)	30	(4.22)
Total tax expense		**181.28**
Profit for the year (A)		**426.40**
Other comprehensive income		
Items that will be reclassified to profit or loss		
Foreign exchange translation reserve		10.53
Items that will not be reclassified to profit or loss		
- Remeasurements of post-employment benefit obligations	31	(1.78)
- Income Tax on above	30	0.45
Total other comprehensive income/(loss) for the year, net of tax (B)		**9.20**
Total comprehensive income for the year (A+B)		**435.60**
Earnings per equity share (Nominal value of ₹ 2/share)		
Basic earning per share (in ₹)	35	8.01
Diluted earning per share (in ₹)	35	8.01
Summary material accounting policies	2	

The accompanying notes are an integral part of these Consolidated Financial Statements

This is the Consolidated Statement of Profit and Loss 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

Place: Kolkata
Date: 30th May, 2024

For and on behalf of the Board of Directors

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: 30th May, 2024

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH, 2024

(All amounts in ₹ Millions, unless otherwise stated)

Particulars	Notes	Year ended 31st March, 2024
Cash flow from operating activities		
Profit before tax		607.68
Adjustments for:		
Depreciation and amortization expense	27	404.03
(Gain)/loss on sale of property, plant & equipments (net)	28	0.66
Allowance/(reversal) of expected credit loss (net)	28	3.73
Provision for slow/non moving inventories		37.77
Interest income	22	(17.80)
Finance costs	29	99.44
Interest on lease liabilities	29	1.74
Deferred government grant		(17.46)
Unrealized foreign exchange differences		5.46
Operating cash flow before working capital changes		**1,125.25**
Change [(increase)/ decrease] in operating assets		
Trade receivable		(74.13)
Inventories		75.15
Other financial assets		(0.16)
Other assets		65.93
Change [increase/ (decrease)] in operating liabilities		
Trade payable		(6.15)
Other financial liabilities		28.60
Other liabilities		(2.04)
Provisions		(1.41)
Cash generated from operations		**1,211.04**
Income taxes paid (net of refund)		(183.99)
Net cash generated from operating activities (A)		**1,027.05**
Cash flows from investing activities		
Payment for purchase of property, plant & equipments and intangible assets		(1,843.33)
Proceeds from sale of property, plant & equipments		3.33
Investment in subsidiary		(651.35)
Cash paid for settlement of loan from the erstwhile partner		(329.95)
Fixed deposits realized (original maturity more than 3 months)		4.25
Fixed deposits placed (original maturity more than 3 months)		(49.00)
Interest received		16.50
Net cash used in investing activities (B)		**(2,849.56)**
Cash flows from financing activities		
Proceeds from long term borrowings		855.27
Repayment of long term borrowings		(417.43)
Payment of lease liabilities (including interest)		(7.79)
Proceeds from working capital demand loans		1,431.98

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

Particulars	Notes	Year ended 31st March, 2024
Payment of working capital demand loans		(410.21)
Finance costs paid		(95.57)
Net cash generated from financing activities (C)		**1,356.25**
Net increase/(decrease) in Cash and cash equivalents (A + B +C)		**(466.24)**
Cash and cash equivalents at the beginning of the year [including ₹ 47.29 Millions acquired on business combination. Refer Note 41]		637.86
Exchange gain/(loss) on translation of foreign currency Cash and cash equivalent		(0.53)
Cash and cash equivalents at end of the year		**171.10**
Reconciliation of Cash and cash equivalents as per the Consolidated Statement of Cash Flows		
Cash and cash equivalents as per above comprise of the following		
Balances with banks		
In current accounts		170.31
In fixed deposit accounts (Original maturity less than 3 months)		-
Cash on hand		0.79
Balances per Consolidated Statement of Cash Flows		**171.10**

Notes:

1. Figures in brackets represent cash outflows.
2. The above Consolidated 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 (as amended).

The accompanying notes are an integral part of these Consolidated Financial Statements

This is the Consolidated Statement of Cash flow 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

Place: Kolkata
Date: 30th May, 2024

For and on behalf of the Board of Directors

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: 30th May, 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2024

(All amounts in ₹ Millions, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Notes	Numbers	Amount
Balance as at 1st April, 2023		**5,32,06,281**	**106.41**
Changes in Equity share capital during the year	12	-	-
Balance as at 31st March, 2024		**5,32,06,281**	**106.41**

B. OTHER EQUITY

Particulars	Notes	Reserves and surplus				Other Reserve	Total
		Securities premium	Retained earnings	Amalgamation Reserve	Capital Redemption Reserve	Foreign currency translation reserve	
Balance as at 1st April, 2023		**1,459.09**	**4,121.58**	**5.86**	**0.08**	**-**	**5,586.61**
Profit for the year (A)		-	426.40	-	-	-	**426.40**
Other comprehensive income for the year, net of tax (B)		-	(1.33)	-	-	10.53	**9.20**
Total comprehensive income for the year (A+B)		**-**	**425.07**	**-**	**-**	**10.53**	**435.60**
Balance as at 31st March, 2024		**1,459.09**	**4,546.65**	**5.86**	**0.08**	**10.53**	**6,022.21**
Summary material accounting policies	2						

The accompanying notes are an integral part of these Consolidated Financial Statements

This is the Consolidated Statement of Changes in Equity 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

Place: Kolkata
Date: 30th May, 2024

For and on behalf of the Board of Directors

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: 30th May, 2024

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(All amounts in Rupees Millions, unless otherwise stated)

1 (a) Group's Information

Tarsons Products Limited (the "Holding Company") and its subsidiaries (together the "Group") a Public limited company domiciled in India. The registered office of the Holding Company is situated at Martin Burn Business Park, Plot -3, BP Block, Sector V, Bidhannagar, Kolkata, West Bengal 700091 and its manufacturing facilities are located in West Bengal, India. The Holding Company has been incorporated under the provisions of Companies Act, 1956. The equity shares of the Holding Company are listed on the BSE Limited and the National Stock Exchange of India Limited. The Group is engaged in manufacturing and selling of plastic laboratory products and certain scientific instruments. The Group caters to both domestic and international markets.

The consolidated financial statements were approved and authorised for issue by the Holding Company's Board of Directors on 30th May, 2024.

1 (b) Basis of preparation

(i) Compliance with Indian Accounting Standards

These consolidated financial statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Functional and presentation currency

The functional and presentational currency of the Group is Indian Rupee ("INR" or "₹"). All amounts have been rounded-off to the nearest Millions upto two decimal places, unless otherwise indicated.

(iii) Historical cost convention

The consolidated 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) Current versus Non-current Classification

The Group presents assets and liabilities in the balance sheet based on current/non- current classification.

An asset is classified as current when it is:

a) expected to be realized or intended to be sold or consumed in the normal operating cycle,

b) held primarily for the purpose of trading,

c) expected to be realized within twelve months after the reporting period, or

d) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

a) it is expected to be settled in the normal operating cycle,

b) it is held primarily for the purpose of trading,

c) it is due to be settled within twelve months after the reporting period, or

d) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(v) Principles of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, if any, in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in consolidated statement of profit and loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to consolidated statement of profit and loss.

(vi) New and amended standards adopted by the Group

The Ministry of Corporate Affairs vide notification dated 31st March, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective 1st April, 2023:

- Disclosure of accounting policies - amendments to Ind AS 1
- Definition of accounting estimates - amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods. Further, amendment to Ind AS 1, although did not result in any changes in the accounting policy themselves, they impacted the accounting policy information disclosed in the consolidated financial statements.

1 (c) Use of estimates and judgements

The preparation of consolidated 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 and disclosures of contingent assets and liabilities at the date of these consolidated financial statements. 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 consolidated 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. Ref note 32.
- **Impairment of Trade receivable:** The loss allowances for Financial assets are based on assumptions about risk of default and expected loss rates. The Group 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).
- **Impairment of Goodwill:** Goodwill is tested for impairment at least on annual basis or more frequently when events or change in circumstances indicate that it might be impaired. The recoverable amount of the Cash Generating Unit (CGU) is determined based on value in use calculations which require the use of assumptions. The calculations use cash flow projection based on financial budgets approved by management covering a five year period. The Group uses various assumptions inter-alia growth in the revenue, earnings before Interest, tax depreciation and amortization (EBITDA), long term growth rates, discount rates to reflect the risk involved.
- **Allocation of consideration over the fair value of assets and liabilities acquired in a business combination:** Assets and liabilities acquired pursuant to business combination are stated at the fair values determined as of the date of acquisition. The carrying values of assets acquired are determined based on estimate of a valuation carried out by independent professional valuers appointed by the Group. The values have been assessed based on the technical estimates of useful lives of tangible assets and benefits expected from the use of intangible assets. Other assets and liabilities were recorded at values that were expected to be realized or settled respectively

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 Group and that are believed to be reasonable under the circumstances.

2 MATERIAL ACCOUNTING POLICIES

This note provides a list of the material accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) consolidated financial statements.These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

2.1 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 accumulated depreciation and accumulated impairment losses, if any.

(ii) 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 generally 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:

Asset	Useful Life
Building	30 to 60 Years
Plant and Machinery and mould	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 lease term, unless the entity expects to use the assets beyond lease term.

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

2.2 Intangible Assets

Computer Software

Intangible assets acquired are reported at cost less accumulated amortization and accumulated impairment losses, if any.

Computer Software for internal use, which is primarily acquired from third-party vendors is captilaized. Cost associated with maintaining software programmes are recognized as an expense as incurred. Cost of computer software includes license fees and cost of implementation/system integration services, where applicable.

Computer softwares are amortized over the useful life of 5 years on a straight line basis.

Trademark

The Trademarks acquired in business combination are initially recognized at fair value at the date of acquisition. Following initial recognition, trademarks are carried at the above recognized value less accumulated amortization and accumulated impairment losses, if any. They are amortized on a straight line basis over their estimated useful life of 10 years assessed by the management.

Customer Relationships

Customer relationship acquired in business combination are initially recognized at fair value at the date of acquisition. Following initial recognition, customer relationship are carried at the above recognized value less accumulated amortization and accumulated impairment losses, if any. They are amortized on a straight line basis over their estimated useful life of 10 years assessed by the management.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

Non-Compete Agreement

Non-Compete Agreement entered into with the erstwhile owner of the business acquired in business combination are initially recognized at fair value at the date of acquisition. Following initial recognition, Non-Compete Agreement are carried at the above recognized value less accumulated amortization and accumulated impairment losses, if any. They are amortized on a straight line basis over their estimated useful life of 3 years assessed by the management.

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the fair value of net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses, if any. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units. Where the fair value of the identifiable assets and liabilities exceed the cost of acquisition, after re-assessing the fair values of the net assets and contingent liabilities, the excess is recognized as capital reserve on consolidation.

A cash generating unit to which goodwill has been allocated is tested for impairment annually or earlier, when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cashgenerating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

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.

2.3 Revenue Recognition

Revenue from sale of products is recognized at the point in time when control of the goods is transferred to the customer,being when the products are delivered to the customer, the customer has the 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 rather the customer accepted the products on accordance with the sales contract, the acceptance provision have lapsed or the Group has objective evidence that all criteria for acceptance have been satisfied.

The Group recognizes revenue from the sale of prdocuts measured at the transaction price allocated to the performance onligation 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 Group 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 Group performs under the contract.

c. The Group 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 Group does not adjust any of the transaction prices for the time value of money since the Group does not have any significant financing element included in the sales made.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

2.4 Financial assets

(i) Classification

The Group 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 Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only 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 Group commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, the Group measures a financial asset 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.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group 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 finance 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 Group subsequently measures all equity investments at fair value. Where the Group'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 Group'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 Group 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 Group 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 Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(v) Impairment of Financial assets

The Group 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 Group 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 Group recognizes loss allowances using the expected credit loss (ECL) model for the Financial assets which are measured at amortized cost. The Group 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.

2.5 Inventories

The cost of indivisual items of inventory is determined using the First-in-First out (FIFO) method. Volume rebates or discounts are taken into account when estimating the cost of inventory if it is probable that they have been earned and will take effect.

2.6 Leases

Group as a lessee

The Group's lease asset classes primarily comprise of lease for land and building. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

(i) Right-of-use assets (ROU)

The Group classifies ROU assets separate from the Property plant and equipment in Balance Sheet and lease liability in "Financial Liability".

(ii) Lease Liabilities

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its shortterm leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

2.7 Borrowings and Other financial liabilities

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 captilaized 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 Group 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 material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payble on demand on the reporting date, the enity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statemets for issue, not to demand payment as a consequence of the breach.

2.8 Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired.

The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the noncontrolling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

The excess of the:

- consideration transferred
- amount of any non-controlling interest in the acquired entity
- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognized directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognized in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in consolidated statement of profit and loss or other comprehensive income, as appropriate.

2.9 Other Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) consolidated financial statements.These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

(a) Property, plant and equipment

(i) Recognition and measurement

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 Group 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.

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 Group has elected to continue with the carrying value of all of its Property, plant and equipment recognized as at 1st April, 2019 measured as per the previous GAAP and use that carrying value as the deemed cost of the Property, plant and equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

(b) Capital Work in Progress

(i) Recognition and measurement

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.

(c) Intangible Assets and Intangible Assets under development

(i) Recognition and measurement

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group 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
- 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.

Capitalised 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 Group has elected to continue with the carrying value of all intangible assets measured at per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(d) 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 group of assets (cash-generating units). Non Financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(e) Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are captilaized 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 captilaization.

Other borrowing costs are expensed in the period in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

(f) Leases

Group 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 Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group 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 Group, 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.

To determine the incremental borrowing rate, the Group:

- 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 Group 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 Group 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. Low-value assets comprise IT equipment and small items of office furniture.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

(g) 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 Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for 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 Group 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 Group.

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 INR 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 bnenefit. The Group measures the expected cost of such absence as the additonal amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

(h) 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ 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 Group 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. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination 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 liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interests in joint ventures, where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilized

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.

(i) Provisions and Contingencies

(i) **Provisions**

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)
(All amounts in ₹ Millions, unless otherwise stated)

(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 Group 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.

(j) 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).

(k) 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 Group or the counterparty.

(l) Inventories

Inventories are measured at the lower of cost or 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. The cost comprises cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work in progress, 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)
(All amounts in ₹ Millions, unless otherwise stated)

(m) Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of primary economic environment in which the entiry operates ('the functional currency'). The financial statement are presented in Indian rupee (₹), which is Holding Company'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 gain 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. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

(iii) Foreign Operations

The result and financial position of foreign operations (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) Assets and liabilities are translated at the closing rate at the date of that balance sheet

(b) Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

(c) All resulting exchange differences are recognized in Other Comprehensive Income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, are recognized in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate in effect at the balance sheet date.

(n) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Group 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.

(o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

(p) 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 financial institutions, 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.

(q) Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year and excluding treasury share

(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

(r) 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 Holding 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 Holding Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. Refer note 37 for details on segment information presented.

(s) 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 Group 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

3(A) PROPERTY, PLANT AND EQUIPMENT

Description	Gross Carrying amount						Accumulated depreciation					Net Carrying amount
	As at 1st April, 2023 (At cost/ deemed cost) (A)	Additions relating to acquisition (B) Refer Note (vii)	Additions (C)	Disposals (D)	Exchange Difference due to consolidation (E)	As at 31st March, 2024 (At cost/ deemed cost) (F=A+B+C-D+E)	As at 1st April, 2023 (G)	For the Year (H)	On Disposals (I)	Exchange Difference due to consolidation (J)	As at 31st March, 2024 (K=G+H-I+J)	As at 31st March, 2024 (L=F-K)
Freehold Land [Refer Note 3(a)(iv)]	471.17	-	27.33	-	-	498.50	-	-	-	(0.00)^	-	498.50
Buildings	199.92	6.76	2.29	-	(0.12)	208.85	66.44	12.64	-	(0.00)^	79.08	129.77
Plant and Equipment	1,227.49	7.97	284.46	-	(0.11)	1,519.81	396.46	191.42	-	-	587.88	931.93
Moulds	1,129.18	-	328.69	-	-	1,457.87	423.18	164.38	-	(0.00)^	587.56	870.31
Furniture & Fixtures	29.69	1.35	4.05	-	(0.03)	35.06	12.05	5.07	-	(0.00)^	17.12	17.94
Office Equipments	6.51	3.69	2.84	-	(0.07)	12.97	2.73	2.65	-	-	5.38	7.59
Computer	7.64	-	1.11	(0.08)	-	8.67	5.48	1.42	(0.07)	(0.00)^	6.83	1.84
Vehicles	16.08	10.15	7.63	(5.32)	(0.17)	28.37	4.19	4.99	(1.32)	-	7.86	20.51
Total	**3,087.68**	**29.92**	**658.40**	**(5.40)**	**(0.50)**	**3,770.10**	**910.53**	**382.57**	**(1.39)**	**(0.00)^**	**1,291.71**	**2,478.39**

^Below the rounding off norm adopted by the Company

Notes

(i) Refer to Note 14 for information on Property, plant and equipment hypothecated as security by the Holding Company.

(ii) Aggregate amount of depreciation has been included under "Depreciation and amortisation expense" in the Consolidated Statement of Profit and Loss (Refer Note 27).

(iii) Refer Note 33 for disclosure of contractual commitments for the acquisition of Property, plant and equipments.

(iv) In respect of the Holding 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.

(v) No proceedings have been initiated on or are pending against the Holding 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.

(vi) In respect of additions relating to acquistion, Refer Note 41-Business Combination.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

3(B) LEASES

The Group as a Lessee

The Group has a lease contracts for certain land and buildings having lease term between 5 to 99 years. Generally, the Group 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 Group has also certain leases of buildings with lease term of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

The following is the movement of ROU assets for the year 31st March, 2024:

Description	Gross Carrying amount						Accumulated depreciation					Carrying amount (net)
	As at 1st April, 2023 (At cost) (A)	Additions relating to acquisition (B)	Additions (C)	Disposals (D)	Exchange Difference due to consolidation (E)	As at 31st March, 2024 (At cost) (F=A+B+C-D+E)	As at 1st April, 2023 (G)	For the Year (H)	On Disposals (I)	Exchange Difference due to consolidation (J)	As at 31st March, 2024 (K=G+H-I+J)	As at 31st March, 2024 (L=F-K)
Land	4.36	-	-	-		4.36	0.21	0.04	-	-	0.25	4.11
Building	64.52	131.97	-	-	(2.37)	194.12	2.45	7.61	-	(0.06)	10.00	184.12
Total	**68.88**	**131.97**	**-**	**-**	**(2.37)**	**198.48**	**2.66**	**7.65**	**-**	**(0.06)**	**10.25**	**188.23**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ 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, 2024
Non-Current	97.52
Current	24.86
	122.38

The following is the movement of lease liabilities:

Particulars	For the year ended 31st March, 2024
Balance at the beginning of the year	0.51
Additions due to acquisition	130.14
Finance cost accrued during the year	1.74
Payments of Lease liabilities	(7.79)
Exchange Difference due to consolidation	(2.22)
Balance at the end of the year	**122.38**

Amount recognized in Consolidated statement of profit and loss

Particulars	For the year ended 31st March, 2024
(i) Depreciation expense of Right-of -use of Assets (Note 27)	7.65
(ii) Interest expense on lease liabilities (Note 29)	1.74
(iii) Expense relating to short term leases/ low value leases (Note 28)	**7.96**

Notes

(i) The Group does not have any lease of low value assets.

(ii) Extensions and termination options are included in major lease contracts of Group. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations.In case of building, Holding Company has extension right 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 Group 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 Group 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) In respect of additions relating to acquistion, Refer Note 41-Business Combination.

(vI) The Group had a total cash outflow of ₹ 7.79 Millions for leases for the year ended 31st March, 2024

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

3(C) CAPITAL WORK-IN-PROGRESS

Particulars	Year ended 31st March, 2024
Opening balance	1,189.67
Add: Addition during the year	1,654.01
Less: Capitalised during the year	(173.45)
Closing Balance	**2,670.23**

(i) Capital work in progress ageing schedule as at 31st March, 2024

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	1,654.02	795.73	220.48	-	**2,670.23**

(ii) Completion Schedule for Capital work in progress whose completion is overdue compared to its original plan

As at 31st March, 2024	Amount in Capital work in progress to be capitalised in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Panchala Civil Project	558.24	-	-	-	**558.24**
Panchala Pippette Tips Project	137.97	-	-	-	**137.97**

(iii) There are no Capital work in progress which has exceeded its cost compared to its original plan

(iv) There are no projects which are temporarily suspended as at 31st March, 2024 and 31st March, 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

3(D) OTHER INTANGIBLE ASSETS

Description	Gross Carrying amount						Accumulated amortization					Net Carrying amount
	As at 1st April, 2023 (At cost) (A)	Additions relating to acquisition (B) Refer Note (ii)	Additions (C)	Disposals (D)	Exchange Difference due to consolidation (E)	As at 31st March, 2024 (At cost) (F=A+B+C-D+E)	As at 1st April, 2023 (G)	For the Year (H)	On Disposals (I)	Exchange Difference due to consolidation (J)	As at 31st March, 2024 (K=G+H-I+J)	As at 31st March, 2024 (L=F-K)
Computer Software	8.01	57.98	-	-	(1.04)	64.95	2.89	4.63	-	(0.02)	7.50	57.45
Customer Relationships	-	101.94	-	-	-	101.94	-	2.55	-	-	2.55	99.39
Trademark	-	194.70	-	-	-	194.70	-	4.87	-	-	4.87	189.83
Non-Compete Agreement	-	21.12	-	-	-	21.12	-	1.76	-	-	1.76	19.36
Total	**8.01**	**375.74**	**-**	**-**	**(1.04)**	**382.71**	**2.89**	**13.81**	**-**	**(0.02)**	**16.68**	**366.03**

Notes

(i) Aggregate amount of amortization has been included under "Depreciation and Amortization expense" in the Consolidated Statement of Profit and Loss (Refer Note 27).

(ii) In respect of additions relating to acquistion, Refer Note 41-Business Combination.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)
(All amounts in ₹ Millions, unless otherwise stated)

4 GOODWILL

Particulars	As at 31st March, 2024
Goodwill	325.25
Total	

Movement in balances

Particulars	As at 31st March, 2024
Cost at the beginning of the year	-
Additions relating to acquisition (Refer Note 41)	325.25
Add/ less: Exchange Difference due to consolidation	-
Cost at the end of the year	**325.25**
Net book value at the end of the year	**325.25**

Note:

(i) The carrying amount of goodwill predominantly relates to the goodwill that arose on acquisition of Nerbe R&D GmbH & Nerbe Plus GmbH & Co. Further the amount of goodwill includes assembled workforce acquired on account of acqusition amounting to Rs 46.47 Millions.

5 OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2024
Non-Current	
Security deposits	46.49
Long term deposits with banks (with maturity of more than 12 months)	0.72
Total	**47.21**

Particulars	As at 31st March, 2024
Current	
Loan to employees	0.28
Loan to others	0.04
Total	**0.32**

Note:

(i) 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 severely 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 Group.

(ii) The Holding Company has granted unsecured loans to 2 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:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)
(All amounts in ₹ Millions, unless otherwise stated)

5 OTHER FINANCIAL ASSETS (CONTD.)

Particulars	Amount
Aggregate amount granted/ provided during the year	
- Others (Employees)	0.12
Balance outstanding as a balance sheet date in respect of the above case	
- Others (Employees)	0.05

6 CURRENT TAX ASSETS (NET)

Particulars	As at 31st March, 2024
Advance tax (Net of Provision for Income-tax)	42.21
Total	**42.21**

7 OTHER ASSETS

Particulars	As at 31st March, 2024
Non-current	
Capital advances	1,251.52
Total	**1,251.52**

Particulars	As at 31st March, 2024
Current	
Advance to suppliers for goods and services	44.77
Prepaid expenses	9.29
Export benefit receivable	6.16
Advance with public bodies (Goods and service tax, excise duty etc.)	0.67
	60.89
Less: Provision for doubtful advances with public bodies	(0.67)
Total	**60.22**

8 INVENTORIES

Particulars	As at 31st March, 2024
Raw materials	330.64
Work-in-progress	124.48
Finished goods	413.22
Stock in trade	305.99
Packing materials	80.44
Consumable stores and spares	31.39
Scrap	1.10
Total	**1,287.26**

(i) Refer Note 14 for information on inventories hypothecated as security by the Company.

(ii) There are no goods in transit as at 31st March, 2024

(iii) The Holding Company has made a provision of ₹ 37.77 Millions (₹ 22.51 Millions for Finished goods and ₹ 15.26 Millions for Raw materials) towards slow moving, non-moving inventories as at 31st March, 2024.The same has been recognized as an expense in the Consolidated Statement of Profit & Loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

9 TRADE RECEIVABLES

Particulars	As at 31st March, 2024
Current	
Unsecured, considered good	
Trade receivables from contract with customers	783.23
Less: Allowance for expected credit losses	(4.37)
Total	**778.86**

Break up of security details

Particulars	As at 31st March, 2024
Trade receivables considered good - Secured	-
Trade receivables considered good - Unsecured	783.23
Trade receivables which have significant increase in Credit Risk	-
Trade receivables - Credit Impaired	-
Total	**783.23**
Less: Allowance for expected credit losses	(4.37)
Total	**778.86**

Notes:

(i) The Group 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.

(ii) Movement in the expected credit loss allowance

Particulars	As at 31st March, 2024
Balance at the beginning of the year	-
Provided	3.73
Movement due to acquisition	0.64
Add/ less: Exchange Difference due to consolidation	0.00^
Provision at the end of the year	**4.37**

^Below the rounding off norm adopted by the Company

(iii) Expected credit loss for Trade receivables under simplified approach

Outstanding for following periods from the due date	As at 31st March, 2024		
	Gross	Expected Credit loss	Net credit risk
Unbilled	-	-	-
Not due	649.05	-	649.05
Less than 6 months	129.57	(2.45)	127.12
6 months to 1 year	0.12	(0.07)	0.05
1-2 years	1.98	(1.08)	0.90
2-3 years	2.51	(0.77)	1.74
more than 3 years	-	-	-
Total	**783.23**	**(4.37)**	**778.86**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

9 TRADE RECEIVABLES (CONTD.)

(iv) Trade receivables ageing schedule as at 31st March, 2024

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	-	649.05	129.57	0.12	1.34	2.51	-	**782.59**
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	0.64	-	-	**0.64**
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-

Notes:

(v) There are no outstanding receivables due from directors or other officers of the Holding 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.

(vi) Refer Note 32 for information about credit risk and market risk on receivables.

(vii) Refer Note 14 for information on Trade receivable hypothecated as security by the Company

(viii) There are no customers contributing more than 10% of the total outstanding receivables as at 31st March, 2024.

10 CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2024
Balances with banks	
- in current accounts	170.30
- in term deposit accounts with original maturity period not more than three months	-
Cash on hand	0.80
Total	**171.10**

11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2024
Balances with banks	
- Balances in term deposit account with original maturity period of more than three months and not more than twelve months	55.01
Total	**55.01**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

12 EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2024
Authorised equity share capital	
1,00,000,000 class A and class B equity shares of ` 2 each [Refer Note (g) below]	200.00
	200.00

(a) Reconciliation of authorised equity share capital at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2024	
	Number	Amount
Equity shares		
At the commencement of the year (Class A and B equity shares)	10,00,00,000	200.00
Change during the year	-	-
At the end of the year (Class A and B equity shares)	**10,00,00,000**	**200.00**

Particulars	As at 31st March, 2024
Issued, subscribed and paid-up equity share capital	
53,206,281 equity shares of ₹ 2 each [Refer Note (g) below]	106.41
Total [A]	**106.41**

(b) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2024	
	Number	Amount
Equity shares		
At the commencement of the year (Class A and B equity shares)	5,32,06,281	106.41
Change during the year	-	-
At the end of the year (Class A and B equity shares)	**5,32,06,281**	**106.41**

(c) Rights, Preferences and Restrictions

Equity Shares

The Company has two class of equity shares having a par value of ₹ 2 per share. Class A Shareholder are 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 2,200,000 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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

12 EQUITY SHARE CAPITAL (CONTD.)

(d) Particulars of shareholders holding more than 5% shares of Equity Shares of the Holding Company

Name of the shareholder	As at 31st March, 2024	
	Number of shares held	% holding
Sanjive Sehgal	1,43,54,248	26.98
Rohan Sehgal	1,08,00,347	20.30
Clear Vision Investment Holdings Pte Limited	1,24,60,615	23.42

(e) Particulars of Promoters shareholding

Shareholding of promoters as on 31st March, 2024

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	-
Total	**2,51,54,595**	**47.28**	

(f) A bonus issue was made to the equity shareholders of the Holding 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 Holding Company has issued 49,979,280 Class A bonus equity shares of ₹ 2 each.

(g) The equity shares of the Holding 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.

(h) The Holding Company has bought back 8,013 Class B equity shares having face value of ₹ 10 each during the year ended 31st March, 2021.

(i) No equity shares were allotted as fully paid up pursuant to contract without payment being received in cash during the last five years.

13 OTHER EQUITY

Particulars		As at 31st March, 2024
Reserve and surplus		
Securities premium	(i)	1,459.09
Amalgamation Reserve	(ii)	5.86
Capital Redemption Reserve	(iii)	0.08
Retained earnings	(iv)	4,546.65
Other reserves		
Foreign currency translation reserve	(v)	10.53
Total other equity		**6,022.21**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

13 OTHER EQUITY (CONTD.)

(i) Securities premium

Particulars	As at 31st March, 2024
Opening balance	1,459.09
Changes during the year	-
Closing balance	**1,459.09**

(ii) Amalgamation Reserve

Particulars	As at 31st March, 2024
Opening balance	5.86
Changes during the year	-
Closing balance	**5.86**

(iii) Capital Redemption Reserve

Particulars	As at 31st March, 2024
Opening balance	0.08
Changes during the year	-
Closing balance	**0.08**

(iv) Retained earnings

Particulars	As at 31st March, 2024
Opening balance	4,121.58
Add: Profit during the year	426.40
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)	(1.33)
Closing balance	**4,546.65**

(v) Foreign currency transalation reserve

Particulars	As at 31st March, 2024
Opening balance	-
Adjustment for translation of non integral foreign operation	10.53
Closing balance	**10.53**
Total other equity	**6,022.21**

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

13 OTHER EQUITY (CONTD.)

(ii) Amalgamation Reserve:

Amalgamation reserve has been recorded by the Holding 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 Holding Company (Transferee Company) with effect from 1st April, 2012.

(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 Holding Company, in paying up unissued shares of the Holding 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 Group 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 Consolidated Statement of Profit and Loss to retained earnings. Other comprehensive income comprises actuarial gains and losses on defined benefit obligation and foreign currency transalation reserve.

v) Foreign currency translation reserve

Exchange differences arising on translation of assets, liabilities, income and expenses of the Group's foreign subsidiaries, are recognized in other comprehensive income and accumulated separately in foreign currency translation reserve. The amounts recognized are transferred to the consolidated statement of profit and loss on disposal of the related foreign subsidiaries.

14 BORROWINGS

Particulars	As at 31st March, 2024
Non-Current	
Secured	
Term Loans	
From Banks	
(i) Rupee Loan [Refer Note (b) below]	1,545.62
Less: Current Maturities of Long Term Borrowing (included in current borrowings)	(524.35)
	1,021.27
(ii) Foreign currency loan [Refer Note (b) below]	1.61
Less: Current Maturities of Long Term Borrowing (included in current borrowings)	(1.61)
	-
Total	**1,021.27**
Less: Interest accrued	(1.20)
Total	**1,020.07**

Particulars	As at 31st March, 2024
Current	
Secured	
(i) Current Maturities of Long Term Borrowing	525.96
Loans Repayable on demand	
(ii) Cash Credit/WCDL/EPC Loan [Refer Note (c) below]	1,024.40
Total	**1,550.36**
Less: Interest accrued	(2.61)
Total	**1,547.75**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

14 BORROWINGS (CONTD.)

(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, 2024
Cash and cash equivalents	171.10
Current borrowings	(1,547.75)
Non-current borrowings	(1,020.07)
Lease liabilities	(122.38)
Net Cash and Cash Equivalent/ (debt)	**(2,519.10)**

Particulars	Other assets	Liabilities from financing activities		Net
	Cash and cash equivalents	Non-current and Current borrowings	Lease liabilities	
	A	B		(A-B)
Net (Debt)/Cash and Cash Equivalent as at 31st March, 2023	637.86	(1,106.41)	(0.51)	(469.06)
Cash flows	(466.24)	(1,459.61)	7.79	(1,918.05)
Addition related to acquistion (Refer note 41)	-	-	(130.14)	(130.14)
Finance cost*	-	(97.37)	(1.74)	(99.11)
Interest paid	-	95.57	-	95.57
Exchange Difference due to consolidation	(0.53)	-	2.22	1.69
Net (Debt)/Cash and Cash Equivalent as at 31st March, 2024	**171.10**	**(2,567.82)**	**(122.38)**	**(2,519.10)**

*excluding interest accrued amouting to ₹ 3.71 Millions

(b) Repayment schedule of borrowings and assets pledged as security as at 31st March, 2024

Name of Bank/ Financial Institution	Loan Amount	Repayment Schedule	No of Installments	Interest Rate	Installment Amount	Security
Axis Bank -Term Loan	₹ 103 Millions	Quarterly	Total - 14 (Outstanding - 4)	Repo+220 bps	(i) Equal amount of principal installments - ₹ 27.50 Millions , (ii) Last amount of principal installment ₹ 20.50 Millions	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 Holding 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

14 BORROWINGS (CONTD.)

Name of Bank/ Financial Institution	Loan Amount	Repayment Schedule	No of Installments	Interest Rate	Installment Amount	Security
Axis Bank -Term Loan	₹ 17.6 Millions	Quarterly	Total - 1 (Outstanding - 1)	Repo+200 bps	(ii) Single amount of principal installment ₹ 17.6 Millions	
HDFC Bank - Term loan	₹ 1.84 Millions	Quarterly	Total - 8 (Outstanding - 1)	T Bills+190 bps	Equal amount of principal installments - ₹ 1.84 Millions	
HDFC Bank - Term loan	₹ 96.89 Millions	Quarterly	Total - 12 (Outstanding - 11)	T Bills+190 bps	Equal amount of principal installments - ₹ 8.81 Millions	
HDFC Bank - Term loan	₹ 28 Millions	Quarterly	Total - 4 (Outstanding - 1)	T Bills+190 bps	" Equal amount of principal installments - ₹ 28 Millions "	
HDFC Bank - Term loan	₹ 36.53 Millions	Quarterly	Total - 16 (Outstanding - 16)	T Bills+190 bps	Equal amount of principal installments - ₹ 2.28 Millions	
Federal Bank - Term loan	₹ 266.67 Millions	Quarterly	Total - 18 (Outstanding - 16)	Repo+Spread 1.65%	(i) Equal amount of principal installments - ₹ 16.67 Millions	
Federal Bank - Term loan	₹ 210.65 Millions	Quarterly	Total - 8 (Outstanding - 8)	Repo +Spread 1.65%	(i) Equal amount of principal installments - ₹ 27.70 Millions , (ii) Last amount of principal installment ₹ 16.75 Millions	Exclusive Charge on movable fixed assets purchased/financed from proceeds of Loan
ICICI Bank - Term loan (Tranche -1)	₹ 98.48 Millions	Monthly	Total - 66 (Outstanding 50)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 1.97 Millions	
ICICI Bank - Term loan (Tranche -2)	₹ 29.55 Millions	Monthly	Total - 66 (Outstanding 50)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.59 Millions	
ICICI Bank - Term loan (Tranche -3)	₹ 90.72 Millions	Monthly	Total - 66 (Outstanding 51)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 1.78 Millions	
ICICI Bank - Term loan (Tranche -4)	₹ 36.24 Millions	Monthly	Total - 66 (Outstanding 51)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.71 Millions	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 -5)	₹ 67.22 Millions	Monthly	Total - 66 (Outstanding 51)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 1.32 Millions	
ICICI Bank - Term loan (Tranche -6)	₹ 23.95 Millions	Monthly	Total - 66 (Outstanding 51)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.47 Millions	
ICICI Bank - Term loan (Tranche -7)	₹ 50.34 Millions	Monthly	Total - 66 (Outstanding 52)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.97 Millions	
ICICI Bank - Term loan (Tranche -8)	₹ 13.95 Millions	Monthly	Total - 66 (Outstanding 52)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.27 Millions	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)
(All amounts in ₹ Millions, unless otherwise stated)

14 BORROWINGS (CONTD.)

Name of Bank/ Financial Institution	Loan Amount	Repayment Schedule	No of Installments	Interest Rate	Installment Amount	Security
ICICI Bank - Term loan (Tranche -9)	₹ 45.53 Millions	Monthly	Total - 66 (Outstanding 53)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.86 Millions	
ICICI Bank - Term loan (Tranche -10)	₹ 9.18 Millions	Monthly	Total - 66 (Outstanding 54)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.17 Millions	
ICICI Bank - Term loan (Tranche -11)	₹ 82.62 Millions	Monthly	Total - 66 (Outstanding 54)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 1.53 Millions	
ICICI Bank - Term loan (Tranche -12)	₹ 145.62 Millions	Monthly	Total - 66 (Outstanding 51)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 2.85 Millions	
ICICI Bank - Term loan (Tranche -13)	₹ 69.23 Millions	Monthly	Total - 66 (Outstanding 64)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 1.08 Millions	
ICICI Bank - Term loan (Tranche -14)	₹ 19.98 Millions	Monthly	Total - 66 (Outstanding 64)	I-MCLR-3M + "Spread"	Equal amount of principal installments - ₹ 0.3 Millions	
HDFC Bank -Car Loan	₹ 1.94 Millions	Monthly	Total - 60 (Outstanding 18)	7.50%	Equated Monthly Installments (EMI) - ₹ 0.11 Millions	Secured against hypothecation of vehicles purchased/ financed from proceeds of loan.

(c) Repayment schedule of current borrowings and assets pledged as security as at 31st March, 2024 and 31st March, 2023

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:

(i) Entire current assets and movable fixed assets of the Holding 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.

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:

(i) Entire current assets of the Company both present and future, except exclusively finance by other Banks.

15 TRADE PAYABLES

Particulars	As at 31st March, 2024
Current	
Total outstanding dues of micro enterprises and small enterprises [Refer Note (i) below]	4.81
Total outstanding dues of creditors other than micro enterprises and small enterprises	141.60
Total Trade payables	**146.41**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)
(All amounts in ₹ Millions, unless otherwise stated)

15 TRADE PAYABLES (CONTD.)

(i) Dues to Micro, Small and Medium Enterprises

	Particulars	As at 31st March, 2024
i)	The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	4.81
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, 2024

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	-	4.81	-	-	-	-	4.81
(ii) Undisputed dues Others	19.09	79.88	41.46	0.82	0.35	-	141.60
(iii) Disputed dues - Micro, Small and Medium Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**19.09**	**84.69**	**41.46**	**0.82**	**0.35**	**-**	**146.41**

Notes:

(i) There are no trade payables to related parties as at 31st March, 2024

(ii) Refer Note 32 for information about liquidity risk on Trade payables.

16 OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2024
Non-Current	
Security deposit	1.53
Retention money	3.37
Total	**4.90**

Particulars	As at 31st March, 2024
Current	
Capital creditors	243.28
Interest accrued on borrowings	3.81
Payable to employees	65.77
Security deposit	8.05
Other Payables	6.25
Total	**327.16**
Total Other financial liabilities	**332.06**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

17 DEFERRED TAX LIABILITIES

The balances comprises temporary differences attributable to:

Particulars	As at 31st March, 2024
Deferred tax liabilities	
Property plant & Equipment	59.27
Right of use asset	2.06
Intangible assets	0.05
Borrowings	0.33
Identified Intangible assets on acquisition	41.04
Total deferred tax liabilities (A)	**102.75**
Deferred tax assets	
Lease liabilities	0.14
Trade receivables	0.94
Provision for Stock	9.51
Total deferred tax assets (B)	**10.59**
Net deferred tax liabilities (A-B)	**92.16**

Movement of deferred tax assets / liabilities presented in the balance sheet for each of the period presented

For the year ended 31st March, 2024	As at 1st April, 2023	Additions relating to acquisition	Exchange Difference due to consolidation	Recognized in profit or loss	Recognized in Other Comprehensive Income	As at 31st March, 2024
Deferred tax liability on:						
Property plant & Equipment	53.20	-	-	6.07	-	59.27
Right of use asset	1.63	-	-	0.43	-	2.06
Intangible assets	0.15	-	-	(0.10)	-	0.05
Borrowing	0.37	-	-	(0.04)	-	0.33
Identified intangible assets upon acquisition (Refer note 41)	-	42.26	0.01	(1.23)	-	41.04
Gross deferred tax liabilities (A)	**55.35**	**42.26**	**0.01**	**5.13**	**-**	**102.75**
Deferred tax assets on:						
Lease liabilities	0.13	-	-	0.00^	-	0.14
Trade receivables	1.10	-	-	(0.16)	-	0.94
Provision for slow/non moving Inventories	-	-	-	9.51	-	9.51
Gross deferred tax assets (B)	**1.23**	**-**	**-**	**9.35**	**-**	**10.59**
Net deferred tax liabilities/ (assets) (A-B)	**54.12**	**42.26**	**0.01**	**(4.22)**	**-**	**92.16**

^Below the rounding off norm adopted by the Company

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

18 PROVISIONS

Particulars	As at 31st March, 2024
Non-current	
Provision for warranty	1.81
Total	**1.81**

Particulars	As at 31st March, 2024
Current	
Provision for employee benefits	
Gratuity (Refer Note 31)	11.86
Provisions for compensated absences	9.14
Provision for warranty	3.20
Total	**24.20**
Total Provisions	**26.01**

19 CURRENT TAX LIABILITIES (NET)

Particulars	As at 31st March, 2024
Current	
Provision for Income Tax [Net of Tax Deducted At Source and Advance Tax ₹ 163.05 Millions]	20.74
Total	**20.74**

Current tax liabilities/(Current tax assets)

Particulars	As at 31st March, 2024
Opening Balance	(2.68)
Add: Current tax payable for the year	185.05
Add: Addition on acquisition (Refer Note 41)	(20.21)
Add: Exchange Difference due to consolidation	0.36
Less: Taxes Paid	(183.99)
Closing Balance	**(21.47)**

20 OTHER LIABILITIES

Particulars	As at 31st March, 2024
Non-current	
Deferred government grant	245.21
Total	**245.21**

Particulars	As at 31st March, 2024
Current	
Statutory dues including provident fund and tax deducted at source	16.73
Advances from customers (Contract liabilities)	8.18
Deferred government grant	15.52
Total	**40.43**
Total Other liabilities	**285.64**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

20 OTHER LIABILITIES (CONTD.)

Movement of Government grants	As at 31st March, 2024
(Assets)/liabilities at the beginning of the year (net)	78.78
Add: Grants during the year	211.55
Less: Realized to profit and loss	(35.76)
(Assets)/liabilities at the end of the year (net)	**254.57**

Particulars	As at 31st March, 2024
Deferred Government Grant - Current	15.52
Deferred Government Grant - Non Current	245.21
Export Benefit Receivable - Current (Refer Note 7)	(6.16)
Total	**254.57**

21 REVENUE FROM OPERATIONS

Particulars	Year ended 31st March, 2024
Revenue from contract with customer	
Sale of products	2,947.44
Other Operating Revenues:	
Sale of scrap	16.50
Total	**2,963.94**

Notes:

(i) Particulars of sale of products

Particulars	Year ended 31st March, 2024
Manufactured goods	
- Plastic products	2,468.40
- Instruments & equipments	96.08
	2,564.48
Traded goods	
- Plastic products	382.96
	382.96
Total	**2,947.44**

(ii) Refer Note 37 for disaggregation of revenue by geographical region.

(iii) Reconciliation of revenue recognized with contract price:

Particulars	Year ended 31st March, 2024
Contracted price	2,955.21
Adjustments:	
Refund liabilities and discounts	7.77
Revenue from contracts with customers	**2,947.44**

(iv) The contract liabilities relates to advance received from customer of ₹ 15.45 Millions are recognized as revenue during the year.

(v) Entire revenue from operation is recognized at a point in time.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

22 OTHER INCOME

Particulars	Year ended 31st March, 2024
Foreign exchange fluctuation (Net)	56.44
Interest income on financial assets measured at amortized cost	17.80
Gain/(Loss) on sale of Property, plant & equipments	0.00^
Government grants [Refer Note (i) below]	35.76
Miscellaneous income	1.56
Liability Written Back	0.54
Insurance Claim	2.65
Total	**114.75**

^Below the rounding off norm adopted by the Company

Note

(i) Government grants are related to investments of the Holding Company in Property, plant and equipment. The Holding 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. Under such scheme, the Holding Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Holding Company would be required to pay the duty saved along with interest to the regulatory authorities. The Holding Company also benefits from incentive received from the Government on export of goods such as duty drawbacks and other export benefit entitlements.

23 COST OF MATERIALS CONSUMED

Particulars	Year ended 31st March, 2024
Plastic Granules & Components	
Inventories at the beginning of the year	428.87
Add: Purchases during the year	547.29
Less: Inventories at the end of the year	(345.90)
Total	**630.26**

Note:

(i) Refer Note 8(iii) for the provision made towards slow moving, non-moving inventories.

24 PURCHASES OF STOCK-IN-TRADE

Particulars	Year ended 31st March, 2024
Plastic products, instruments and equipments	162.48
Total	**162.48**

25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, STOCK-IN-TRADE AND SCRAP

Particulars	Year ended 31st March, 2024
Opening Balance	
Finished Goods	422.27
Work-in-progress	134.75
Stock in Trade	81.13

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, STOCK-IN-TRADE AND SCRAP (CONTD.)

Particulars	Year ended 31st March, 2024
Stock in trade - Addition relating to acquisition * (Refer note 41)	238.08
Scrap	2.06
Total (A)	**878.29**
Closing Balance	
Finished goods	435.74
Work-in-progress	124.48
Stock in Trade	287.62
Scrap	1.10
Total (B)	**848.94**
Changes in inventories of finished goods, work-in-progress, stock-in-trade (A-B)	**29.35**

*excluding the impact of fair valuation on the date of acquistion amounting to 22.38 Millions. The corresponding impact has been captured in Goodwill on the date of acquistion.

Note:

(i) Refer Note 8(iii) for the provision made towards slow moving, non-moving inventories.

26 EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended 31st March, 2024
Salaries, wages and bonus	400.19
Contribution to provident and other funds	38.27
Staff welfare expenses	4.20
Total	**442.66**

27 DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	Year ended 31st March, 2024
Depreciation on Property, plant and equipment [Refer Note 3(a)]	382.57
Amortization of Intangible assets [Refer Note 3(d)]	13.81
Depreciation on Right-of-use assets [Refer Note 3(b)]	7.65
Total	**404.03**

28 OTHER EXPENSES

Particulars	Year ended 31st March, 2024
Bank charges	0.32
Consumption of packing materials	111.87
Consumption of consumable stores and spares	8.97
Assembly and sterilisation charges	38.72
Power and fuel	108.76

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

28 OTHER EXPENSES (CONTD.)

Particulars	Year ended 31st March, 2024
Freight & forwarding	59.85
Sales promotion expenses	38.13
Payment to Auditor's [Refer Note 28(a)]	7.19
Insurance	16.29
Rent	7.96
Rates and taxes	4.82
Repairs to	
Plant & machinery	30.04
Moulds	4.00
Buildings	7.38
Others	3.89
Travelling and conveyance	29.32
Donation	0.01
Professional fees	100.79
Expenditure towards CSR activities	22.39
Allowance/(Reversal) for expected credit loss (net)	3.73
Provision for slow/non moving Inventories	37.77
(Gain)/Loss on sale of Property, plant & equipments	0.66
Miscellaneous expenses	58.19
Total	**701.05**

28 (a) Details of payment to auditors

Particulars	Year ended 31st March, 2024
As Auditors	
Statutory audit fees	5.49
Limited review fees	0.93
Certification fees	0.32
Reimbursement of expenses	0.45
Total	**7.19**

29 FINANCE COSTS

Particulars	Year ended 31st March, 2024
(a) Interest expenses	
i) On financial liabilities measured at amortized cost i.e. Borrowings [Net of amount capitalised ₹ 37.63 Millions]	98.30
ii) On lease liabilities	1.74
iii) On others	0.13
(b) Other borrowing costs	1.01
Total	**101.18**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

30 A. Income tax expense recognized in statement of profit or loss

Particulars	Year ended 31st March, 2024
Current tax	
In respect of Current Year	185.50
Deferred tax	
Decrease / (increase) in deferred tax assets	(9.35)
(Decrease) / increase in deferred tax liabilities	5.13
Total deferred tax expense/(benefit)	**(4.22)**
Income tax expense recognized in consolidated statement of Profit and Loss	**181.28**

B. Income tax recognized in other comprehensive income

Particulars	Year ended 31st March, 2024
Income tax on remeasurement of the net defined benefit liability/asset	(0.45)
Total	**(0.45)**

C. Reconciliation of effective tax rate

Particulars	Year ended 31st March, 2024
Profit before income tax expense	607.68
Tax at Indian tax rate of 25.168% [Previous year - 25.168%]	**152.94**
(i) Tax effects of amounts which are not deductible (taxable) in calculating taxable income (including amortization of intangible assets recognized on acquisition):	5.64
(ii) Difference in overseas tax rates	21.69
(iii) Others	1.01
Income tax expense	**181.28**

31 EMPLOYEE BENEFIT OBLIGATIONS

(i) Post-employment obligations

Gratuity

The Holding 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 2.9(g) based upon which the Holding Company makes contribution to the Gratuity fund.

(a) 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
Liability/(assets) as at 31st March, 2023	**53.92**	**41.41**	**12.51**
Current service cost	6.51	-	6.51
Total service cost	**6.51**	**-**	**6.51**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

31 EMPLOYEE BENEFIT OBLIGATIONS (CONTD.)

Particulars	Present value of obligation	Fair value of plan assets	Total
Interest expense on Defined Benefit Obligation	3.70	-	3.70
Interest income on plan assets	-	3.11	(3.11)
Total net interest	**3.70**	**3.11**	**0.59**
Total amount recognized in profit or loss	**10.21**	**3.11**	**7.10**
Remeasurements			
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	0.78	-	0.78
Experience (gains)/losses	1.23	-	1.23
Return on Plan Assets (Greater) / Less than Discount rate	-	0.23	(0.23)
Total amount recognized in other comprehensive income	**2.01**	**0.23**	**1.78**
Employer contribution	-	9.53	(9.53)
Benefit payouts from plan	(5.00)	(5.00)	-
Liability/(assets) as at 31st March, 2024	**61.14**	**49.28**	**11.86**

	Particulars	As at 31st March, 2024
(b)	**Disclosed under Note 19: Provisions**	**11.86**

(c) The net liability presented above related to funded and unfunded plans are as follows:

Particulars	As at 31st March, 2024
Present value of funded obligations	61.14
Fair value of plan assets	49.28
Net Defined Benefit Liability / (Asset)	**11.86**

(d) Major categories of plan assets

Particulars	As at 31st March, 2024
Pooled assets with an insurance company (Life Insurance Corporation of India) - conventional products	100%

(e) Significant actuarial assumptions

Particulars	As at 31st March, 2024
Discount rate	7.00%
Salary escalation	8.00%
Withdrawal rate	5.00%
Weighted average duration of Defined Benefit Obligation (Years)	10 years
Mortality	IALM (2006-08) Ultimate

Notes:

IALM represents Indian assured lives mortality.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

31 EMPLOYEE BENEFIT OBLIGATIONS (CONTD.)

(f) Sensitivity analysis

As at 31st March, 2024	% impact on Defined Benefit Obligation	Increase/ (Decrease) in Defined Benefit Obligation liability
Discount rate +100 basis points	(9.00)	(5.75)
Discount rate -100 basis points	10.00	6.78
Salary escalation rate +100 basis points	10.00	6.61
Salary escalation rate -100 basis points	(9.00)	(5.76)

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 previous year.

(g) The following payments are expected contribution to the defined benefit plans in the future years:

Particulars	As at 31st March, 2024
Expected contribution for the next annual reporting period	12.73

(h) The expected maturity profile of undiscounted gratuity obligations:

Particulars	As at 31st March, 2024
Within 1 year	2.94
1-2 year	3.45
2-3 year	3.71
3-4 year	4.53
4-5 year	4.89
5-10 years	24.64

(i) 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 escalation risk

The present value of the defined benefit plan's calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

31 EMPLOYEE BENEFIT OBLIGATIONS (CONTD.)

(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.

(ii) Defined Contribution Plan

The Holding 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 Holding Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the year towards Provident Fund is ₹ 19.00 Millions. The Holding Company has also contributed ₹ 2.26 Millions towards Employees' State Insurance Scheme.These has been recognized as an expense and included under 'Contribution to provident and other fund' (Note 26).

32 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT AND CAPITAL 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.

This section explains the judgements and estimates made in determinig 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, 2024

Particulars	Carrying value			
	FVTPL	FVOCI	Amortized costs	Total carrying amount
Financial assets				
Trade receivables	-	-	778.86	**778.86**
Cash and cash equivalents	-	-	171.10	**171.10**
Other bank balances	-	-	55.01	**55.01**
Other financial assets	-	-	47.53	**47.53**
Total Financial Asset	**-**	**-**	**1,052.50**	**1,052.50**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

32 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT AND CAPITAL MANAGEMENT (CONTD.)

Particulars	Carrying value			
	FVTPL	FVOCI	Amortized costs	Total carrying amount
Financial liabilities				
Borrowings	-	-	2,567.82	**2,567.82**
Trade payables	-	-	146.41	**146.41**
Lease liabilities	-	-	122.38	**122.38**
Other financial liabilities	-	-	332.06	**332.06**
Total Financial Liabilities	**-**	**-**	**3,168.67**	**3,168.67**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to risk of change in market interest rates relates primarily to its debt interest obligations. It's borrowings are at floating rates and its future cash flows will fluctuate because of changes in market interest rates. The Group's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group 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 borrowings, certain security deposits given and taken (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.

B Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk(B)(ii) ;
- Liquidity risk(B)(iii) ; and
- Market risk (B)(iv)

i. Risk management framework

The Holding Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has constituted the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, 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 Group's activities. The Group, 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.

ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers. 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 Group 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 group result in material concentration of credit risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

32 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT AND CAPITAL MANAGEMENT (CONTD.)

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The Group assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Outstanding customer receivables are regularly monitored.

At each reporting date the Group measures loss allowance for certain class of financial assets based on historical trend industry practice and the business environment in which the Group operates. The assumptions and estimates applied for determining credit loss are reviewed periodically. The Group also uses lifetime of expected credit loss model based on provisional matrix for estimating the allowance for excepted credit losses.

Cash and cash equivalents and Security deposits

Credit risk on Cash and cash equivalents is limited as the Group generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The Group periodically monitors the recoverability and credit risks of its Other financial assets including security deposits. The Group evaluates 12-month expected credit losses for all the Financial assets and the risk assessed is insignificant for the Group.

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's principal sources of liquidity are Cash and cash equivalents, and the cash flow that is generated from operations.The Group 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.

Contractual maturities of financial liabilities

31st March, 2024	Less than 1 year	1-2 years	More than 2 years
Borrowings	1,547.75	400.34	619.73
Trade payables	146.41	-	-
Lease liabilities	24.86	27.10	97.87
Other financial liabilities (excluding accrued interest)	323.35	-	4.90
Interest Accrued	3.81	-	-
Total	**2,046.18**	**427.44**	**722.50**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31st March, 2024
- Non fund based	259.60
- Expiring within one year (other facilities)	385.60
- Expiring beyond one year (bank loans)	1,054.09

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

32 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT AND CAPITAL MANAGEMENT (CONTD.)

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. Financial instruments affected by market risk includes Trade receivable/payable, other financial assets and liabilities. The Group is not exposed to any factors arising due to price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to risk of change in market interest rates relates primarily to its debt interest obligations. It's borrowings are at floating rates and its future cash flows will fluctuate because of changes in market interest rates. The Group's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest Rate Risk Exposure

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31st March, 2024
Variable rate borrowings	2,565.88

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, 2024	
	Impact on Profit before Tax [Increase/ (Decrease)]	Impact on post tax Equity [Increase/ (Decrease)]
Interest Rates - Increase by 50 basis points (50 bps)	(12.83)	(9.60)
Interest Rates - Decrease by 50 basis points (50 bps)	12.83	9.60

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 Group operates in international markets and therefore is exposed to foreign currency risk arising from foreign currency transactions. The exposure relates primarily to the Group'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 Consolidated Statement of Profit and Loss.

The Group's exposure to foreign currency risk at the end of the reporting period:

Particulars	As at 31st March, 2024 INR Equivalent of				
	USD	EURO	CHF	JPY	SGD
Financial Assets					
Trade receivables	187.88	57.16	-	-	
Cash and Cash Equivalents	9.36	28.68	0.00^	-	0.02
Net exposure to foreign currency risk (assets)	**197.24**	**85.84**	**0.00^**	**-**	**0.02**
Financial Liabilities					
Trade payables	2.59	189.06	2.95	16.86	-
Net exposure to foreign currency risk (liabilities)	**2.59**	**189.06**	**2.95**	**16.86**	**-**

^ Below the rounding off norm adopted by the Company

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

32 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT AND CAPITAL MANAGEMENT (CONTD.)

Sensitivity Analysis

The sensitivity of profit or loss to changes in the exchange rates:

Particulars	Year ended 31st March, 2024	
	Impact on Profit before Tax [Increase/ (Decrease)]	Impact on post tax Equity [Increase/ (Decrease)]
USD Sensitivity		
INR/USD- Increase by 10%	19.47	14.57
INR/USD- Decrease by 10%	(19.47)	(14.57)
EUR Sensitivity		
INR/EUR- Increase by 10%	(10.32)	(7.72)
INR/EUR- Decrease by 10%	10.32	7.72
CHF Sensitivity		
INR/CHF- Increase by 10%	(0.30)	(0.22)
INR/CHF- Decrease by 10%	0.30	0.22
JPY Sensitivity		
INR/JPY- Increase by 10%	(1.69)	(1.26)
INR/JPY- Decrease by 10%	1.69	1.26
SGD Sensitivity		
INR/SGD- Increase by 10%*	0.00	0.00
INR/SGD- Decrease by 10%*	(0.00)	(0.00)

^ Below the rounding off norm adopted by the Company

(C) Capital Management

(i) Risk management framework

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, long term borrowings and short term borrowings. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the following 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, 2024
Total Equity	6,128.62
Net Debt	2,519.10
Debt/(Cash and Cash Equivalent)(net) to Equity	**0.41**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

32 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT AND CAPITAL MANAGEMENT (CONTD.)

(ii) Dividends paid and proposed

Particulars	As at 31st March, 2024
Equity shares	
(i) Dividend declared and paid during the year	
Final dividend paid during the year	-
(ii) Proposed dividends not recognized at the end of the reporting period	
The Board of Directors of the Holding Company have recommended the payment of a final dividend of ₹ 2 per fully paid equity share for the year ended 31st March, 2024. This proposed dividend is subject to the approval of the shareholders in the ensuing annual general meeting.	106.41

33 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contingent liabilities

Particulars	As at 31st March, 2024
Claims against the Company not acknowledged as debts	
Disputed Goods & Service Tax	20.87

In respect of the contingent liabilities mentioned above, pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any. The Group does not expect any reimbursements in respect of the above contingent liabilities.

(b) Capital commitments

Particulars	As at 31st March, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for [Net of Advances of ₹ 1,251.52 Millions]	1,747.52

34 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 consolidated 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.

35 EARNINGS PER SHARE (EPS)

The following table sets forth the computation of basic and diluted earnings per share:

Earnings	Year ended 31st March, 2024
Profit for the year attributable to equity shareholders for calculation of basic EPS	426.40
Effect of dilutive potential equity shares	-
Profit for the year attributable to equity shareholders for calculation of diluted EPS	**426.40**
Shares	
Weighted average number of equity shares outstanding during the year for calculation of basic EPS (Numbers in Millions)	53.21
Effect of dilutive potential equity shares	-
Weighted average number of equity shares for calculation of diluted EPS	**53.21**
Basic earnings per share	**8.01**
Diluted earnings per share	**8.01**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

36 RELATED PARTY DISCLOSURES

A Names of related parties and description of relationship

(i) Where control exist:

Subsidiary

Interest in subsidiaries are set out in Note 40

(ii) Other Related Parties with whom transactions have taken place during the current or previous year.

Key Management Personnel (KMP)	
Mr. Sanjive Sehgal	Chairman and Managing Director
Mr. Rohan Sehgal	Whole-time Director
Mr. Gaurav Pawan Kumar Poddar	Non-Executive Nominee Director
Mr. Viresh Oberoi	Non-Executive Independent Director
Mr. Girish Paman Vanvari	Non-Executive Independent Director
Mrs. Sucharita Basu De	Non-Executive Independent Director
Mr. Santosh Kumar Agarwal	Chief Financial Officer, Company Secretary and Compliance Officer

Individual having significant influence over the Group

Mr. Sanjive Sehgal and

Mr. Rohan Sehgal

B. The following transactions were carried out with the related parties in the ordinary course of business:

Particulars	Year ended 31st March, 2024
Mr. Sanjive Sehgal	
Short-term employee benefits	42.50
Reimbursement of Expenses	0.24
Mr. Rohan Sehgal	
Short-term employee benefits	37.50
Reimbursement of Expenses	2.14
Mr. Santosh Agarwal	
Short-term employee benefits	7.20
Post employment benefits	0.57
Reimbursement of Expenses	0.31
Mr. Viresh Oberai	
Director Fees	1.20
Mr. Girish Paman Vanvari	
Director Fees	1.20
Mrs. Sucharita Basu De	
Director Fees	1.20

C. Outstanding Balances Receivable/ (Payable)

Particulars	As at 31st March 2024
Payable to employees	
Mr. Sanjive Sehgal	(9.15)
Mr. Rohan Sehgal	(9.11)
Mr. Santosh Agarwal	(2.13)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

36 RELATED PARTY DISCLOSURES (CONTD.)

Notes:

(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

(iii) No provisons are held against receivable from related parties.

(iv) Refer Note 42(xv) for details of corporate guarantee given by the Holding Company.

37 SEGMENT REPORTING

The Group is primarily engaged in the business of manufacturing and selling of plastic laboratory products and certain scientific instruments, which represents a single business. Operating segments have been identified based on how the Chief Operating Decision Maker (CODM) reviews and assesses the Group's performance, which is on the basis of the different geographical areas wherein major entities within the Group operate.

Particulars	India	Germany	Rest of the world	Inter-segment eliminations	Year ended 31st March, 2024
External revenue	2,773.05	190.89	-	-	2,963.94
Intersegment Revenue	0.05	-	-	(0.05)	-
Total Revenue	2,773.10	190.89	-	(0.05)	2,963.94
Segment results before exceptional items, interest, tax and depreciation:	**1,127.23**	**23.81**	**(55.95)**	**-**	**1,095.09**
Reconciliation to profit/(loss) for the year:					
Finance income					17.80
Finance cost					(101.18)
Depreciation and amortization					(404.03)
Profit/(loss) before exceptional items and tax					**607.68**
Exceptional item					-
Profit/(loss) before tax					**607.68**
Tax expense					181.28
Profit/(loss) for the year					**426.40**
Segment assets	9,532.18	1,239.96	1,036.01	(2,086.31)	9,721.84
Total Assets					**9,721.84**
Segment liabilities	3,325.02	598.03	1,098.62	(1,428.45)	3,593.22
Total Liabilties					**3,593.22**
Addition to non-current assets (including Goodwill)	**6,460.46**	**861.40**			**7,321.86**

38 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 Group 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.

39 The Holding Company had completed its initial public offer (IPO) of 15,465,861 equity shares having face value of ₹ 2 each at an issue price of ₹ 662 per share aggregating to ₹ 10,234.74 Millions, comprising fresh issue of 2,265,861 shares aggregating to ₹ 1,496.34 Millions and offer for sale of 13,200,000 shares by selling shareholders aggregating to ₹ 8,738.40 Millions during the year ended 31st March, 2022. The equity shares of the Holding Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on 26th November, 2021.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

39 (CONTD.)

The Holding Company has received an amount of ₹ 1,497.01 Millions from proceeds out of fresh issue of equity shares (including amount received on account of lower subscription of Employee Reserved Shares amounting to ₹ 0.67 Millions). 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, 2024	Amount unutilized as on 31st March, 2024
(i)	Repayment/prepayment of certain borrowings of the Holding Company [Refer Note (a) below]	785.40	785.40	785.40	-
(ii)	Funding a part of the capital expenditure for the new manufacturing facility at Panchla, West Bengal [Refer Note (b) below]	620.00	620.00	620.00	-
(iii)	General corporate purposes [Refer Note (c) below]	16.21	20.47	20.47	-
(iv)	Offer related expenses in relation to the IPO [Refer Note (c) below]	74.73	71.14	71.14	-
	Total [(i) to (iv)]	**1,496.34**	**1,497.01**	**1,497.01**	**-**

(a) The Holding 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 Millions from own internal accruals before receipt of IPO proceeds. The Holding 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 Holding Company.

(b) The Holding Company has utilized (i) unspent offer related expenses amounting to ₹ 3.59 Millions and (ii) amount received on lower subscription of Employee Reserved Shares amounting to ₹ 0.67 Millions towards the General Corporate Purpose after taking approval from the Audit Committee and Board of Directors of the Holding Company. Consequent to this, the revised amount utilized towards General Corporate Purpose has increased from ₹ 16.21 Millions to ₹ 20.47 Millions.

(c) The Holding Company has earned total interest of ₹ 39.43 Millions on deployment of IPO proceeds pending utilization in the fixed deposit with scheduled bank. The Holding Company has utilized aforesaid interest income 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.

(d) The Holding Company has fully utilized the amount of IPO proceeds during the year ended 31st March, 2024 pursuant to the revised approval of the Board of Directors in their meeting held on 25th July , 2023 and approval of the shareholders vide Special Resolution passed through postal ballot on 31st August, 2023, with respect to using the unutilized fund in a fungible/interchangeable manner along with the utilization for machines and moulds within Panchla facility as a separate sub head in addition to existing sub head.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

40

(i) Interest in other entities

The group's subsidiaries at 31st March, 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Place of business/ country of incorporation	Ownership interest held by the group	Ownership interest held by non-controlling interest
		As at 31st March, 2024	As at 31st March, 2024
		%	%
Subsidiaries:			
Tarsons Life Science Pte Ltd	Singapore	100	-
Step down subsidiary:			
Nerbe R&D GmbH	Germany	100	-
Nerbe Plus GmbH & Co.KG	Germany	100	-

(ii) Additional Information required by Schedule III of the Companies Act, 2013:

Particulars		As at 31st March, 2024		Year ended 31st March, 2024		Year ended 31st March, 2024		Year ended 31st March, 2024	
		Net Assets (total assets minus total liabilities)		Share in Profit or (Loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (OCI)	
Name of the Entities	Country of Incorporation	Amount	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit/ (Loss)	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income
Parent									
Tarsons Products Limited	India	6,204.17	101.23%	512.47	120.19%	(1.33)	(14.46%)	511.14	117.34%
Subsidiaries - Foreign									
Nerbe R&D GmbH	Germany	2.06	0.03%	(0.02)	(0.00%)	-	0.00%	(0.02)	(0.00%)
Nerbe Plus GmbH & Co.KG	Germany	31.61	0.52%	3.96	0.93%	-	0.00%	3.96	0.91%
Tarsons Life Science Pte Ltd	Singapore	(62.61)	(1.02%)	(62.16)	(14.58%)	-	0.00%	(62.16)	(14.27%)
Adjustment arising out of Consolidation		**(46.61)**	**(0.76%)**	**(27.85)**	**(6.53%)**	**10.53**	**114.46%**	**(17.32)**	**(3.98%)**
Total		**6,128.62**	**100.00%**	**426.40**	**100.00%**	**9.20**	**100.00%**	**435.60**	**100.00%**

41 BUSINESS COMBINATIONS

(i) Acquisition of Nerbe Plus GmbH & Co KG and Nerbe R&D GmbH

During the year ended 31st March, 2024, the Group has completed the acquisition of Nerbe Plus GmbH & Co KG and Nerbe R&D GmbH (collectively known as "Nerbe Entities") through its wholly owned subsidiary, Tarsons Life Science Pte Ltd ("TLSPL") incorporated in Singapore on 10th November, 2023. Consequent to the acquisition, the Group has acquired 100% controlling stake of the Nerbe Entities with effect from 1st January, 2024. With acquisition of both the companies, the Group will be able to to expedite their entry into European market and will be able to gain synergies by selling products which overlaps with acquired entities. As Nerbe Entities are distributors, they will be able to utilise Holding Company's production capacity to approach larger customers and gain more market share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

41 BUSINESS COMBINATIONS (CONTD.)

As per Ind AS 103 "Business Combinations", the acquisition was accounted for in the books, using the acquisition method and accordingly, all the assets and liabilities were measured at their fair values as on the acquisition date and the purchase consideration of ₹ 651.35 Millions is allocated to the net assets acquired which resulted in recognition of Goodwill amounting to ₹ 325.25 Millions as on acquisition date.

(ii) Fair value of identifiable assets acquired, and liabilities assumed as on the date of acquisition is as below:

Particulars	Amount
Current Assets Acquired	
Trade Receivable	47.67
Inventory	260.46
Other Assets	14.33
Loans	2.30
Current tax assets	20.21
Cash and Cash Equivalents	47.29
Total Current Assets (A)	**392.26**
Non-Current Assets Acquired	
Property, plant and equipment	29.92
Intangible assets	57.98
Right-of-Use Assets	131.97
Total Non-Current Assets (B)	**219.87**
Identified Intangible Assets	
Customer Relationships	101.94
Trademark	194.70
Non-Compete Agreement	21.12
Total Identified Intangible Assets (C)	**317.76**
Total Assets (D=A+B+C)	**929.89**
Liabilities Assumed	
Borrowings	336.78
Lease Liability	130.14
Deferred Tax Liability	42.26
Trade Payables	61.53
Other Liabilities and Provisions	33.08
Total Liabilities (E)	**603.79**
Faie Value of Net Assets Acquired (F=D-E)	**326.10**
Purchase Consideration Paid (G)	651.35
Goodwill (H=G-F)	**325.25**

(iii) Cash Outflow during the year

Particulars	Amount
Cash paid for acqusition of equity shares of Nerbe Group entities	651.35
Cash paid for Settelement of loan from the Erstwhile shareholders	329.95
Total Consideration Paid	**981.30**
Less : Cash and Cash equivalent acquired	**47.29**
Net Cash Outflow	**934.01**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

41 BUSINESS COMBINATIONS (CONTD.)

(iv) Goodwill is attributable to the benefit of expected synergies, revenue growth and future market developments. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

(v) Impact of acquistion on the performance of the Group

From the date of acquisition, Nerbe Plus GmbH & Co KG and Nerbe R&D GmbH has contributed ₹ 190.90 Millions to revenue from operations and a profit of ₹ 9.99 Millions to profit before tax. Had the acquisition been effected at 1 April, 2023, the consolidated pro-forma revenue would have been higher by ₹ 587.99 Millions and profit would have been higher by ₹ 22.14 Millions. The management consider these pro-forma numbers to represent the approximate measure of the performance of the Group on an annualised basis and to provide a reference point for comparison in future periods.

(vi) Acquired receivables

Particulars	Amount
Fair Value of acquired trade receivables	47.67
Gross contractual amount for trade receivables	48.31
Contractual cash flows not expected to be collected	0.64

(vii) Acquisition related costs

Acquisition cost amounting to ₹ 51.69 Millions, were charged to the consolidated statement of profit and loss for the year ended 31st March, 2024. The same has been disclosed under the head Other Expenses (Note 29).

(viii) The Group has committed an earn-out payment to the selling shareholder in addition to the purchase consideration paid. The aforesaid has been accounted as remuneration for post-combination services rather than contingent consideration in accordance with para B55(a) of Ind AS 103 - Business Combinations.

42 OTHER REGULATORY INFORMATION

(i) Borrowing secured against current assets

The Holding Company has been sanctioned working capital limits in excess of ₹ 50 Millions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Holding Company with the banks are in agreement with the books of accounts. Returns/Statements for the quarter ended 31st March, 2024 is yet to be submitted and it would be appropriately filed by the Holding Company subsequent to the issue of these consolidated financial statements by the Board of Directors which has been agreed by the Holding Company with the respective banks.

(ii) Wilful defaulter

The Group 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.

(iii) Relationship with struck off companies

The Group has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(iv) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017

(v) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

42 OTHER REGULATORY INFORMATION (CONTD.)

(vi) Valuation of Property, plant and equipment, right-of-use assets and intangible assets

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(vii) Foreseeable losses on long term contracts

The Group has long term contracts as at 31st March, 2024 for which there were no material foreseeable losses. The Group did not have any derivative contract.

(viii) 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 Holding Company during the year ended 31st March, 2024.

(ix) Back up of books and accounts

The books of account and other relevant books and papers maintained in electronic mode by the Holding 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.

(x) Audit Trail

The Holding Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log is not maintained in case of modification by certain users with specific access and that the audit trail feature has not been enabled at the database level to log any direct data changes.

(xi) Core Investment Company

The Group 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.

(xii) Compliance with approved scheme(s) of arrangements

The Holding Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(xiii) Details of crypto currency or virtual currency

The Group has not traded or invested in Crypto currency or Virtual Currency during the current and previous financial year.

(xiv) Utilization of borrowings availed from banks

The borrowings obtained by the Group from banks have been applied for the purposes for which such borrowings were taken. Further, no funds raised on a short-term basis have been used for long-term purposes by the Group.

(xv) Utilization of borrowed funds and share premium

A. The Holding Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, 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/ entities identified in any manner whatsoever by or on behalf of the Holding Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than loans amounting to Euro 12 Millions given in the current year (equivalent to ₹ 1,098.99 Millions) to Tarsons Life Science Pte Ltd, a wholly owned subsidiary of the Holding Company in the ordinary course of business for onward acqusition of Nerbe plus GmbH & Co. KG & Nerbe R&D KG Gmbh, step-down subsidiaries of the Holding Company and corporate gurantee amounting to Euro15 Millions (equivalent

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(All amounts in ₹ Millions, unless otherwise stated)

42 OTHER REGULATORY INFORMATION (CONTD.)

to ₹ 1,375.95 Millions) on behalf of Tarsons Life Science Pte Ltd to Philip Nerbe (erstwhile owner of Nerbe Plus Co KG Gmbh & Nerbe R&D Gmbh) for complying with the Earn-Out payments committed to Philip Nerbe on fulfillment of certain conditions included in the Share Purchase Agreement.

B. The Holding 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 Holding 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.

43 During the year ended 31st March, 2024, the Holding Company has paid excess remuneration amounting to ₹ 3.63 Millions to its managing director in reference to the provisions of Section 197 of the Companies Act, 2013 read with Schedule V thereto. The Company is in the process of taking approval for the waiver of such excess remuneration paid, by way of special resolution in the ensuing general meeting.

44 The Holding Company did not have any subsidiary, associate or joint venture as of 31st March, 2023. Accordingly, the corresponding figures for the year ended 31st March, 2023 are not required to be furnished in these Consolidated Financial Statements.

This is the Consolidated 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

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: 30th May, 2024

Place: Kolkata
Date: 30th May, 2024

TARSONS PRODUCTS 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
Website: www.tarsons.com

NOTICE

NOTICE is hereby given that the **41st (Forty-First)** Annual General Meeting (AGM) of the members of **Tarsons Products Limited** ('the Company') will be held on **Friday, 27th September, 2024 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, West Bengal, India] to transact the following businesses:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2024 together with the reports of the Board of Directors and Auditors thereon**
2. **To receive, consider and adopt the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2024 and the report of Auditors thereon**
3. **To appoint a director in place of Mr. Sanjive Sehgal (DIN: 00787232), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment**
4. **To declare dividend of ₹ 2/- per Equity Shares for the financial year ended 31st March, 2024**

SPECIAL BUSINESS:

5. **To consider and approve Material Related Party Transaction**

*To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:***

"**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any of the Companies Act, 2013 ("Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), including any statutory modification(s) or re-enactment thereof for the time being in force, and the 'Policy for dealing with Related Party Transactions' of Tarsons Products Limited ("the Company") and based on the recommendation/approval of the Audit Committee and the Board of Directors, subject to such approvals, consents, sanctions and permissions as may be necessary, the Members of the Company do hereby approve and authorize the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) to enter into and/or continuing with Material Related Party Transaction(s)/ contract(s)/ arrangement(s) (whether individual transaction or transactions taken together or series of transactions or otherwise) between the Company and its related party, Nerbe Plus GmbH & Co. KG ("Nerbe"), the step-down subsidiary of the Company, a Related Party within the meaning of Section 2(76) of the Act, and Regulation 2(1)(zb) of the Listing Regulations for an amount not exceeding ₹ 375 crores over a period of 3 (Three) Financial Years commencing from 2024-25 to 2026-27, in respect to sale, purchase or supply of goods or services, or any other transactions of whatever nature, notwithstanding that such transactions may exceed 10% of the Consolidated Turnover of the Company in any financial year or such other threshold limits as may be specified by SEBI Listing Regulations or any other law for the time being in force from time to time, up to such extent and on such terms and conditions as the Board of Directors may deem fit, however, that the said contracts/ arrangements/ transactions shall be carried out on in the normal course of business and on arm's length basis.

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Members of the Company, do hereby also accord further approval to the Board of Directors of the Company, to delegate all or any of its powers herein conferred to any Committee of Directors and /or Director(s) and/or official(s) of the Company / any other person(s) so authorized by it, to do all such acts and take steps as may be considered necessary or expedient to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board or any duly constituted Committee thereof in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

6. **To appoint Mr. Suresh Eshwara Prabhala as Non-Executive Nominee Director**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 152,160, 161 and other applicable provisions, if any, of the Companies Act, 2013 (**'the Act'**) (including any statutory modification or re-enactment thereof for the time being in force), the Companies (Appointment and Qualification of Directors) Rules, 2014 and Articles of Association of the Company, as amended from time to time, **Mr. Suresh Eshwara Prabhala (DIN: 02130163)**, who was appointed as an Additional Director of the Company, by the Board of Directors of the Company (**"the Board"**), based on the recommendation of the Nomination and Remuneration Committee with effect from 15th August, 2024, and in respect of whom the Company has received a notice from Clear Vision Investment Holdings Pte. Limited nominating him for the office of Director, be and is hereby appointed as Non-Executive Nominee Director of the Company w.e.f., 15th August, 2024, not liable to retire by rotation, provided that his appointment shall be subject to approval by the shareholders in a general meeting atleast once in every five years.

RESOLVED FURTHER THAT any Director(s)/ Chief Financial Officer and/or Company Secretary of the Company be and are hereby authorized severally, to do all the acts, deeds and things which are necessary to give effect to the above said resolution and if required, to authenticate and file the requisite e-forms with the Registrar of Companies."

7. **To approve and ratify the waiver of excessive remuneration paid to Executive Directors of the Company during the financial year 2023-24**

*To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution:***

"RESOLVED THAT pursuant to the provisions of Section 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and Rules made thereunder including the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof, for the time being in force) and the Articles of Association of the Company and on recommendation of Board, the approval of the members of the Company be and is hereby accorded to ratify and confirm waiver of recovery of managerial remuneration paid amounting to ₹ 3.63 Million paid to Mr. Sanjive Sehgal, Chairman and Managing Director, of the Company for the financial year ended 31st March, 2024 which turned out to be in excess of the limits prescribed under the Section 197 read with Schedule V of the Act, in view of the audited financial results recorded by the Company for the Financial year 2023-24.

RESOLVED FURTHER THAT pursuant to the provisions of Section 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and Rules made thereunder including the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof, for the time being in force) and the Articles of Association of the Company and on recommendation of Board, the approval of the members of the Company be and is hereby accorded to ratify and confirm waiver of recovery of overall excess managerial remuneration paid amounting to ₹ 2.26 million for the financial year ended 31st March, 2024 which turned out to be in excess of the limits prescribed under the Section 197 read with Schedule V of the Act, in view of the audited financial results recorded by the Company for the Financial year 2023-24.

RESOLVED FURTHER THAT all other existing terms and conditions of appointment of Directors shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

RESOLVED FURTHER THAT any Director and/or Company Secretary and/or Chief Financial Officer of the Company, be and are hereby authorized to do all such acts, deeds and actions as it may, in its absolute discretion, consider necessary, for giving effect to this resolution, and to settle questions, remove any difficulty or doubt that may arise from time to time and to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions or sanctions which may be necessary or desirable, as it may think fit."

By order of the Board of Directors
For **Tarsons Products Limited**

Sd/-
Santosh Kumar Agarwal
Company Secretary, Compliance Officer & Chief Financial Officer
Membership No: 44836

Date: 14th August, 2024
Place: Kolkata

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

NOTICE (Contd.)

NOTES:

1. An Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("Act") and applicable Secretarial Standards, relating to special business to be transacted at the Annual General Meeting ("AGM"), is annexed to the Notice.

2. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") and dispended the personal presence of the Shareholders at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 09/2023 dated 25th September, 2023 read with Circular No. 14/2020 dated 8th April, 2020 and Circular No. 17/2020 dated 13th April, 2020 ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated 13th May, 2022, Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated 5th January, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD2/P/CIR/2023/167 dated 7th October, 2023 issued by the Securities Exchange Board of India ("SEBI Circular") prescribing the procedures and manner of conducting the AGM through VC/OVAM. In terms of the said circulars, the 41st AGM of the shareholders will be held through VC/OAVM. Hence, shareholders can attend and participate in the AGM through VC/OAVM only.

3. In compliance with applicable provisions of the Act read with the MCA Circulars, SEBI Circular dated 12th May, 2020 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) the AGM of the Company is being conducted through VC/OAVM. 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.

4. 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. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM and participate thereat and cast their votes.

5. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), SS-2 issued by the ICSI and Regulation 44 of SEBI Listing Regulations read with MCA Circulars and SEBI Circulars, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 41st AGM. For this purpose, the Company has entered into an agreement with M/s. KFin Technologies Limited (formerly KFIN Technologies Private Limited) ("KFin") for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by KFin.

6. The Company has engaged the services of KFin for the purpose of holding 41st AGM of the Company through VC/OAVM.

7. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are KFIN Technologies Limited ("RTA") having their office at Selenium Building, Tower- B, Plot No. 31 & 32, Financial District Nanakramguda, Serilingampally, Hyderabad, Telangana, India- 500032.

8. The Notice and the Annual Report for the financial year ended 31st March, 2024 shall also be available on the website of the Company viz., www.tarsons.com, on the website of the stock exchanges where equity shares of the Company are listed viz., www.bseindia.com and www.nseindia.com and the Notice shall also be available on the e-Voting website of Kfintech, (https://evoting.kfintech.com)

9. In compliance with the Circulars, only the electronic copy of the Notice of the 41st 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.

10. We urge Members to support our commitment to environmental protection by choosing to receive the Company's communication through e-mail. Members holding shares in dematerialized form, who have not registered their e-mail addresses are requested to register their e-mail addresses with their respective Depository Participants and Members holding shares in physical mode who have not yet registered/updated their e-mail address are requested to register the same with Company's Registrar M/s. KFIN Technologies Limited.

NOTICE (Contd.)

11. 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 manisha_saraf2007@yahoo.co.in with a copy marked to investor@tarsons.com and einward.ris@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_EVENT No."
12. Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
13. 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 SEBI (LODR) Regulations, 2015, the Register of Members of the Company will remain closed from **Saturday, 21st September, 2024 to Friday, 27th September, 2024** (both days inclusive) in connection with the Annual General Meeting and for the purpose of determining the name of Shareholders eligible for dividend on equity shares, if declared at AGM.
14. 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.
15. Payment of Dividend:

Members may note that the Board, at its meeting held on Thursday, 30th May, 2024, has recommended a final dividend of ₹ 2 per equity share of ₹ 2 /- each (100%) for the financial year ended 31st March, 2024, subject to the approval of the Members at the 41st AGM and the dividend (if declared) will be paid within 30 days from the date of approval by the Shareholders at the 41st AGM. The record date for determining the eligibility of the equity shareholders for the final dividend for the financial year ended 31st March, 2024 is fixed as **Friday, 20th September, 2024**.

As mandated by SEBI (LODR) Regulations, 2015, the Company will remit dividend electronically by RTGS/NECS/ NACH etc. to the bank account of the shareholder whose bank details are registered with the Company. Shareholders holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, NECS, mandates, nominations, power of attorney, change of address/name, PAN details, etc. to their Depository Participant ("DP") only. In the event the Company is unable to pay the dividend to any shareholder directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers cheque/ demand draft to such shareholder.

Pursuant to Finance Act, 2020, dividend income is taxable in the hands of shareholders w.e.f., 1st April, 2020 and therefore the Company shall be required to deduct tax at source (TDS) from dividend paid to shareholders at the prescribed rates. The summary of the applicable TDS provisions in accordance with the provisions of the Income Tax Act, 1961, for various categories, including Resident or Non-Resident Shareholders are available below. Shareholders are requested to update their PAN with the Company and depositories (in case of shares held in demat mode) on or before Friday, 20th September, 2024.

a) For Resident Shareholders:

Particulars	Applicable Rate	Documents required (if any)
For Resident Shareholders:		
Shareholder with valid PAN	10%	Update/Verify the PAN, and the residential status as per Income Tax Act, 1961 if not already done, with the depositories (in case of shares held in demat mode).
If PAN of the Shareholder is not submitted/ PAN is invalid	20%	N.A.
Shareholders identified as "Specified Persons" under Sec 206AB of the Act*	20%	N.A.
If PAN of the shareholder is inoperative**	20%	

NOTICE (Contd.)

* The Finance Act, 2021 has inter-alia inserted Section 206AB of the Act with effect from 1st July, 2021, which introduces special provisions for TDS in respect of taxpayers who have not filed their income-tax returns (referred to as specified persons). U/s 206AB of the Act, tax is to be deducted at higher of the following rates in case of payments to the specified persons:

a. at twice the rate specified in the relevant provision of the Act; or

b. at twice the rate or rates in force; or

c. at the rate of 5%.

In cases where Sections 206AA and 206AB are applicable i.e. the shareholder has not submitted the PAN as well as not filed the return; tax will be deducted at higher of the two rates prescribed in these sections.

"Specified person" as defined u/s 206AB (3) is someone who has:

(a) not filed income tax return for previous year immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under section 139(1) of the Act has expired; and

(b) The aggregate of TDS and TCS in whose case is ₹ 50,000 or more in the previous financial year.

** It must be noted that the resident individual shareholders are required to link their Aadhaar with PAN to ensure that their PAN is not regarded as inoperative by the Income tax authorities. In case of an inoperative PAN, tax shall be deducted at a higher rate of 20% in accordance with the provisions of section 206AA of the Act.

For the purpose of deducting TDS, Company will verify the status (i.e., Specified Person or not and PAN-Aadhaar linkage) from the Government enabled online facility and TDS will be deducted at higher rate as prescribed in the Act accordingly.

Particulars	Applicable Rate	Documents required (if any)
a) For Resident Individual:		
If the total dividend to be received by a Resident Individual during FY 2024-25 does not exceed ₹ 5,000.	Nil	
Shareholder Submitting Form 15G/ Form 15H	NIL, if the form submitted is valid	Declaration in Form 15G (for individuals below the age of 60 years, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) / Form 15H (for individuals above the age of 60 years with no tax liability on total income) for the FY 2024-25
Shareholder submitting order under Section 197 of the Income Tax Act, 1961	Rate specified in the said certificate	If a shareholder has obtained a lower or Nil withholding tax certificate from the tax authorities, a self-attested copy of the said certificate shall be submitted. The certificate should be valid for the FY 2024-25 and should cover the dividend income

Particulars	Applicable Rate	Documents required (if any)
b) For Resident Non-Individual:		
Insurance Companies as specified under Section 194 of the Income Tax Act, 1961	Nil	Self declaration that it qualifies as 'Insurer' as per section 2(7A) of the Insurance Act, 1938 and has full beneficial interest with respect to the ordinary shares owned by it along with self attested copy of PAN card and certificate of registration with Insurance Regulatory and Development Authority (IRDA)

NOTICE (Contd.)

Particulars	Applicable Rate	Documents required (if any)
Mutual Fund specified under clause (23D) of Section 10 of the Income Tax Act, 1961	Nil	Self-declaration that it is registered with SEBI and is specified and covered under section 10 (23D) of the Income-tax Act, 1961 along with self-attested copy of PAN card and certificate of registration with SEBI
Alternative Investment Fund (AIF) established in India	Nil	Self-declaration that its income is exempt under section 10 (23FBA) of the Income-tax Act, 1961 and they are registered with SEBI as Category I or Category II AIF along-with self-attested copy of the PAN card and certificate of AIF registration with SEBI.
Corporation established by or under a Central Act, which is, under any law for the time being in force, exempt from income-tax on its income	Nil	Declaration that it is a corporation established by or under a Central Act whereby income-tax is exempt on the income and accordingly, covered under section 196 of the Income Tax Act, 1961 along with self-attested copy of PAN card and registration certificate and relevant extract of the section whereby the income is exempt from tax.
Any other entity entitled to exemption from TDS	Nil	Valid self-attested documentary evidence (e.g., copy of the relevant registration, notification, order, etc.) in support of the entity being entitled to TDS exemption along with self-attested copy of PAN card

b) For Non-resident Shareholders:

Particulars	Applicable Rate	Documents required (if any)
Non-resident shareholders (including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess) or Tax Treaty Rate (whichever is lower, provided documents are received) OR Twice the above applicable rate if the shareholder falls under the category of specified person as per section 206AB of the Act.***	As per Section 90 of the Act, a non-resident shareholder (including Foreign Institutional Investors and Foreign Portfolio Investors) has an option to be governed by the provisions of the Double Taxation Avoidance Agreement ('DTAA') read with Multilateral Instrument ("MLI"), if applicable between India and the country of tax residence of the shareholder, if such DTAA provisions are more beneficial to such shareholder. To avail the DTAA benefits, the non-resident shareholder will have to compulsorily provide the following documents: a. Copy of Permanent Account Number (PAN), if available. b. Self-attested copy of Tax Residency Certificate ('TRC') issued by the revenue authorities of the country of which shareholder is tax resident, evidencing and certifying shareholder's tax residency status during FY 2024-25. c. Form 10F filed electronically on the Indian Income Tax web portal pursuant to Notification no. 03/2022 dated 16th July 2022, as required under the Income-tax Act, 1961. d. Self-declaration of having no taxable presence, fixed base or permanent establishment in India in accordance with the applicable Tax Treaty and Beneficial ownership by the non-resident shareholder TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided.
Shareholder submitting Order under section 195(3) /197 of the Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority. Tax will be deducted at the rate specified in the said certificate, subject to furnishing a self-attested copy of the same. The certificate should be valid for the FY 2024-25 and should cover the dividend income.

***"Specified person" as defined u/s 206AB (3) is someone who has:

(a) not filed income tax return for previous year immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under section 139(1) of the Act has expired; and

(b) The aggregate of TDS and TCS in whose case is ₹ 50,000 or more in the previous financial year.

Non-resident persons not having a Permanent Establishment ('PE') in India is excluded from the definition of 'Specified person'.

To upload the exemption forms please follow the instructions on the link: https://ris.kfintech.com/form15/default.aspx and also refer to the e-mail being sent to members in this regard. The shareholders are requested to upload the aforementioned documents on or before Friday, 20th September, 2024 to enable the Company to determine and deduct appropriate tax.

It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/ documents from the Shareholders, there would still be an option available with the Shareholders to file the return of income and claim an appropriate refund, if eligible. The above referred documents submitted by you will be verified by us and we will consider the same while deducting the appropriate taxes, if any, provided that these documents are in accordance with the provisions of the Act.

NOTICE (Contd.)

In addition to the above, please note the following:

i. In case you hold shares under multiple accounts under different status/ category but under a single PAN, the highest rate of tax as applicable to the status in which shares held under the said PAN will be considered on the entire holding in different accounts.

ii. In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.

iii. The Beneficiary data provided by the CDSL and NSDL will be taken for consideration.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, such shareholder will be responsible to indemnify the Company and also, provide the Company with all information/ documents and co-operation in any appellate proceedings. The said certificate can also be viewed in Form 26AS at TRACES Link: https://www.tdscpc.gov.in/app/login.xhtml or the website of the Income Tax department of India https://www.incometax.gov.in/iec/foportal/.

16. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/ HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 16th March, 2023 and SEBI/HO/ MIRSD/POD-1/P/CIR/2023/181 November 17, 2023) has mandated that with effect from 1st April, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

    Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf.

17. The annual accounts of the subsidiary companies are made available on the website of the Company www.tarsons.com.

18. Members willing to express their views or ask questions during the AGM are required to register themselves as speakers by visiting the URL https://emeetings.kfintech.com/ and clicking on the tab "Speaker Registration" during the period starting from 23rd September, 2024 (09:00 a.m.) up-to 25th September, 2024 (05:00 p.m.). 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. Please note that only questions of the members holding the shares as on cut-off date will be considered. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting.

19. Members, who are holding shares of the Company as on the cut-off date for e-voting i.e., Friday, 20th September, 2024, can also cast their votes during the AGM using e-voting facility, if not casted the same during the remote e-voting period mentioned below. Please note that a person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting during the Meeting. If members opt for remote e-voting, then they should not vote at the Meeting. However, once an e-vote on a resolution is casted by a member, such member is not permitted to change it subsequently or cast the vote again. Members who have casted their vote by remote e-voting prior to the date of the Meeting can attend the Meeting and participate in the Meeting but shall not be entitled to cast their vote again. Any person who is not the Member as on the cut-off date should treat this Notice for information purposes only.

20. All documents referred to in the accompanying Notice and the Statement setting out material facts can be obtained for inspection by writing to the Company at its email ID investor@tarsons.com till the date of AGM. The same will be replied by the Company suitably. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements on which the directors are interested under Section 189 of the Companies Act, 2013 will be available electronically for inspection during the AGM.

NOTICE (Contd.)

21. 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).

22. VOTING THROUGH ELECTRONIC MEANS

(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 members are provided with the remote e-voting services and e-voting facility during the 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, through the e-voting services provided by KFin.

(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, 20th September, 2024** 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:

Commencement of Remote E-voting	End of Remote E-voting
From 9.00 A.M. (IST) on Monday, 23rd September, 2024	Up to 5.00 P.M. (IST) on Thursday, 26th September, 2024

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 e-voting process has been enabled for all the individual demat account holders, by way of single login credential, through their demat accounts /website of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process.

(vi) Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-voting facility.

(vii) The details of the process and manner for remote e-voting are explained herein below:

A. THE INSTRUCTIONS/PROCEDURE FOR REMOTE E-VOTING

Step – 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode

Step – 2: Access to KFintech e -Voting system in case of nonindividual shareholders in demat mode

NOTICE (Contd.)

Details on Step – 1 are mentioned below:

The detailed process and manner for remote e-voting for individual shareholders holding securities in Demat mode are explained herein below:

Individual Shareholders holding securities in Demat mode with CDSL	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 to Easi / Easiest are requested to visit CDSL website http://www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting their vote during the remote e-voting period or joining virtual meeting and voting during the meeting. Additionally, there is also links provided to access the system of all ESPs, so that the user can visit the ESPs' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all ESPs.
Individual Shareholders holding securities in Demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-Voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. NSDL Mobile App is available on App Store Google Play

NOTICE (Contd.)

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. After successful login, you will be able to see e-voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.

Individual Shareholders login through their Demat accounts/ Website of Depository Participant

i. Shareholders may login using the login credentials of their demat account through their Depository Participants registered with NSDL /CDSL for e-Voting facility.

ii. Once logged-in, Shareholders will be able to see e-Voting option.

iii. On clicking e-Voting option, Shareholders will be redirected to NSDL/ CDSL website after successful authentication, wherein they will be able to view the e-Voting feature.

iv. Click on options available against 'Tarsons Products Limited' or 'KFintech'.

Shareholders will be redirected to e-Voting website of KFintech for casting their vote during the remote e-Voting period without any further authentication.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia .com or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022-2499 7000.

Details on Step – 2 are mentioned below:

Login method for e-voting and joining virtual meetings for non- individual shareholders holding shares in demat form:

1. Shareholders whose email IDs are registered with the Company/ Depository Participant(s), will receive an email from KFintech which will include details of e-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

1. Launch internet browser by typing the URL: https://evoting.kfintech.com/
2. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (e-Voting Event Number) XXXX, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-Voting, you can use your existing User ID and password for casting the vote.
3. After entering these details appropriately, click on "LOGIN".
4. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

NOTICE (Contd.)

5. You need to login again with the new credentials.
6. On successful login, the system will prompt you to select the "EVEN" i.e., "TARSONS PRODUCTS LIMITED" and click on "Submit".
7. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option "ABSTAIN". If the Shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
    1. Shareholders holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat accounts.
    2. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as Abstained.
    3. You may then cast your vote by selecting an appropriate option and click on "Submit".
    4. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Shareholders can login any number of times till they have voted on the Resolution.

2. Shareholders whose email IDs are not registered with the Company/ Depository Participants(s), and consequently the Notice of AGM and e-Voting instructions cannot be serviced, will have to follow the process as mentioned in Step 1 above.

After receiving the e-Voting instructions, please follow all steps above to cast your vote by electronic means.

In case of any query and/ or grievance, in respect of voting by electronic means, Shareholders may refer to

1. Help & Frequently Asked Questions (FAQs) and e-Voting user manual available at the 'Download' section of https://evoting.kfintech.com OR
2. Email at einward.ris@kfintech.com or evoting@kfintech.com or call KFintech's toll free No. 1- 800-309-4001 for any further clarifications.
3. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e., Friday, 20th September, 2024, may obtain the User ID and Password in the manner as mentioned below:

    a) If the mobile number of the Member is registered against Folio No./DP ID Client ID, the Member may send SMS: MYEPWDE-voting Event Number + Folio No. or DP ID Client ID to +91 9212993399

    Example for NSDL: MYEPWD IN12345612345678

    Example for CDSL: MYEPWD 1402345612345678

    b) If email ID of the Member is registered against Folio No./DP ID Client ID, then on the home page of https://evoting.kfintech. com, the Member may click 'Forgot password' and enter Folio No. or DP ID Client ID and PAN to generate a password.

    c) Members may send an email request to: evoting@kfintech.com. If the Member is already registered with the KFin e-voting platform, then such Member can use his/ her existing User ID and password for casting the vote through remote e-voting

B. THE INSTRUCTIONS/PROCEDURE FOR E-VOTING AT THE AGM

(i) Only those members/shareholders, who will be present in the e-AGM and who have not cast their vote through remote e-voting and are otherwise not barred from doing so are eligible to vote.

(ii) Members who have voted through remote e-voting will still be eligible to attend the e-AGM.

NOTICE (Contd.)

(iii) Members attending the e-AGM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.

(iv) Upon declaration by the Chairman about the commencement of e-voting at AGM, members shall click on the thumb sign on the left-hand bottom corner of the video screen for voting at the AGM, which will take them to the 'Instapoll' page.

(v) Voting at e-AGM will be available at the end of the e-AGM and shall be kept open for 15 minutes. Members viewing the e-AGM, shall click on the 'e-voting' sign placed on the left-hand bottom corner of the video screen. Members will be required to use the credentials, to login on the e-Meeting webpage, and click on the 'Thumbs-up' icon against the unit to vote.

C. OTHER IMPORTANT INSTRUCTIONS

i. 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.

ii. 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 at least 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 in his absence the Company Secretary of the Company, who shall countersign the same. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.tarsons.com and on the website of KFin https://evoting.kfintech.com/. The results shall simultaneously be communicated to the Stock Exchanges.

iii. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e., 27th September, 2024.

The recorded transcript of the proceedings of the AGM shall be available on the Company's website at www.tarsons.com

23. PROCEDURE FOR ATTENDING THE AGM THROUGH VC/OAVM

i. Members will be able to attend the e-AGM through VC/OAVM or view the live webcast of e-AGM provided by KFin at https://emeetings.kfintech.com

    a. by using their remote e-voting login credentials and by clicking on the tab "video conference".

    b. by using the registered mobile number and OTP option

    c. by using the registered email

    The link for e-AGM will be available in members login, where the EVENT and the name of the Company can be selected. Members who do not have 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 above.

ii. Members are encouraged to join the meeting through devices (Laptops, Desktops, Mobile devices) with Google Chrome for seamless experience.

iii. Further, members registered as speakers will be required to allow camera during e-AGM and hence are requested to use internet with a good speed to avoid any disturbance during the meeting.

iv. Members may join the meeting using headphones for better sound clarity.

v. While all efforts would be made to make the meeting smooth, participants connecting through mobile devices, tablets, laptops, etc. may at times experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.

vi. A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at URL https://emeetings.kfintech.com/, under the "How It Works" tab placed on top of the page.

vii. Members who need technical assistance before or during the e-AGM can contact KFin at emeetings@kfintech.com or Helpline: 1800 309 4001.

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)

As required under Section 102(1) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, this Explanatory Statement contains relevant and material information, as detailed herein, to enable the Members to consider for approval of the Resolution No. 5, 6, and 7

ITEM NO. 5

To consider and approve Material Related Party Transaction

As per the provisions of Section 188 of the Companies Act, 2013 ("Act"), transactions with related parties which are on an arm's length basis and in the ordinary course of business, are exempted from the obligation of obtaining prior approval of shareholders. However, such transactions, if material, require the approval of shareholders through a resolution, notwithstanding the fact that the same are on arm's length basis and in the ordinary course of business, as per the requirements of the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

For this purpose, a Related Party Transaction will be considered 'material' if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds ₹ 1,000 Crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements, whichever is lower.

Once approved by shareholders, the transaction shall also be reviewed/ monitored on an annual basis by the Audit Committee of the Company and shall remain within the proposed limits as placed before the shareholders. Any subsequent 'Material Modification' in the proposed transaction as per the Company's 'Policy on Related Party Transactions', shall be placed before the shareholders for approval, in terms of Regulation 23(4) of the Listing Regulations.

Nerbe Plus GmbH & Co. KG ("Nerbe") is step-down subsidiary of the Company. The Company currently sale/supply goods or materials to it. The Audit Committee and the Board of Directors have approved the proposal of entering into the material related party transactions/contracts/agreements with Nerbe in the ordinary course of its business pertaining to sales, purchases or supply of goods or materials or services, or any other transactions of whatever nature, at their meeting held on 30th May, 2024 for a period of 3 (three) Financial Years commencing from 2024-25 to 2026- 27, individually and/or in the aggregate up to an amount not exceeding ₹ 375 Crores.

The Company proposes to enter into Material Related Party Transactions/ contracts/ arrangements/ agreements with Nerbe up to an amount not exceeding ₹ 375 Crores, for a period of three financial years commencing from 2024-25 to 2026-27. The limit proposed is an enabling limit to help the business operate smoothly without interruptions. All transactions with Nerbe will continue to be in adherence with arm's length principle as per the Companies Act, 2013 (the Act) & SEBI (LODR) Regulations, 2015, and shall be reviewed by the Audit Committee.

Other details of the transactions, pursuant to the SEBI Master Circular dated 11th July, 2023, that are required to be disclosed in the explanatory statement are given hereunder:

Sr. No.	Particulars	Details of contracts/arrangements/transactions
1.	Name of the Related Party	Nerbe Plus GmbH & Co. KG.
2.	Nature of Relationship with the Company	Step-down Subsidiary
3.	Type, material terms and particulars of the proposed transaction	Sale & Purchase of goods or services
4.	Tenure of the proposed transaction	Recurring Transactions for a duration of three financial years up to financial year 2026-27
5.	Value of the proposed Transaction	Not exceeding ₹ 375 Crores
6.	Percentage of the Company's annual consolidated turnover for the immediately preceding financial year that is represented by the value of the proposed transaction	*127.23%
7.	a) Details of the source of funds in connection with the proposed transaction b) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments • nature of indebtedness; • cost of funds; and • tenure; c) Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured d) Purpose for which funds will be utilised	Not Applicable, as the transaction does not relate to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary.
8.	Justification as to why the RPT is in the interest of the Company	The Company is in the business of manufacturing and selling of plastic labware good. Nerbe Plus GmbH & Co. KG is a well-established trader in Germany with the business of marketing and distribution of Plastic Labware products. This would help the Company in expanding its global reach with significant market coverage in Europe.
9.	Details about valuation, arm's length and ordinary course of business	Arm's Length Pricing; combination of cost-plus markup and market benchmarking
10.	Valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction	Not Applicable
11.	Any other information relevant or important	All relevant information forming part of the Agenda Notes

** The consolidated annual turnover of the Financial Year 2023-24 is been considered. Further, the consolidated turnover includes the revenue of Tarsons Life Science Pte Ltd for a shorter financial year from 10th November, 2023 to 31st March, 2024 and three months of revenue from Nerbe R&D GmbH and Nerbe Plus GmbH & Co. KG.*

The Members may please note that in terms of provisions of the SEBI (LODR) Regulations, 2015, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not) shall not vote to approve the ordinary resolution at Item No. 5.

None of the other Directors, Key Managerial Personnel or their respective relatives, are in any way concerned or interested, financial or otherwise, in the said resolution.

The Board recommends the resolution as set out at Item No. 5 as an Ordinary Resolution to the Members for their approval.

ITEM NO. 6

To appoint Mr. Suresh Eshwara Prabhala as Non-Executive Nominee Director

The Board, in its meeting dated 14th August 2024, based on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mr. Suresh Eshwara Prabhala (DIN: 02130163) as an Additional Director (Category: Non-Executive, Nominee Director). It also recommended that Mr. Prabhala's appointment as Non-Executive Nominee Director of the Company, effective from 15th August 2024, not liable to retire by rotation be placed before the shareholders.

Clear Vision Investment Holdings Pte. Limited, a Shareholder of the Company (holding 23% shares and voting rights), being conferred with the rights to appoint nominee directors on the Board of the Company under Clause 12(iii) & (iv) of Part A and Clause 3.2.1 of Part B of the Company's Articles of Association, has exercised its rights and nominated Mr. Prabhala as a Nominee Director on the Company's Board.

Further, in terms of the amended Regulation 17(1C) of the SEBI Listing Regulations, effective from 1st January, 2022, a listed entity shall ensure that the approval of shareholders for appointment of a person on the Board of Directors has to be taken either at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

NOTICE (Contd.)

Further, in terms of the amended Regulation 17(1D) of the SEBI Listing Regulations, effective from 1st April , 2024, the continuation of a director serving on the board of directors of a listed entity shall be subject to the approval by the shareholders in a general meeting at least once in every five years from the date of their appointment or reappointment, as the case may be.

Mr. Prabhala has given his consent to act as a Director of the Company pursuant to Section 152 of Act. The Company has received a notice from a member nominating his candidature as a Director of the Company. Mr. Prabhala has further confirmed that he is neither disqualified nor debarred from holding the Office of Director under the Companies Act or pursuant to any Order issued by the SEBI.

None of the other Directors, Key Managerial Personnel or their respective relatives, are in any way concerned or interested, financial or otherwise, in the said resolution.

The Board recommends the resolution as set out at Item No. 6 as an Ordinary Resolution to the Members for their approval.

ITEM NO. 7

To approve and ratify the waiver of excessive remuneration paid to Executive Director of the Company during the financial year 2023-24

The Executive Directors play a crucial role in managing the affairs of the Company. The members of the Company at their 40th Annual General Meeting (AGM) of the Company dated 14th July, 2023, had approved the re-appointment of Mr. Sanjive Sehgal as the Chairman and Managing Director and Mr. Aryan Sehgal (Fomerly, Mr. Rohan Sehgal) as the Whole-Time Director of the Company for a period of 5 (five) consecutive years with effect from 26th July, 2023 up to 25th July, 2028.

Members are requested to note that in terms of approval granted by the Members of the Company vide Special Resolution dated 31st August, 2023, Mr. Sanjive Sehgal, Mr. Aryan Sehgal were paid remuneration of ₹ 4.25 Crores and ₹ 3.75 Crores respectively during the financial year 2023-24, with no increase in remuneration since Financial Year 2021-22.

While approving the remuneration of Mr. Sanjive Sehgal and Mr. Aryan Sehgal, the members had also inter alia approved the payment of "Minimum Remuneration" in the event of inadequacy or absence of profits, in any financial year or years during the tenure, subject to requisite approvals.

Further, pursuant to Section 197 of the Companies Act, 2013 read with Schedule V thereto, where a Company has no profits or its profits are inadequate, it may pay any remuneration to the managerial personnel provided that, amongst others, a statement along with a notice calling the general meeting contains certain information.

Upon completion of audit and with reference to the approved audited financial statements for the financial year ended 31st March, 2024, the remuneration paid during the Financial Year 2023 – 24, which was duly approved by the members through Special Resolution passed, turned out to be in excess of the limits envisaged under the provisions of Section 197 of the Companies Act, 2013.

According to Section 197 of the Companies Act, 2013, the remuneration of ₹ 37.5 million paid to Mr. Sanjive Sehgal exceeded the permissible limit by ₹ 3.63 million. Additionally, the overall remuneration paid to executive directors (Mr. Sanjive Sehgal & Mr. Aryan Sehgal) of the Company amounting to ₹ 80.0 million, exceeded the limit by ₹ 2.26 million.

However, pursuant to Section 197(10) of the Act, the members of the Company have been empowered to waive the recovery of excess remuneration by passing a special resolution.

The Board of Directors are of the opinion that the remuneration paid to Executive Directors are justified and appropriate considering the key role they play in managing the business operations, designing and executing strategies of the Company in the long term. Thus, considering the same, the Board of Director of the Company in its meeting held on 30th May, 2024, has approved the waiver of the recovery of excess remuneration paid to Executive Directors of the Company for the financial year ended 31st March, 2024 and have recommended the resolutions as set out in this AGM Notice to the Members for their approval.

The Company hereby confirms that the Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

None of the other Directors, Key Managerial Personnel or their respective relatives, are in any way concerned or interested, financial or otherwise, in the said resolution.

The Board recommends the resolution as set out at Item No. 7 as Special Resolution to the Members for their approval.

NOTICE (Contd.)

DETAILS OF DIRECTORS TO BE APPOINTED/REAPPOINTED AT THE AGM

[Pursuant to the requirements of Regulation 36 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India]

Particulars	Sanjive Sehgal	Suresh Eshwara Prabhala
Name/Category/Designation	Sanjive Sehgal Chairman & Managing Director	Mr. Suresh Eshwara Prabhala Non-Executive Nominee Director
Date of Birth	3rd February, 1961	9th December, 1974
DIN	00787232	02130163
Age	63 Years	50 years
Qualification	Bachelor's degree in Science (BSC) from St. Xavier's College, Kolkata	Master of Business Administration (MBA) from the Indian Institute of Management in Calcutta and a Bachelor's in Mechanical Engineering from Delhi University.
Nationality	Indian	Indian
Date of first appointment on the Board	25th July, 1983	15th August, 2024
Nature of expertise/Background Details/ Job Profile & Suitability/Recognition & Awards	Mr. Sanjive Sehgal has an experience of over 40 years in production, marketing and distribution of plastic labs ware, plastic labs consumables and bench – top instruments and supply of plastic products to the healthcare pharmaceutical biotechnology and/or Research Institutes.	Mr. Suresh Prabhala boasts over 25 years of experience in the finance industry. He is a co-founder and Managing Partner at ADV Partners, a pan-Asian private equity firm. Prior to this, he served as Managing Director and Head of India for Mount Kellett Capital, where he was also a member of the Global Investment Committee. Previously, Mr. Prabhala held the position of Executive Director and Head of India for J.P. Morgan's Asia Special Situations Group, contributing to the Asia Management Committee and representing the group on the Management Committee of J.P. Morgan India. His earlier career includes roles at Arthur Andersen's Corporate Finance team and as a founding member of Allegro Capital Advisors. He began his professional journey as a credit analyst at CRISIL in India
Terms & Conditions of appointment/re-appointment	To be re-appointed as Director liable to retire by rotation. Further, Mr. Sanjive Sehgal is appointed as Managing Director of the Company for a period of 5 years from 26th July, 2023 upto 25th July, 2028. The other terms and conditions are governed as per the employment agreement entered into with the Company	Approval of the members is sought for appointment of Mr. Suresh Eshwara Prabhala, Non-Executive Nominee Director in the Board, pursuant to the Nomination letter and Articles of the Company.
Remuneration sought to be paid and the remuneration last drawn	₹ 4.5 Crores for 2023-24	Nil
Relationship between Directors and KMPs inter se	Father of Mr. Aryan Sehgal (Formerly, Mr. Rohan Sehgal), Whole-time Director.	No relation with other Directors and KMPs

NOTICE (Contd.)

Particulars	Sanjive Sehgal	Suresh Eshwara Prabhala
Directorship of other Companies as at 31st March, 2024 (excluding private companies, Section 8 Companies and Foreign Companies)	Nil	Nil
Chairmanship/Membership of other Committees as on 31st March, 2024	***Membership*** - Stakeholders Relationship Committee - Corporate Social Responsibility Committee	Nil
Listed entities from which the Directors have resigned in the past 3 years*	Nil	Nil
No. of shares held in the Company as on 31st March, 2024 including shares held as beneficial owner	1,43,54,248 (26.98%)	Nil
Number of Meeting of Board attended during the year 2023-24	7 out of 8	N/A

* Past 3 years since date of appointment/re-appointment

NOTES

NOTES

Tarsons
TRUST DELIVERED

Global Headquarter

902, Martin Burn Business Park,
BP-3, Saltlake, Sector-V,
Kolkata - 700 091
Phone: + 91-033-35220300
Email: info@tarsons.com