RPG LIFE SCIENCES

RPG LIFE SCIENCES LIMITED
ANNUAL REPORT

RPG

About RPG

RPG Group is a global diversified conglomerate with businesses in the areas of Infrastructure, Tyre, Information Technology, Pharmaceuticals, Energy, Plantations and Venture Capital. Founded by the legendary industrialist Dr. R.P. Goenka, the Group's lineage dates to the early 19th century. Today, the group has several companies in core sectors of the economy: the most prominent among them being KEC International, CEAT, Zensar Technologies, RPG Life Sciences and Harrisons Malayalam. Built on a solid foundation of trust and tradition, the RPG name is synonymous with stability, steady growth, high standards of corporate governance and a culture of respect for people and the environment.

hello **happiness**

"Hello Happiness", is RPG's giant step towards becoming a truly happy organisation, where inspired employees take ownership and march towards their greater purpose.

Ever since we embraced the philosophy a few years ago, we are sparing no effort to promote a culture and environment of happiness as a "way of life" at RPG Group. Amongst a slew of people-first policies, we have continued to work on different initiatives that promote the happiness of our people, investors, customers and the lesser privileged. Within this ecosystem, our people are happily committed to a high-performance culture, empathy and customer delight.

The world of tomorrow needs to be taken care of today. That is our guiding philosophy for sustainable business growth while our social initiatives across sectors such as education, health and empowerment, aim to create a better world for the communities we serve.

"Hello Happiness" is not just another tagline for us. It is action-oriented to finding and achieving our purpose in life, both organisational and personal. It is a proud proclamation that we are an organisation where happy employees keep the interests of all our stakeholders ahead of themselves leaving a legacy for generations to come.

Cutting-edge scientific research in the pharmaceutical sector is bringing a difference to the lives of millions of people in India and globally. As the world gradually emerges from the perils of the pandemic, the need for more advances in science-based innovation is being felt by the medical fraternity and governments in order to strengthen human immunity and ensure healthier and longer lives.

At RPG Life Sciences, we are contributing to the overarching credo of Science for Life through our integrated research-based operations in the domestic and international markets.

We are strengthening our manufacturing capabilities, expanding our portfolio of products and reinforcing our R&D backbone to ensure continuous availability of life-saving medicines to patients. We are also accelerating our digital transformation initiatives across frontend and backend to transform our business.

We are building an agile, smart, happy and a performance-driven culture, inspired by a strong conviction in Science for Life.

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www.rpglifesciences.com

About RPG Life Sciences

RPG Life Sciences is an Integrated Pharmaceutical company operating in the Domestic and International markets in Branded Formulations, Global Generics and Synthetic APIs.

We are a research-based pharmaceutical company producing a wide range of quality and affordable medicines.

Values

- Respect
- Openness
- Integrity
- Passion
- Courage

Evolving with purpose

50+ Years of Rich Legacy

Integrated Operations with capabilities of both development and manufacturing in API and Formulations

Leader in the **Immunosuppressant** Segment

Presence in both **Acute and Chronic** therapies

6 Text Book Brands which are trusted by patients and doctors.

1100+ Permanent employees

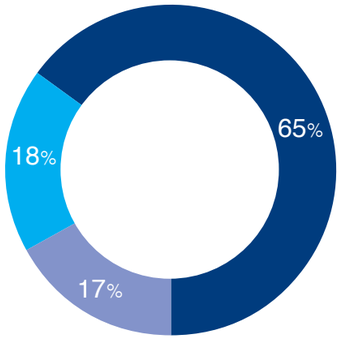
3 Manufacturing facilities

50+ countries Market presence

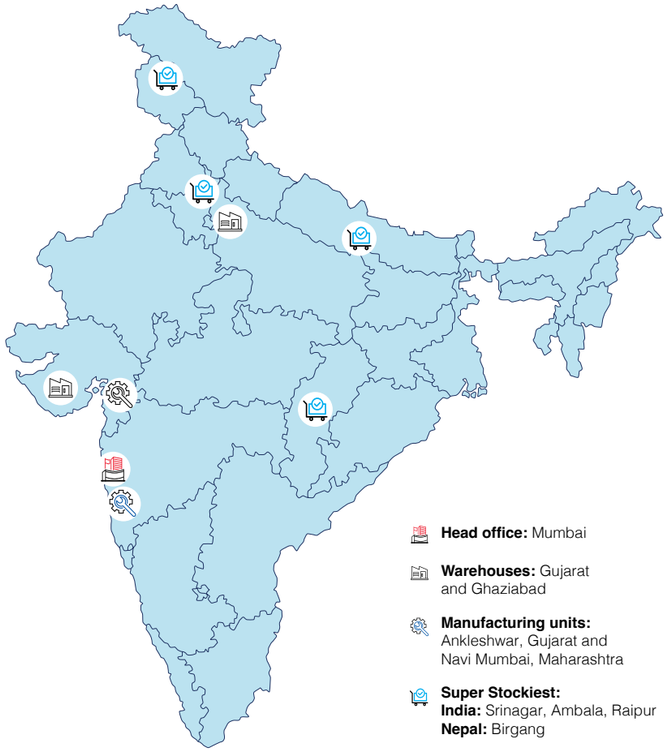
Enduring Relationship with leading Generic Players of the World

Business Overview

Revenue mix by categories



- Domestic Formulations
- International Formulations
- API



Domestic Formulations

The Domestic Formulations business operates in the Mass/Mass Specialty and Specialty Segments and accounts for over 65% of the revenues. The Company focuses on developing, manufacturing and marketing branded finished dosage formulations in India and Nepal.

The Company has a strong presence in both Acute and Chronic Therapy areas and is **focusing on product portfolio rejuvenation through new launches.**

Therapy-wise product portfolio

Specialties

Nephrology
- Azoran
- Mofetyl
- RPO
- Darba
- Alfalog
- IroHigh

Rheumatology
- Adlumab
- T-JAKi
- Azoran
- Mofetyl
- X-Mab

Oncology
- Hermab
- Ivzumab
- Zestmab
- Fulbreca
- Z-pac
- Neosez
- Rivorca

Gastroenterology
- Adlumab
- T-JAKi
- Azoran
- Mofetyl

Mass/Mass Specialties

Cardiology
- Aldactone
- Norpace New
- Cardibeta
- Azilta

Diabetology
- Nugliptin
- Gliptinext
- DPO

Orthopaedics
- Naprosyn

Neuropsychiatry
- Serenace

Respiratory
- Romilast
- Daslin

Nutritional
- Nutrikit
- MinMin

General
- Lomotil
- Lomofen+
- Tricaine

Urology
- Sildura
- Tamflo
- Abitate
- Mirasmart-S
- Solifirst
- Tamflo DFZ

International Formulations

The International Formulations business involves development, manufacturing and marketing of oral solid formulations in the generics and Branded Generics space across regulated and emerging markets, with a **strong presence in the Immunosuppressant segment.**

RPG Life Sciences has a long-lasting and impeccable supply track record and business relationship with leading generic players of the world to deliver exceptional solutions. With an ardent focus on **high quality and process orientation,** the Company has established itself as a preferred partner in the industry.

Key Products

Generics

- Azathioprine
- Sodium Valproate PR
- Nicorandil

Branded Generics

- **Nephrology (Immunosuppressant)** - Azoran, Mofetyl, Arpimune, Imunotac
- **Gastrointestinal** – Siloxogene, Tricaine MPS
- **Cardiovascular and Metabolic Disorders** – Dipsope, Diasafe, Losatec, Serformin

Key Geographies

Canada
France
UK
Germany
Africa
Australia
South East Asia

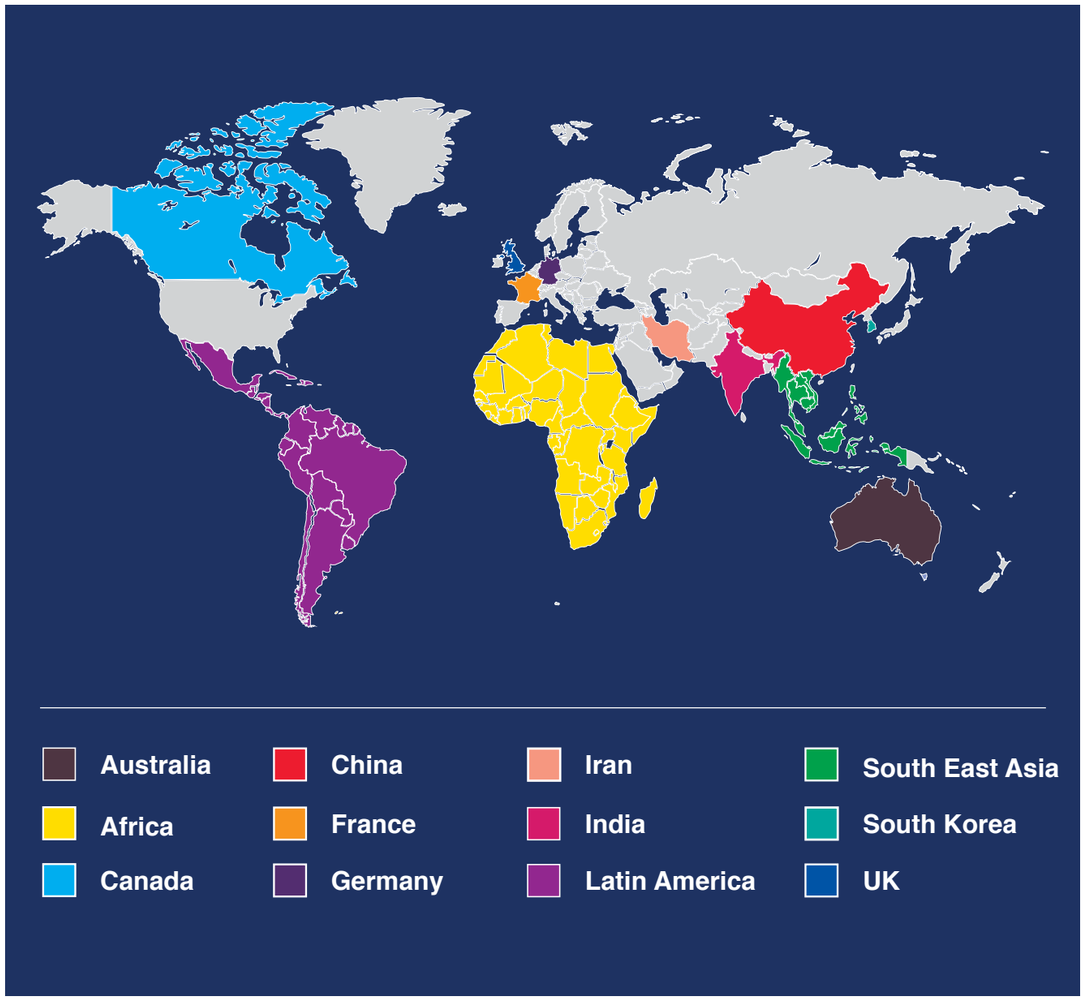
API

The Company offers a range of high value and low volume niche APIs in the general therapeutic category. The Company manufactures mature stable molecules and **provides backward integration to International Formulations business.** The Company has its footprint across geographies including LATAM, Iran, Germany, China, South Korea, Bangladesh, Egypt and India.

Along with a robust business model, the Company has a strong customer focus which is further strengthened by the long-lasting relationship with big pharma and leading generic firms.

Key Offerings

- **Immunosuppressant basket** – Azathioprine, Mycophenolate Mofetil
- **Others** – Quinfamide, Nicorandil, Haloperidol, Risperidone, Propantheline Bromide, Pantoprazole, Diphenoxylate, Lamotrigine, Sertraline



Chairman's Message

The turnaround in business gathered further momentum with a notable uptrend in revenues, profitability and cash flow management, despite disruptions in the supply chain and mounting inflationary pressures in the macro-environment.

Dear Shareholders,

The world has been gradually coming to terms with the new normal in the aftermath of a gradual receding of the COVID-19 pandemic. India, like the rest of the world, continued to face challenges even in FY22 and the impact of the pandemic, further compounded by geo-political events, continues to be felt both on the economy and communities in general.

At RPG Life Sciences, the continued adoption of stringent COVID-19 protocols, robust systems and processes and digital initiatives helped mitigate the impact to a fair degree. The turnaround in business gathered further momentum with a notable uptrend in revenues, profitability and cash flow management, despite disruptions in the supply chain and mounting inflationary pressures in the macro-environment.

At RPG Life Sciences, the continued adoption of stringent COVID-19 protocols, robust systems and processes and digital initiatives helped mitigate the impact to a fair degree.

During the year, the Company maintained a strong focus on business continuity to ensure minimum disruptions in manufacturing activity and supply chains while looking to continuously improve sales and other performance metrics. Safety and wellbeing of its people and their families, dealers, customers and communities continued to remain a key focus area for the Company.

The Company is well poised to build on the strong operational competencies developed over the last few years. I am hopeful that the Company will continue to grow and create new milestones in the years to come.

Harsh V. Goenka
Chairman

MD's Message

Our performance in FY22 continues to remain strong, despite the severe impact of the second and third waves of the COVID-19 pandemic. We clocked revenues of ₹ 440.16 crores. On a full-year basis, revenues and PBT grew by 13% and 37% respectively.

Dear Shareholders,

It is my immense pleasure to present to you our annual report for FY22- a year of continued growth, both in revenues and margins.

The year 2021 continued posing challenges with the second and third waves of the COVID-19 pandemic. In response, we continued diligent execution of the identified key action points with respect to all the six identified business dimensions viz. colleagues, customers, community, cash, demand and supply.

The year in focus

Our performance in FY22 continued to remain strong, despite the significant impact of the second and third waves of the COVID-19 pandemic retaining the upward trajectory in revenues, profitability, cashflow and working capital management. We clocked revenues of ₹ 440.16 crores. On a full-year basis, revenues and PBT grew by 13% and 37% respectively. EBITDA margin retained its uptrend growing from 10.4% (FY19) to 15.9% (FY20) to 18.2% (FY21) to 20.3% (FY22). We continued to remain focused on executing our turnaround strategy.

During the year, despite the significant impact of pandemic, Domestic Formulations and API businesses registered strong positive revenue growths led by our Domestic Formulations business which clocked in 19% growth due to a diligent lifecycle management strategy of our legacy brands and new launches in Chronic and Specialty Therapies guided by our 'New Launch Excellence Strategy' framework. Our API business performance was driven by our key APIs such as Quinfamide, Azathioprine and Haloperidol. The International Formulations segment was adversely impacted with Myanmar, one of our key markets, de-growing due to political unrest.

The year posed significant challenges due to rising inflationary trends impacting the supply chain adversely. The concerted pro-active strategy helped us to part mitigate the challenge, thus helping us maintain the upward trajectory in our margins.

Transformation Agenda

With the goal of achieving sustainable profitable growth, we continued our drive to further our transformation agenda focussing on specific deliverables vis-a-vis all the identified tenets - Profitable growth through a well-defined strategic framework for all the three business segments (Domestic Formulations, International Formulations and API); Migration to higher margins; Building strategic assets / footprints; Embracing digitalisation and innovation to transform business and Strengthening organisation to deliver the core strategy.

One of the key pillars of Domestic Formulations business strategy is product portfolio rejuvenation. Good strides have been made there by strengthening our presence in the focussed Chronic/ Specialty segments - Nephrology, Rheumatology, Gastroenterology, Oncology, CVM and Urology with new launches during the year FY22, such as IroHigh, Azilta, DPO, DPO-M, Mirasmart-S, Solifirst and Tamflo DFZ. Our MABs portfolio built in the past few years, has been witnessing an impressive uptake. To build our Iconic / Text-book brands into strategic assets, we have devised a comprehensive lifecycle management strategy. Accordingly, in FY22, we successfully launched Naprosyn+ and Aldactone-F.

To widen our reach in the identified customer segments like Nephrologists, Rheumatologists, Cardiologists and Diabetologists, we undertook targeted sales force expansion. Our productivity enhancement measures have led to a notable increase in productivity in both, Mass and Specialty divisions.

In the International Formulations segment, we intend to expand our footprint in emerging markets like Myanmar, Vietnam, Philippines, Sri Lanka, Egypt and Sudan and accordingly worked out product registrations in these markets. In regulated markets, we continue to focus on expanding our partnership with new customers, entering into new markets and launching / maximising identified products in our focus/niche categories – Immunosuppressants, complex generics and products needing special manufacturing conditions.

For our API business, we remain committed to focusing on business continuity through customer and market expansion of our existing/new molecules and backward integration for our Formulations Business.

Digitalisation

Our digitalisation drive resulted in significant improvement in our operational performance. During the year under review, we made rapid strides towards developing a strong digital infrastructure across Frontend, Backend and Support functions.

We launched our industry-first initiative – RPGserv, 'Anytime Anywhere Doctor Support Initiative' in FY21. This Gamechanger initiative has been scaled up to include more than 58,000 doctors and is helping us increase our outreach and engagement with doctors in a seamless manner.

The digital interventions in the backend have been with respect to three critical systems, namely e-QMS, e-DMS and e-LMS for process optimisation and bringing in greater rigour in quality management.

Additionally, we also launched Rxcer 2.0, 24X7 Support and HR chatbot - ERICA to further streamline our communication channels and employee processes.

There are many more digital initiatives ongoing to improve efficiencies, optimise costs and enhance quality.

Dedicated and Happy team

I am proud of my team, right from the ground staff to senior executives, for demonstrating and imbibing the organisation's values to win against all odds and secure timely delivery of critical medicines to patients during the pandemic. This reiterates our commitment towards the profession and highlights our singular focus on prioritising the needs of our customers. We have devised a Happiness Framework within which a number of happiness initiatives have been devised and launched to increase the happiness quotient of our colleagues thus making RPG Life Sciences a Happy Organisation.

Sustainability at the core

We acknowledge the adverse effects of climate change on our planet and are committed to reducing our impact on the environment. We are, therefore, promoting the 3Rs (Reduce, Reuse and Recycle) to ensure optimal utilisation of resources.

We also recognise our responsibility towards society at large and continue to engage in various CSR initiatives to encourage the sustainable development of communities. We developed 'SafeSeniors' tool in conjunction with Seniority, an RPG Group Company, for early detection of health problems among the elderly. We continued engaging in the programs such as Pehlay Akshar (Education), Swayam Health, Swayam Drive and Swayam Digital (Employability) for the development of underprivileged communities in and around our plants and business locations.

In response to the COVID-19 pandemic, RPG Life Sciences in collaboration with RPG Foundation extended support to the public health system in Maharashtra by providing Portable 'Fever Clinics' to tackle the pandemic and other respiratory diseases.

Road ahead

As we begin another exciting year of growth, we continue to maintain an unwavering focus on our strategic priorities and transformation agenda. We are forever grateful to our frontline COVID warriors who are constantly putting their lives at risk and working tirelessly to keep us safe. I would also like to take this opportunity to express my deepest gratitude to the shareholders for their continued support and faith in the Company.

Yugal Sikri
Managing Director

Standing strong in the battle against COVID-19

The Company issued a passionate clarion call of duty as a 'responsible member of the healthcare industry' to the entire organisation to go all out to ensure continuous availability of medicines for our patients.

As a response, the team relentlessly pursued the objective by servicing **doorstep delivery of our critical medicines** related to cancer, kidney transplant, rheumatoid arthritis and so on, for our patients. This was further facilitated by our manufacturing facilities which continued operations throughout the repeated waves of the pandemic.

As a means to fulfil our commitments and manage the COVID-19 crisis, certain key priorities were identified and targeted interventions were planned thereafter. Through our **Employee Care** programme, we resolved to ensure strict and comprehensive employee health and safety measures across all locations.

This included a round-the-clock in-house medical tele-consultation and counselling session and an enhanced medical insurance for COVID-19 hospitalisation, available throughout the organisation. While the field team was provided with essentials such as PPE kits, masks and sanitisers, immunity-boosting measures were carried out across all factory locations. Furthermore, special care was taken of employees with co-morbidities besides regular advisories for all employees.

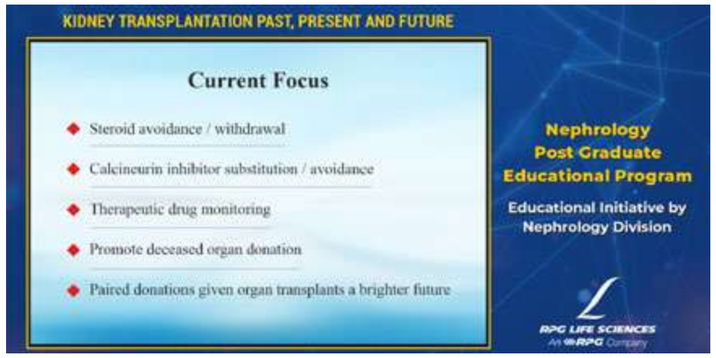
An uninterrupted **employee engagement** was facilitated through measures such as organising digital townhalls for interacting with employees and their families and frequent connect with the leadership team. Factories and frontend teams helped resolve the issues at hand and review the priorities for effective action.

The Company acknowledged 80+ employees from Procurement and Sales departments through **RPGLS Brave Warriors**, an initiative to appreciate their courageous contributions during the lockdown.

Our efforts towards **conserving cash** through focussing on sustainable OPEX control measures bore fruit and the Company continued to remain Debt-free during fiscal 2021-22.

The Company ensured **supply continuity** of raw materials and packaging materials through proactive planning and relationship management with key vendors, thereby facilitating product availability at all times.

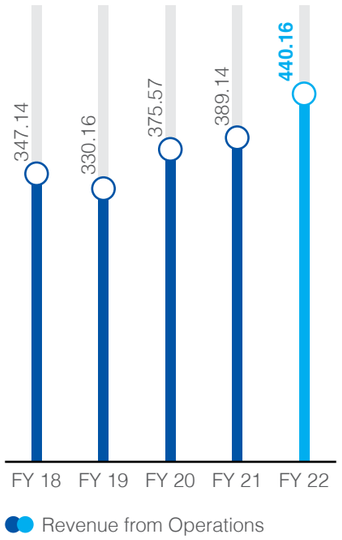
The Company maintained the connect with customers through deployment of several digital initiatives such as tele-consultation service, e-CMEs, webinars and medical emailers to ensure **customer outreach** in view of limited physical calls.



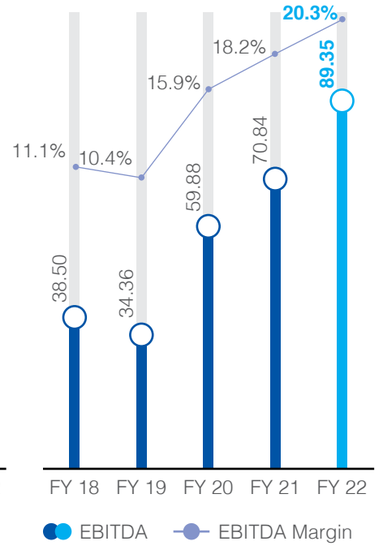
The Company extended its **community service** activities through RPG Foundation to distribute sanitisers, masks, gloves, PPE kits, meals and so on. The Company developed a 'SafeSeniors' tool in conjunction with Seniority for early detection of health risks among the vulnerable senior citizens.

Growing Sustainably

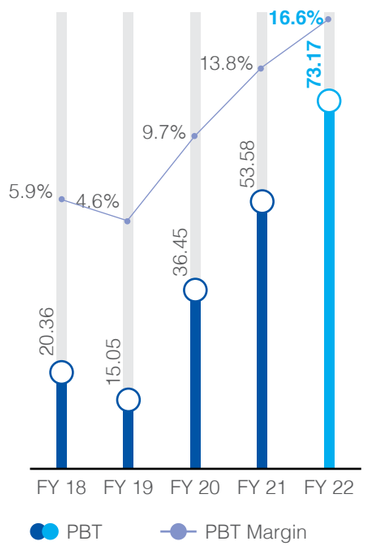
Revenue from Operations
(₹ in crores)



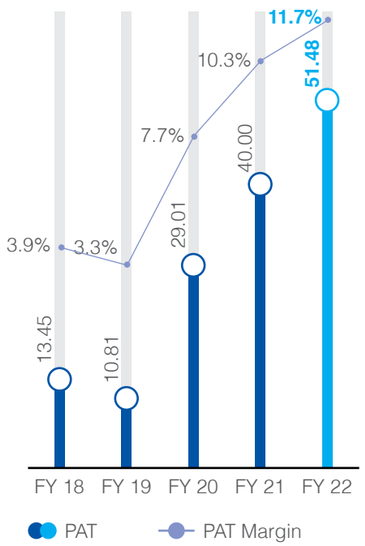
EBITDA and EBITDA Margin
(₹ in crores) (in %)



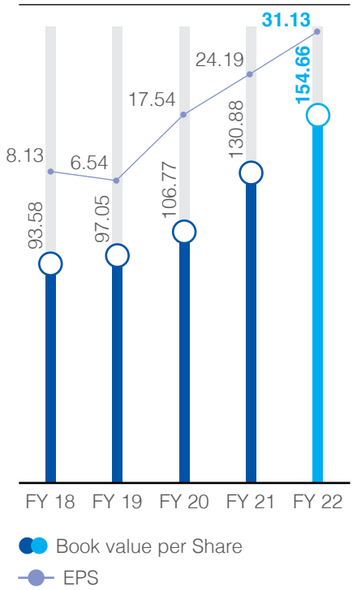
PBT and PBT Margin
(₹ in crores) (in %)



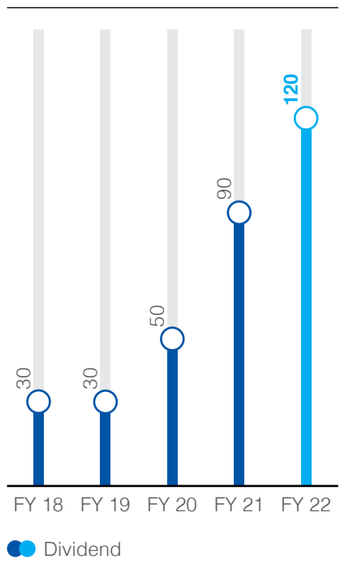
PAT and PAT Margin
(₹ in crores) (in %)



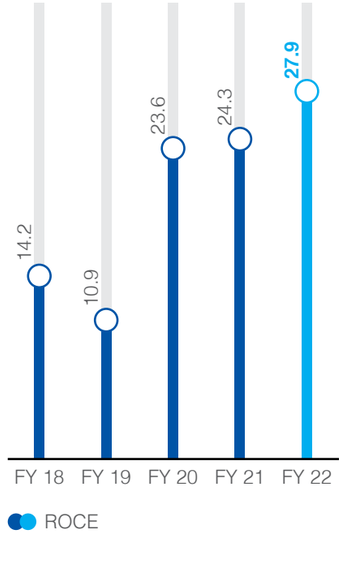
Book Value per share and EPS
(₹ per share)



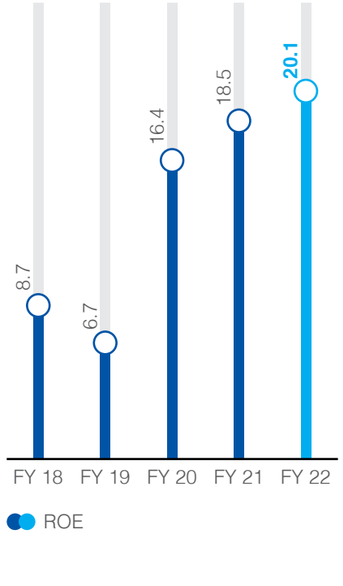
Dividend
(in %)



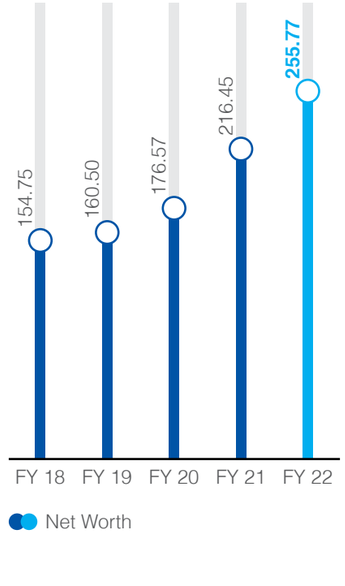
ROCE
(in %)



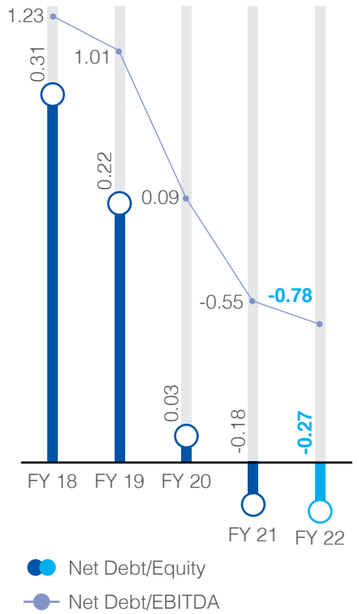
ROE
(in %)



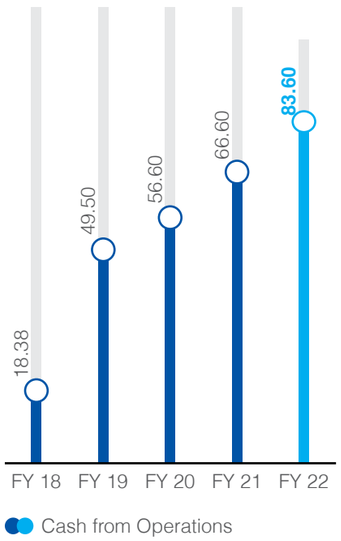
Net worth
(₹ in crores)



Net Debt/Equity and Net Debt/EBITDA
(in times)



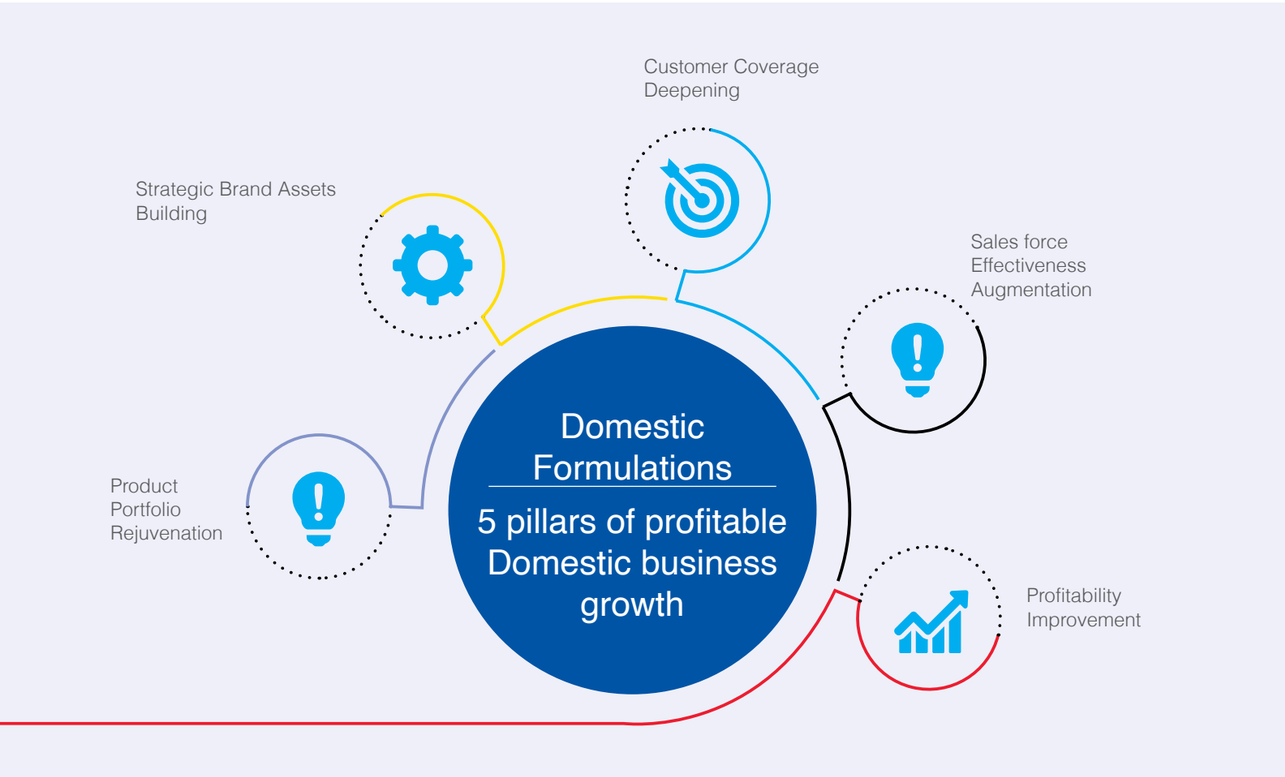
Cash from Operations
(₹ in crores)



Company continues to be debt-free in FY22

Strategic priorities for a sustainable tomorrow

The Company is aware of the dynamic operating environment witnessed in recent years and has a strategic framework to address any anticipated shifts in key markets. The framework is segregated according to the business verticals, with a broad-based convergence on value creation for all stakeholders within the realm of RPG Group's values.



In the Domestic Formulations, the Company aims to address the growing market in Chronic and Specialty segments through new launches and adopt a lifecycle management approach by introducing line extensions, expanding into new customer segments and reaching out to new customers by expanding our salesforce. The objective is to be facilitated by competency building and productivity enhancement initiatives for the salesforce, complemented by deployment of digital capabilities to expand the customer base. Furthermore, cost rationalisation by OPEX control, efficient manufacturing operations and sales hygiene will increase profits.

Focused Product Portfolio

Immunosuppressant Brands Portfolio

Textbook Brands Portfolio

New Brands Portfolio- Specialty

New Brands Portfolio- Chronic

New Line Extensions- Text Book/ Iconic Brands

Disclaimer: All products displayed/mentioned in this Annual Report are for illustration purpose only. Consult your Physician for professional medical advice.

International Formulations - 3 Pillars of Step-wise Business build up

The strategy for Global Business is to create a strong foothold in select markets through leveraging our brand image in Immunosuppressant Segment.

3 pillars of step-wise business build up		
Build Immunosuppressant portfolio	**Focus on products with specific/ competitive advantage**	**Expand footprint in emerging markets**
eg. Azoran; Mofetyl; Imunotac; Arpimune ME;	eg. such as Nicorandil (special manufacturing conditions like low RH), Sodium Valproate PR (Complex Generic Product)	eg. like Myanmar, Vietnam, Philippines, Sri Lanka, Egypt, Sudan

APIs - Business Continuity

The Company is well positioned in the API segment, backed by robust R&D and relationship with downstream customers. The aim being business continuity, **areas of focus are efficiency enhancement and Customer/Market expansion for the existing/new Molecules.**

Robust operational capabilities to deliver quality at scale

1. Manufacturing

Formulations Unit 1

Located in the industrial town of Ankleshwar in Gujarat, India; the F1 unit is a multipurpose plant with dedicated product lines for oral dosage forms including tablets, Liquids and powder. The unit has a strong production capacity and caters to the domestic and emerging markets.

Regulatory Approvals:

WHO GMP from Food and Drug Control Administration (FDCA) - Gujarat

Kenya – Pharmacy & Poison Board

Nigeria – NAFDAC (National Agency for Food & Drug Administration and Control)

Formulations Unit 2

The F2 unit, also located in Ankleshwar, in the state of Gujarat, India is manufacturing Solid Oral Dosage forms and is **equipped to handle products requiring very low Humidity during processing.** The unit caters to the regulated markets.

Regulatory Approvals:

EU GMP from HHA (Hamburg Health Authority)

WHO GMP from Food and Drug Control Administration (FDCA) - Gujarat

Australia - TGA (Therapeutic Goods Administration) GMP

Canada – Health Canada Drug Establishment License

Ethiopia – FMHCACA (Food Medicine and Healthcare Administration and Control Authority of Ethiopia)

Kenya – Pharmacy & Poisons Board

Sudan – Federal Ministry of Health - National Medicines & Poisons Board

Nigeria – NAFDAC (National Agency for Food & Drug Administration and Control)

API Unit

The API manufacturing facility consists of three units catering to specific markets.

MF1: Multipurpose unit catering to emerging markets including India.

MF2: Dedicated immunosuppressant facility catering to regulated markets.

MF3: Multipurpose unit catering to regulated markets.

Regulatory Approvals:

WHO GMP from Food and Drug Control Administration (FDCA) - Maharashtra

Australia - TGA (Therapeutic Goods Administration) GMP

2. Quality

The manufacturing operations has a robust quality framework under the command of Corporate Quality Assurance (CQA) team to ensure **high quality consciousness and process orientation.** The CQA is entrusted with quarterly internal audit of all plants and all critical SOPs are harmonised through corporate quality assurance (CQA) team. Moreover, all critical deviations, change controls and market complaints investigation are approved by CQA.

3. Regulatory Affairs

The Company has a well-established and evolved Regulatory function with **expertise of eCTD submissions and integrated project management activities.**

4. Formulations R&D

Besides formulation development capability of oral dosage forms, the Formulations R&D has the capabilities to develop **modified release and complex generics.** In addition, it has the capabilities with regards to packaging development, dossier's gap analysis and fulfilment, scale up, tech transfer and site transfer activities. The department also boasts of a **GLP compliant analytical laboratory** for development and validation of analytical methods.

Driving digitalisation to transform business

As the COVID-19 crisis accelerated the inevitable digitalisation of the economy, the Company has created innovative digital solutions to redefine and elevate the communication channel with its customers and employees which it is driving with full vigour.

Game Changer Customer Connect Initiatives

The Company launched a digital platform for comprehensive doctor engagement, **'RPGserv',** which integrates physical and digital capabilities to provide an **'Industry first Anytime, Anywhere Doctor Support' initiative.** The platform has over 58,000 doctors on board across therapies and supports features such as high-quality content delivery and premium contemporary services for doctors. The doctor can browse across six categories of services. RPGserv is an initiative to enhance customer coverage and outreach of customers along with a range of services.

Besides RPGserv, the Company deployed the digital platform of **e-CMEs** to bring doctors and key opinion leaders together to deliberate on current medical developments as well as facilitated **tele-consultation between doctors and patients.**

Employee Connect

Rxcer 2.0 is a digital platform launched to track the Company's salesforce operations including customer visits, customer engagement activities, sales performance analytics and much more, to inform the decision-making activities of the organisation.

'24X7 Support' is a digital salesforce grievance redressal platform.

HR chatbot, 'ERICA' Additionally, an automated HR chatbot, "ERICA" for employees facilitates deep engagement through quick resolution of queries.

Backend

The digital interventions in the backend included three quality management systems, namely for process optimisation such as:

e-QMS: Digital platform to track all 6 quality parameters.

e-DMS: Digital platform to manage all manufacturing/quality documents.

e-LMS: Digital platform to track training sessions on CGMP

Moreover, the Company deployed **IRIS scanner** to access critical manufacturing equipment.

Cultivating high-performance culture with focus on 'happiness'

The Company practices a culture of continuous learning to empower its people to realise their true potential and recognise their contribution towards personal and professional goals, thereby creating an ecosystem of symbiotic development. Taking cognisance of the effect of the crisis on personnel's motivation during the COVID-19 pandemic, the Company initiated a slew of positive interventions, in addition to those in the safety and health realm which it has continued to drive engagement further.

Recognition Initiatives

You Excel. We Applaud
Salesforce motivation continuum

RPGLS Heroes
Awards for outperformance recognition

RPGLS Values Champions
Living organisational values

Capability and Career Building Initiatives

We Skill. You Grow.
Competency building continuum

Percipio
Dedicated e-learning platform

AkankshA
Salesforce career development

Engagement Initiatives

RPGLS Parivar Tyohar Shrankhla
Digital RPGLS family get-together

RPGLS Happiness Forums
Leadership connect – month and quarter

Navigators
An initiative for Crowdsourcing Ideas from Sales Hierarchy

Happiness Initiatives in Action

Throughout the year, the entire organisation lives the diligently devised Happiness Initiatives to make RPG Life Sciences a Happy Organisation.

Ensuring holistic development of communities

The Company is committed to holistic development of the community and enabling them to lead happy and healthy lives, thereby contributing towards the progress of the country. The Company has undertaken the following projects through RPG Foundation, an implementing agency.

Education

Over the years, RPG through its implementing agency, RPG Foundation, has made sincere efforts to help children learn better and teachers to teach better. The focus is on creating 'safe spaces' for all and to ensure students have access to a holistic education that prepares them for the future. To ensure this, we help Government school teachers improve their teaching practices and strengthen their subject matter knowledge. The programme equips teachers with modern and innovative pedagogies, enables continued learning for them and aims to create a conducive and safe environment to learn and grow.

Project Pehlay Akshar

Pehlay Akshar aims at improving learning outcomes in classrooms, by helping Government school teachers improve their teaching practices and strengthen their knowledge. The programme equips the teachers with modern and innovative pedagogies and behavioural techniques. The interactive training programme is designed to bring about a change in conducting classroom sessions, thereby ensuring a conducive and safe environment to learn and grow.

Baseline Survey in
6 Districts

As a part of the research for Teachers Training

4328

Active teachers using the Pehle Akshar App

PA Liabrary Programme

Final permission has been received from Maharashtra School Education Department

Books for first phase of the project have been procured

Library design is in progress and will be submitted to the government for approvals

PA Training

Preparatory work ongoing for the programme to be launched across Maharashtra in collaboration with State Council of Educational Research & Training (SCERT), Maharashtra

Pehlay Akshar App

6,080

Total Users

4,328

Active Users

202

Episodes Aired (Apr-Jun '21)

6,67,680

Viewership (Apr-Jun '21)

DD Magic Classroom

Partnership with MSCERT and DD Sahayadri	Grades 1-8, English and Vernacular medium
Bal Bharti content with PAF ideology	Telecast across Maharashtra and Goa

Employability

The participation rate of women in the labour force fell to 16.1% in India during the pandemic. Due to unequal opportunities and skewed focus on vocational training, women often drop out of, or don't join the labour force.

Our initiative Swayam, implemented by RPG Foundation, aims to counter this by imparting vocational skills training to women and helping them find employment. Through the digital portal called Connect, we provide them with continued learning opportunities and access to livelihood opportunities.

We undertook the following initiatives to address these issues:

390

Candidates Trained

369

Candidates Placed

Placements provided in COVID-19 facilities, hospitals and homecare-based roles, delivery executives, with salaries ranging from

₹ 6000/- to ₹ 12000/-

Project Swayam Health

Swayam Health aims to augment the number of healthcare workers in India, by implementing short term training and employment support.

390

Candidates were provided with employment support and 100 completed training.

Project Swayam Drive

Swayam Drive aims to break stereotypes and help women find employment in the traditional male dominated commercial driving and delivery services sector.

40

Beneficiaries trained in two-wheeler driving till date.

Swayam Connect

The platform aims to bridge the information gap that acts as a hindrance to growth, by providing access to job openings, upskilling content and government schemes.

9000+

Beneficiaries on portal

75

Healthcare employers

29

Total training partners

192

Jobs posted

2929

People vaccinated

Project Swayam Digital

Swayam Digital focuses on skills such as hardware networking, digital marketing and data entry operator. Short-term courses help the youth to develop these skills and gain employment. This course helps with online and home-based digital job opportunities.

160

Beneficiaries trained and 69 found employment.

Community Development

RPG Foundation has designed and manufactured portable cabins that can serve as **'Fever Clinics'** across rural and semi-urban Maharashtra strengthening the public health system in collaboration with National Health Mission (NHM).

The Fever Clinics has helped to augment and support the existing healthcare infrastructure during the COVID-19 pandemic.

RPGLS supported the setting up and operations of three clinics at Amrai – Karjat, Alibaug – Raigad, Kamothe – Panvel. The clinics are manned by a doctor, medical assistant from NHM and a fever clinic operator from RPG Foundation. Fever clinics are used for basic check-up, RT-PCR testing and screening for other respiratory diseases.

43,398

Patients attended to for respiratory and other illnesses

8186

RT-PCR/ Antigen tests conducted

Fever clinic

Board of Directors

Mr. Harsh V. Goenka
Chairman

Mr. Yugal Sikri
Managing Director

Mr. Mahesh S. Gupta
Independent and Non-Executive Director

Dr. Lalit S. Kanodia
Independent and Non-Executive Director

Mr. Manoj K. Maheshwari
Independent and Non-Executive Director

Mr. Narendra Ambwani
Independent and Non-Executive Director

Ms. Zahabiya Khorakiwala
Independent and Non-Executive Director

Mr. Bhaskar Iyer
Independent and Non-Executive Director

Mr. Sachin Nandgaonkar
Non-Executive Director

Mr. Rajat Bhargava
Non-Executive Director

Corporate Information

BOARD OF DIRECTORS

Mr. Harsh V. Goenka
Chairman

Mr. Yugal Sikri
Managing Director

Mr. Mahesh S. Gupta
Independent Director

Dr. Lalit S. Kanodia
Independent Director

Mr. Manoj K. Maheshwari
Independent Director

Mr. Narendra Ambwani
Independent Director

Ms. Zahabiya Khorakiwala
Independent Director

Mr. Bhaskar Iyer
Independent Director

Mr. Sachin Nandgaonkar
Non-executive Director

Mr. Rajat Bhargava
Non-executive Director

HEAD – LEGAL & COMPANY SECRETARY

Mr. Rajesh Shirambekar

AUDITORS

B S R & Co. LLP
Chartered Accountants

CORPORATE IDENTIFICATION NUMBER (CIN)

L24232MH2007PLC169354

REGISTERED OFFICE

RPG House,
463, Dr. Annie Besant Road,
Worli, Mumbai – 400 030
Web: www.rpglifesciences.com

MANAGEMENT TEAM

Mr. Yugal Sikri
Managing Director

Mr.Vijay Thange
Vice President- Manufacturing & Technical Services

Mr. Samir Rane
Vice President – Sales & Marketing (Main Division)

Mr. Vishal Shah
Chief Financial Officer

Mr. Milind Gujar
Chief Quality Officer

Ms. Neha Batra
Chief Human Resources Officer

BANKERS

Union Bank of India
State Bank of India
IDBI Bank
Export-Import Bank of India

REGISTRARS

Link Intime India Pvt. Ltd.
C 101, 247 Park,
L.B.S. Marg, Vikhroli (West)
Mumbai - 400 083

Awards & Recognition

RPG Life Sciences bagged two prestigious awards from the Indian Drug Manufacturers' Association at the 85th IDMA awards

Felicitated with Best Corporate Citizen Award

Recieved Best Patent Award

Rating reaffirmation by

ICRA

Long-term rating reaffirmed at A
Short-term rating reaffirmed at A1

Directors' Report

Your Directors have pleasure in presenting the annual report and audited statement of accounts of the Company for the year ended on March 31, 2022.

1. FINANCIAL RESULTS

The summary of financial performance of the Company for the year under review is given below:

(₹ in crores)

Particulars	2021-22	2020-21
A Operations		
Total Income	443.15	390.05
Profit before depreciation, interest and tax	89.35	70.84
Less: Interest	0.52	0.79
Less: Depreciation	15.66	16.47
Profit before tax	73.17	53.58
Tax (including deferred tax)	21.69	13.58
B Profit for the year after tax	51.48	40.00
C Other Comprehensive Income net of tax	(0.25)	(0.12)
D Total Comprehensive Income	51.23	39.88
E Appropriations:		
Dividend on equity shares	-	11.91

2. DIVIDEND

Your Directors recommend a dividend of ₹9.60 (120%) per equity share of ₹8/- each for the financial year ended March 31, 2022.

3. OPERATIONS

The Company earned a total income of ₹443.15 crores for the year as compared to ₹390.05 crores during the previous year and a profit after tax from existing operations of ₹51.48 crores, as against ₹40.00 crores during the previous year. The increase in sales and net profit was driven by improved performance of the Domestic Formulations and API business.

The Company's Formulation facility at Ankleshwar, Plant (F1) has WHO GMP, Nigeria and Kenya Health Authority certifications and Plant (F2) has WHO GMP, EU GMP, TGA Australia GMP, Health Canada Drug Establishment License, Kenya, Ethiopia, Nigeria and Sudan Health Authority certifications. API facility at Navi Mumbai plant has WHO GMP and TGA Australia GMP certifications.

Domestic Formulations Business:

Performance

During the year under review, the Domestic Formulations business achieved sales revenue of ₹280.94 crores, higher by 19.3% over the previous year. The division's performance improvement was a result of sustained prescription generation, product portfolio augmentation through new product launches and line extensions and healthy sales hygiene parameters. The portfolio has been strengthened by new launches in Cardiovascular, Diabetology, Nephrology, Rheumatology, Oncology and Urology segments.

As per the data compiled by Pharmatrac, a market research agency, the Company improved its rank to 66 in sales value terms in the Indian pharmaceutical market during the year.

Outlook

In the current year, the Company will continue its emphasis on product portfolio rejuvenation by building chronic and specialty portfolios. The Company will continue its strategy of building brand assets through life cycle management by introducing line extensions, customer coverage deepening in targeted therapies, skill building of field force and control of sales hygiene parameters.

International Formulations Business:

Performance

The International Formulations business achieved sales revenue of ₹77.91 crores in FY22, registering de-growth of 2.8% as against the previous year mainly on account of lower sales in one of its big markets namely Myanmar, on account of political unrest. The Company focused on expanding the business with existing customers in EU, Canada, Australia, UK and Latin America, new customer development, targeting new markets and offering new products.

Outlook

The International Formulations business is focused on increasing the penetration of existing and new products in multiple countries within EU as well as expanding its product offerings in UK, Australia, Canada, Myanmar and other emerging markets. The Company is also actively scouting for opportunities for geographic expansion through strategic partnerships in various international markets in India and South East Asian markets – Sri Lanka, Vietnam, Philippines, Egypt and increasing the penetration of the current product assets - Azathioprine, Nicorandil, Sodium Valproate PR and Mycophenolate Mofetil, globally.

Active Pharmaceutical Ingredients (API/Bulk Drugs) Business:

Performance

With sales of ₹78.32 crores, the API business performance was up by 15.4% as against the previous year, due to higher sales of some of the Company's key APIs.

Outlook

API business continues to be of strategic importance in the overall growth of the Company. Backward integration in products ensures lesser dependency on procuring APIs from external sources and increased reliability of supplies thus playing a crucial role in the current competitive and external environment. The Government's focus on developing APIs and reducing dependence on imports, furthers the strategic importance of the business. This business could see increase with overseas companies looking at India as a global hub for supply of APIs.

4. INDIAN ACCOUNTING STANDARDS (IND AS)

As notified by the Ministry of Corporate Affairs, the Company adopted Indian Accounting Standards ('Ind AS') with effect from April 01, 2017.

5. EXTRACT OF ANNUAL RETURN

Pursuant to Sections 92 and 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return as on March 31, 2022, is available on Company's Website www.rpglifesciences.com.

6. DISCLOSURE UNDER SECRETARIAL STANDARDS ON MEETINGS OF BOARD OF DIRECTORS (SS-1):

During the year under review, the Company has complied with all applicable Secretarial Standards.

7. MEETINGS OF THE BOARD

The details of Board Meetings held during the year are given in the Corporate Governance Report.

8. MEETINGS OF AUDIT COMMITTEE

The details of Audit Committee meetings and composition of the Committee are given in the Corporate Governance Report.

9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that –

a) in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards had been followed and there was no material departures;

b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year as at March 31, 2022 and of the profit and loss of the Company for that period;

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

d) the Directors had prepared the annual accounts on a going concern basis;

e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. STATEMENT ON DECLARATION OF INDEPENDENT DIRECTORS

The Company has received declaration from each of the Independent Directors under Section 149 (6) and (7) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Board is of the opinion that the Independent Directors of the Company possess requisite

qualifications, experience and expertise and they hold highest standards of integrity. As per the proviso to Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors of the Company are exempted from undertaking the online proficiency self- assessment test.

11. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS AND DISCLOSURES ON THE REMUNERATION OF THE DIRECTORS

All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company, along with criteria for such payments and disclosures on the remuneration of the Directors along with their shareholding are disclosed in Corporate Governance Report which forms part of this Report.

12. NOMINATION AND REMUNERATION POLICY

The Company's policy on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178 (3) is annexed with this Report as **Annexure A**.

13. EXPLANATION AND COMMENTS ON AUDITORS' AND SECRETARIAL AUDIT REPORT

There is no qualification, disclaimer, reservation or adverse remark made by the Statutory Auditors in Auditor's Report.

As per the provisions of Section 143 (12) of the Companies Act, 2013 read with Rule 13 of the Companies (Audit & Auditors) Rules, 2014, the Statutory Auditors have not reported any instances of fraud to the Central Government and/or Audit Committee.

Further, there is no qualification, disclaimer, reservation or adverse remark made by the Company Secretary in practice in Secretarial Audit Report.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Loans, Guarantees and Investments made by the Company are within the limits prescribed under the provisions of Section 186 of the Companies Act, 2013 and the details are given in the notes to the Financial Statements. There was no application made during the year nor any proceeding was pending under the Insolvency and Bankruptcy Code, 2016 at the end of the financial year.

15. RELATED PARTY TRANSACTIONS

There were no contracts or arrangements or transactions entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 during the course of business which were not at arm's length basis.

Suitable disclosure as required by the Indian Accounting Standards (IND AS 24) has been made in the notes to the Financial Statements. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.rpglifesciences.com.

16. TRANSFER TO RESERVES

The Company has not transferred any sum to the General Reserve during the financial year ended March 31, 2022.

17. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year on March 31, 2022 to which the financial statements relate and the date of this report.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 (3) of Companies (Accounts) Rules, 2014, are given in **Annexure B** to this report.

19. RISK MANAGEMENT

The details of Risk Management Committee (RMC) and its terms of reference are set out in the Corporate Governance Report.

The Company has a robust Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The business risk framework defines the risk identification and its management approach across the enterprise at various levels including documentation and reporting. The framework help in identifying risks trend, exposure and potential impact analysis at Company's business.

20. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the provisions of Section 135 read with Schedule VII of the Act, the Company, as a part of its Corporate Social Responsibility ("CSR") initiative, has adopted a CSR Policy outlining various CSR activities to be undertaken by the Company in the area of health, water, sanitation, promoting education, skill development, etc. The CSR policy of the Company is available on the Company's website i.e. www.rpglifesciences.com under 'Investors' tab.

During the year under review, the Company has contributed ₹57.41 Lakhs to RPG Foundation, the implementing agency towards CSR activities and ₹16.31 Lakhs was transferred to a separate Bank Account viz. 'RPG Life Sciences Limited Unspent Corporate Social Responsibility Account FY 2021-22' to be disbursed in the future towards approved projects pursuant to CSR rules dated January 22, 2021. The Board has constituted a Sustainability and CSR Committee inter alia to recommend on the CSR projects/ programs, recommend the amount on each CSR activity and to monitor such CSR activities, being undertaken by the Company. The report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as **Annexure C**.

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, the members at the 14th Annual General Meeting of the Company held on August 31, 2021 appointed Mr. Rajat Bhargava as a Non-Executive Director, re-appointed Mr. Yugal Sikri as the Managing Director of the Company with effect from October 1, 2021 to April 30, 2024 and appointed Ms. Zahabiya Khorakiwala as an Independent Director for her second term of five consecutive years from July 27, 2021 to July 26, 2026.

Mr. Sachin Nandgaonkar, Non-Executive Director, retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

None of the Directors and Key Managerial Personnel (KMP) is related to any other Director of the Company.

Mr. Yugal Sikri, Managing Director, Mr. Vishal Shah, Chief Financial Officer and Mr. Rajesh Shirambekar, Head – Legal and Company Secretary are Key Managerial Personnel of the Company within the meaning of Section 203 of the Companies Act, 2013.

22. SUBSIDIARY COMPANIES

There were no Companies which have become or ceased to be our subsidiaries, joint ventures or associate companies during the year.

23. FIXED DEPOSITS

The Company has not accepted any fixed deposit from public during the year under review under Chapter V of the Companies Act, 2013. As on March 31, 2022, no deposit was lying unclaimed or unpaid with the Company.

24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS

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

25. CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no change in the nature of business.

26. INTERNAL FINANCIAL CONTROL

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are stated in Management Discussion and Analysis which forms part of this annual report.

27. INFORMATION PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL REMUNERATION) RULES, 2014

1	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. Harsh V. Goenka (Chairman)	1.23
		Dr. Lalit S. Kanodia	1.34
		Mr. Mahesh S. Gupta	2.05
		Mr. Manoj Maheshwari	1.23
		Mr. Narendra Ambwani	1.53
		Ms. Zahabiya Khorakiwala	1.02
		Mr. Bhaskar Iyer	1.83
		Mr. Sachin Nandgaonkar	0.98
		Mr. Rajat Bhargava	1.90
		Mr. Yugal Sikri (Managing Director)	92.20

2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Mr. Harsh V. Goenka (Chairman)	Nil
		Dr. Lalit S. Kanodia	Nil
		Mr. Mahesh Gupta	Nil
		Mr. Manoj Maheshwari	Nil
		Mr. Narendra Ambwani	Nil
		Ms. Zahabiya Khorakiwala	Nil
		Mr. Bhaskar Iyer	Nil
		Mr. Sachin Nandgaonkar	Nil
		Mr. Rajat Bhargava	Nil
		Mr. Yugal Sikri	12%
		Mr. Vishal Shah#	5.3%
		Mr. Rajesh Shirambekar	7.5%
3	The percentage increase in the median remuneration of employees in the financial year;	8.4%*	
4	The number of permanent employees on the rolls of Company;	1,165 employees as on March 31, 2022	
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	• Average Salary increase of non-managerial employees is around 7.4%. • Average Salary increase of managerial employees is around 9.1%. • There are no exceptional circumstances in increase of managerial remuneration.	
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration paid during the year ended March 31, 2022 is as per the Remuneration Policy of the Company.	

Notes:

*The percentage increase in the median remuneration of employee has been calculated after excluding Managing Director's remuneration.

The percentage increase in remuneration of Chief Financial Officer is proportionate to his completion of months during the Financial Year.

28. WHISTLE BLOWER POLICY

The Audit Committee's terms of reference inter-alia include vigil mechanism which also incorporates a Whistle Blower Policy in terms of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has adopted Whistle Blower Policy. The Whistle Blower mechanism provides for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Governance and Ethics. The Whistle Blower Policy is uploaded on the Company's website www.rpglifesciences.com.

29. FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS

The Company conducts familiarization programme for Independent Directors and the details are uploaded on the website of the Company on the below mentioned link: https://rpglifesciences.com/website/code_policies_forms.php

30. FORMAL ANNUAL EVALUATION OF BOARD AND ITS COMMITTEES

Pursuant to provisions of Section 134 of the Companies Act, 2013 and the Companies Act, 2013 the Companies Act, 2013, the Nomination and Remuneration Committee laid down a criteria for evaluating Board effectiveness by assessing performance of the Board as a whole, performance of individual Director and Committees of the Board namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. The Board approved the criteria laid down by Nomination and Remuneration Committee for evaluating Board effectiveness and engaged a third party agency to conduct Board effectiveness survey during the year under review. The Board has carried out annual performance evaluation of its own performance, the Directors individually and of its Committees as mandated under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

31. AUDITORS

Statutory Auditors:

At the Tenth Annual General Meeting (AGM) held on July 24, 2017, the Members had appointed M/s. BSR & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022), as Statutory Auditors of the Company, for a period of 5 (five) consecutive years from the conclusion of the Tenth AGM till the conclusion of the Fifteenth AGM. In view of completion of the prescribed term of M/s. BSR & Co. LLP at the ensuing AGM, on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on April 29, 2022 appointed M/s. SRBC & Co. LLP, Chartered Accountants (Firm Registration No. 324982E/E300003), as the Statutory Auditors of the Company, for a period of 5 years from conclusion of the Fifteenth AGM till the conclusion of Twentieth AGM of the Company, subject to approval by Members.

Pursuant to the provisions of Section 139(1) and Section 141 of the Act, the Company has received a Certificate from M/s. SRBC & Co. LLP, certifying that if they are appointed as Auditors, their appointment would be as per the conditions prescribed by the said Sections.

The Board placed on record its sincere appreciation for the valuable services rendered by M/s. BSR & Co. LLP during their association with the Company.

Internal Auditors:

M/s. Deloitte Touche Tohmatsu India LLP, are the Internal Auditors of the Company.

Secretarial Auditors:

M/s. Parikh Parekh & Associates, Practicing Company Secretaries, are the Secretarial Auditors of the Company. The Secretarial Audit Report required pursuant to sub-section (3) of Section 134 and Section 204 (1) of the Companies Act, 2013, is given in **Annexure D** to this report.

Cost Auditors:

The Company maintains cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

Pursuant to the provisions of Section 148(3) of the Companies Act, 2013, M/s. Kirit Mehta & Co. (Registration No. 000353), Cost Accountants, was appointed to conduct audit of cost records of Pharmaceutical Activities for the year ended March 31, 2022. Cost Audit reports would be submitted to the Central Government within the prescribed time. Pursuant to Rule 6 of the Companies (Cost Records and Audit) Rules, 2014, cost audit reports for Pharmaceutical Activities for the year ended March 31, 2021 was filed with the Central Government on August 4, 2021.

32. EMPLOYEES STOCK OPTION PLAN

The Company has no employee stock option scheme.

33. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The particulars of employees in compliance with the provisions of Section 134 (3) (q) read with Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided to the shareholder upon request. The said information is open for inspection and any Member interested in obtaining a copy of the same may write to the Company.

34. MANAGEMENT DISCUSSION AND ANALYSIS, BUSINESS RESPONSIBILITY REPORT AND CORPORATE GOVERNANCE REPORT

In compliance with Regulation 34 read with Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis, Business Responsibility Report and Corporate Governance Report, as approved by the Board of Directors, together with a certificate from a Practicing Company Secretary confirming the compliance with the requirements of Corporate Governance policies are set out in the Annexures forming part of this annual report.

35. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT THE WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Complaints Committee has been set up to redress complaints.

During the financial year 2021-22, the Company has not received any complain of sexual harassment.

36. MATERIAL TRANSACTIONS WITH RELATED PARTIES

The Company has not entered into any transaction with related parties during the year under review which requires reporting in Form AOC-2 in terms of Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

37. SAFETY

The Company conducts regularly Safety audit and Environment audit through competent authorities for its manufacturing facilities located at Navi Mumbai and Ankleshwar. The Company also organises various safety awareness programmes to impart safety training to its employees.

38. AWARDS

The Company was conferred with two prestigious awards by Indian Drug Manufacturers' Association ("IDMA") namely "IDMA Corporate Citizen Award 2021" for its contribution towards society though the CSR activities and the "IDMA Margi Patel Choksi Memorial Best Patent Award for the period 2019-2021" for its product Alfalog used in the management of chronic kidney disease.

39. APPRECIATION

Your Directors record their appreciation of the valuable services rendered by all employees of the Company, their gratitude to the banks for their assistance and to the Company's shareholders, customers and suppliers for their continued support.

For and on behalf of the Board of Directors

Place: Mumbai
Date: April 29, 2022

Harsh V. Goenka
Chairman

Annexure 'A' to the Directors' Report

NOMINATION AND REMUNERATION POLICY

1. **Introduction:**

This policy on Nomination and Remuneration of Directors, Key Managerial Personnel ("KMP"), Senior Management Personnel ("SMP") and other employees has been formulated in terms of the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, in order to appoint and pay equitable remuneration to Directors, KMP, SMP and other employees of the Company.

2. **Objective:**

The Policy sets out the guiding principles on:

i. Appointment and remuneration of the Directors, KMP and SMP;

ii. Determining qualifications, positive attributes and independence for appointment of a Director (Executive / Non-Executive / Independent) and recommend to the Board a policy relating to the remuneration for the Directors, KMP and SMP;

iii. Formulating the criteria for performance evaluation of all Directors, Board and its Committee;

iv. Board diversity.

3. **Constitution of the Nomination and Remuneration Committee:**

The Board has constituted the Nomination and Remuneration Committee (NRC) on April 08, 2014 as per Companies Act, 2013.

4. **Definitions:**

"Act" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

"Board" means Board of Directors of the Company. "Company" means RPG Life Sciences Limited. "Directors" means Directors of the Company.

"Independent Director" (ID) means a Director referred to in Section 149 (6) of the Companies Act, 2013 and Rules made thereunder and Regulation 16(1)(b) of the Listing Regulations.

"Key Managerial Personnel" (KMP) means

1. Chief Executive Officer or the Managing Director or the Manager;
2. Whole-time Director(s);
3. Chief Financial Officer;
4. Company Secretary; and
5. Such other officer, not more than one level below the directors who is in whole time employment and designated as KMP by the Board.

"Senior Management Personnel" (SMP) means officers/ personnel of the Company, who are members of its core management team excluding Board of Directors and shall comprise all members of management one level below the Chief Executive Officer/Managing Director/Whole Time Director/Manager (including Chief Executive Office/Manager, in case they are not part of the Board) and shall include Company Secretary and Chief Financial Officer.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and, as may be amended from time to time, shall have the meaning respectively assigned to them therein.

5. **Matters to be dealt with and recommended by NRC to the Board**

The following matters shall be dealt by the Committee:

a) Directors

Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regard to the variety of skills, experience and expertise on the Board and who will best complement the Board.

b) Evaluation of performance

Making recommendations to the Board on appropriate performance criteria for the Directors. Formulate criteria and framework for evaluation of the Board, its committees, and every Director and review the implementation and compliance of the manner in which evaluation is carried out.

c) Familiarization

Identifying familiarization and training programs for the Board to ensure that Non-Executive Directors are provided adequate information regarding the operations of the business, the industry and their duties and legal responsibilities.

d) Remuneration framework and policies

NRC is responsible for reviewing and making recommendations to the Board on the following:

i. The remuneration of MD, KMP and SMP.

ii. Remuneration of Non-Executive Directors and Chairman.

iii. Remuneration Policy for all employees including KMP and SMP which requires:

a. Attract and motivate talent to accomplish Company's long term growth.

b. Demonstrate a clear link between executive compensation and performance.

6. Board Diversity

NRC shall ensure a transparent nomination process to the Board of Directors with the diversity of gender, thought, experience, qualification, knowledge, core skills, competencies and perspective in the Board.

Diversity at the Board level shall be used as a tool for supporting the attainment of the strategic objectives of the Company and also to drive business results. Accordingly, while designing the composition of the Board, diversity shall be considered on all aspects and all appointments shall be based on the above parameters.

7. Policy for appointment and removal of Director, KMP and SMP:

A. Appointment criteria and qualifications

NRC shall formulate the criteria for determining the qualification, positive attributes, expertise, experience and independence of the person, wherever required, eligible for appointment as Director, KMP or SMP. It shall identify such person and recommend to the Board his/her appointment.

For every appointment of an independent director, the 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 avail the services of an external agencies, if required, consider candidates from a wide range of backgrounds, having due regard to diversity and also consider the time commitments of the candidates.

B. Term /Tenure

1. Managing Director

Term of appointment or re-appointment of Managing Director not to exceed five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director

An Independent Director shall hold office on the Board of the Company for a term as may be determined by the Board but in any case, not exceeding five years and shall not hold office for more than two consecutive terms. Such Independent Director shall be eligible for appointment after the expiry of such period as prescribed under the applicable law.

C. Retirement

The Director, KMP and SMP shall retire as per the provisions of the applicable Act, and the prevailing policy of the Company. On the recommendation of the NRC, the Board if it considers to be in the Company's interest, shall have the discretion to retain Director, KMP and SMP even after attaining the retirement age.

D. Removal

In case any Director or KMP or SMP incurs any disqualification as provided under the Act or Rules made thereunder or is in breach of Code of Governance and Ethics adopted by the Company, the NRC may recommend to the Board removal of such Director or KMP or SMP.

8. Policy for remuneration to MD, NEDs, KMP & SMP:

MD:

i. The remuneration to be paid to the MD at the time of his/her appointment shall be recommended by the NRC and approved by the Board of Directors and the shareholders of the Company.

ii. Annual increment /subsequent variation in remuneration to the MD shall be approved by the NRC/Board of Directors, within the overall limits approved by the shareholders of the Company.

NEDs:

i. NEDs shall be entitled to sitting fees as may be decided by the Board of Directors from time to time for attending the Meeting of the Board and sub Committees of the Board.

ii. Remuneration (including Commission) as may be recommended by NRC and subsequently approved by the Board of Directors and shareholders of the Company, wherever required. and the same shall be paid in accordance with the applicable laws.

iii. The NEDs shall be eligible for remuneration of professional services rendered if in the opinion of the NRC, the NED possesses the requisite qualification for rendering such professional services in accordance with applicable laws.

KMP & SMP:

i. The remuneration to be paid to the KMP and SMP, at the time of his/her appointment shall be recommended by the NRC and approved by the Board considering relevant qualification, experience and performance of the individual as well as the prevailing market conditions. The remuneration may be combination of fixed and variable pay;

ii. Annual increment /subsequent variation in remuneration to the KMP/SMP shall be approved by the NRC/Board of Directors.

9. Director and Officer Liability Insurance:

Where Insurance Policy is taken by the Company for its Directors, KMP, SMP and employees indemnifying them against any liability, the premium paid by the Company for such insurance cover shall not be treated as part of the remuneration payable to such personnel. However, if such person is proved to be guilty, the premium paid on such insurance shall be recovered from such persons.

10. General:

This policy is framed based on the provisions of the Companies Act, 2013 and Rules framed thereunder and the requirements of Listing Regulations, as amended from time to time. In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or other applicable laws in this regard shall mutatis mutandis apply to /prevail upon this Policy. Subject to applicable laws the Board can further delegate any of its powers herein to the Committee.

Annexure 'B' to the Directors' Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO
(Pursuant to the Rule 8 (3) of the Companies (Accounts) Rules, 2014)

A. Conservation of Energy:

(i) Energy Conservation measures taken during the year:

Multiple energy conservation measures were taken across all manufacturing facilities such as strong vigilance, employee awareness, minimizing leakages and energy waste.

The following significant energy conversation measures taken during the year:

1. Reduction in demand for power supply from 1700 KVA to 1400 KVA.
2. Optimisation of cooling tower operation for energy saving.
3. Switching to auto drain valve on air compressor to prevent leakages.
4. Stabilizing of lighting load.
5. Auto temperature control system installed for 300 TR cooling tower, which will help to save power during winter & monsoon season.
6. Switching to energy efficient pumps.
7. Switching to three-way control valves on AHU (Air Handling Unit).
8. Installed 30 HP VFD (Variable Frequency Drive) on air compressor to save power.
9. Maintained power factor of electrical supply by installing capacitor.
10. Switching to energy efficient LED (Light Emitting Diodes) lighting.

(ii) Impact of measures mentioned above for energy conservation and consequent impact on cost of production of goods during the year:

The energy conservation measures undertaken during the year contributed to reduction in the cost of production by ~₹ 22 lakhs.

(iii) Measures taken for utilizing alternate sources of energy:

a) Company has signed Power Purchase Agreement for hybrid (solar + wind) power supply and it is under implementation.

b) Agreement executed for outsourced steam operating on solid fuel and it is under implementation.

(iv) Capital investment on energy conservation equipment:

Various energy conservation equipments were added to the production facilities across all plant locations with approximate cost of ~₹ 9 lakhs. An Internet of Things (IoT) system was implemented for energy meters and condition monitoring.

B. Technology Absorption:

1. Efforts made towards technology absorption:

The company has full-fledged API and Formulation R&D functions which are continuously engaged in R&D activities with respect to new product development and process improvement/excellence.

Focus is on in-house new product development as well as technology transfer of products (tablets and capsules) meant for domestic, emerging and developed markets.

2. Benefits derived like product improvement, cost reduction, product development or import substitution:

Successful development of complex generic products is being accomplished through innovation and deployment of latest technology. Products are developed using the principle of Quality by Design (QbD) that results into product robustness and optimal cost.

Examples are in-house development of 2 major drug products belonging to immunosuppressant therapeutic category for export market with successful bio equivalence study completed for one such product and another one is in progress.

Also product and process development is being undertaken for one of the key drugs in CVM segment.

A major project for cost reduction has been formulation reengineering of multiple SKUs of our legacy products.

3. In case of imported technology:

Technology transfer of some of the oral solid dosage forms have been undertaken.

4. Expenditure incurred on Research & Development:

Item	(₹ in Lakhs)
Capital	412
Recurring	722
Total	1,134
Total R & D expenditure as a percentage of total turnover	2.58%

C. Foreign Exchange Earnings and Outgo:

Foreign Exchange earned in terms of actual inflows was ₹ 14,280 lakhs

Foreign Exchange outgo in terms of actual outflow was ₹ 1,596 lakhs.

Annexure 'C' to the Directors' Report

THE ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2021-22

1. Brief outline on CSR Policy of the Company.

As part of its initiatives under Corporate Social Responsibility ("CSR") and RPG Life Sciences Limited (RPGLS) vision to drive 'holistic empowerment' of the community around the local vicinity of our plants and the society at large, we have undertaken projects mentioned in point 8 (b) through RPG Foundation in accordance with CSR policy of the Company, read with Schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Narendra Ambwani	Chairman / Independent Director	2	2
2	Ms. Zahabiya Khorakiwala	Member / Independent Director	2	1
3	Mr. Yugal Sikri	Member / Managing Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company.

This information may be accessed at https://rpglifesciences.com/website/ code_policies_forms.php

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any :

Sr. No.	Name of Director	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set off for the financial year, if any (in ₹)
		NIL	

6. Average net profit of the company as per section 135(5) ₹3,686 Lakhs.

7. (a) Two percent of average net profit of the company as per section 135(5) ₹73.72 Lakhs.

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil

(c) Amount required to be set off for the financial year, if any. Nil

(d) Total CSR obligation for the financial year (7a+7b-7c). ₹73.72 Lakhs.

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

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.
57,41,000	16,31,000	27.04.2022	Not Applicable	Nil	Not Applicable

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
1	Pehlay Akshar Teachers' Training 21-22	Promoting education	Yes	Maharashtra	Mumbai	2 years*	10,01,224	2,65,224	7,36,000	No	RPG Foundation	CSR00000030
2	Employability • Swayam Health 21-22 • Swayam Drive 21-22 • Swayam Digital 21-22 • Swayam Connect 21-22	Employment enhancing vocational skills	Yes	Maharashtra	Mumbai	2 years*	41,52,633	39,14,596	2,38,037	No	RPG Foundation	CSR00000030
3.	Community Development	Covid Response	Yes	Maharashtra	Mumbai		22,18,143	15,61,180	6,56,963	No	RPG Foundation	CSR00000030
	TOTAL						**73,72,000**	**57,41,000**	**16,31,000**			

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities In Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
				NIL					

(d) Amount spent in Administrative Overheads: Not Applicable

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹57.41 Lakhs

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

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	73.72 Lakhs
(ii)	Total amount spent for the Financial Year	57.41 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Not Applicable
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the Reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
Not Applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the Project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of Reporting Financial Year (in ₹)	Status of the project -Completed /Ongoing
1	NA	Employability • Swayam Health 21-22 • Swayam Drive 21-22 • Swayam Digital 21-22 • Swayam Connect 21-22	2020-21	2 Years	25,94,000	12,23,000	25,94,000	Completed

Note: ₹12.23 lakhs which remained unspent by RPG Foundation as at the end of FY 2020-21 due to outbreak of COVID-19 pandemic was spent during FY 2021-22.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year; None

(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

During the financial year 2021-22, the Company has spent ₹57.41 Lakhs on various CSR projects and transferred ₹16.31 Lakhs related to ongoing CSR projects to the Unspent CSR account pursuant to the provisions of the Act.

Yugal Sikri
Managing Director
(DIN: 07576560)

Narendra Ambwani
Chairman of CSR Committee
(DIN:00236658)

Place: Mumbai
Date: April 29, 2022

Annexure 'D' to the Directors' Report

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
RPG Life Sciences Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RPG Life Sciences Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

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

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

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

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

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

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

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

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; ; (Not applicable to the Company during the audit period)

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client; (Not applicable to the Company during the audit period)

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

(vi) Other laws applicable specifically to the Company namely:-

a. Drugs & Cosmetics Act, 1940

b. The Environment (Protection) Act, 1986

c. Manufacture, Storage & Import of Hazardous Chemicals Rules, 2000

d. Narcotic Drugs and Psychotropic Substances Act, 1985

e. The Poisons Act, 1919

f. The Food Safety and Standards Act, 2006

g. The Patents Act, 1970

h. The Trademarks Act, 1999

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We report that the Company has spent through RPG Foundation ('Implementing Agency') an amount of ₹57.41 Lakhs out of the amount ₹73.72 Lakhs to be spent during the year. The unspent amount of ₹16.31 Lakhs during the year pertaining to ongoing projects has been transferred to the unspent CSR amount of the Company in accordance with the Companies (Corporate Social Responsibility) Amendment Rules, 2021.

We further report that:

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

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, 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.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For Parikh Parekh & Associates
Company Secretaries

Mitesh Dhabliwala
Partner
FCS No: 8331 CP No: 9511
UDIN: F008331D000235701
PR No.: 723/2020

Place: Mumbai
Date: April 29, 2022

This Report is to be read with our letter of even date which is annexed as **Annexure A** and Forms an integral part of this report.

Annexure A' to the Secretarial Audit Report

To,
The Members
RPG Life Sciences Limited

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

Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Wherever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

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 Parikh Parekh & Associates
Company Secretaries

Mitesh Dhabliwala
Partner
FCS No: 8331 CP No: 9511
UDIN: F008331D000235701
PR No.: 723/2020

Place: Mumbai
Date: April 29, 2022

Management Discussion and Analysis Report

1) Industry structure and developments

The COVID-19 pandemic has been an unprecedented event causing social and economic disruption across the globe. There is no industry in the world that remained unaffected by COVID-19. The Indian Pharmaceutical Market (IPM) is now valued at ₹1,68,791 crores with a year-on-year value growth of 14.6% and a volume growth of 8.0% as reported by AIOCD AWACS MAT Mar'22. However, the growth was attributable to the low base-effect and is largely led by acute therapies which were most impacted due to COVID-19. While the small and mid-sized companies felt more of the COVID-19 impact, reflecting sharp degrowths, the bigger Indian players led the industry growth.

2) Opportunities and Threats

The Indian market has certain unique characteristics. Branded generics constitute greater than 70% of the retail market and prices are low due to high level of competition. Early incumbents have dominated due to formulation development capacities. Though India's rank is much lower in value terms, we rank 3rd in volume terms.

India is expected to break into top 10 countries in terms of spend on medicines as the spending is expected to grow at about 10% annually over the next five years. The Government has emphasised on cost reduction to make healthcare more affordable and generic drugs have remained in focus. This augurs well for the domestic industry.

Indian pharmaceutical industry has seen gradual increase in government healthcare spending and expansion of the private hospital sector. Government initiatives such as allowing 100% Foreign Direct Investment (FDI) in health and medical services will benefit the industry. The Government of India had announced the National Health Policy 2017 where the goal is to attain highest level of health and well-being for all ages by improving access, improving quality and making cost of healthcare delivery affordable. The Government also plans to increase health expenditure to 2.25% of gross domestic product by 2025. This is expected to also give a boost to the pharmaceutical sector.

Several socio-economic factors, including increasing sales of generic medicines, continued growth in chronic therapies and a greater penetration in rural markets will contribute to the growth of the Indian pharmaceutical market. Other contributing factors for growth are heightened health awareness, increasing affluence, changing lifestyles resulting in higher incidence of lifestyle diseases and a fast growing health insurance industry. In addition, low cost of production and R&D boosts the efficiency of Indian pharmaceutical companies.

The pandemic has accelerated digital adoption across the pharma value chain right from drug development to patient connect and it is expected that the proliferation of technology would further aid in filling the existing gaps in the healthcare infrastructure. Through intelligent automation, companies are now able to gather an overall insight into a patient's journey, from diagnosis to diseases management. This data-based insight, in turn, helps improve drug development and subsequently improves patient outcomes.

National List of Essential Medicines (NLEM) revision in 2015, resulted in 376 medicines coming under the price control which has resulted in slowing down growth in revenues from such medicines for the long term. NLEM medicines are subject to price control and this has reduced average price realisations for pharma players. At present, about 18% of the Indian market is under price control. However, with WPI for calendar year 2021 at 10.77%, we expect a corresponding increase in price.

The industry growth is largely driven by chronic disease segments viz. cardiovascular, diabetes, derma, cancer and is largely influenced by changing lifestyles. Intense price pressure in semi-regulated markets, emergence of new local players affecting the branded generic prices, delay in approval of manufacturing facilities by regulated authorities and increased regulatory intervention in price fixation for domestic formulations are threats faced by players in the industry.

The Government of India has announced Production Linked Incentive (PLI) scheme to promote API in order to reduce dependence on imports. This could lead to opportunities for the Indian Pharma sector in the future.

3) Company's response to COVID-19

As a responsible pharmaceutical company, the company keeps patient-centricity at the heart of how we operate while also ensuring utmost safety of employees. The company identified 5 key priorities to manage the pandemic-led crisis and ensure business continuity.

I. Employee Wellbeing

The company has left no stone unturned to ensure the health and safety of its employees. The Company introduced detailed SOPs and checklists, adopted immunity-boosting measures, provided special care to employees with co-morbidities and enhanced medical insurance coverage towards COVID-19. The company also provided advisories, conducted sessions and provided PPE kits, masks and sanitizers to all field employees.

To maintain engagement and morale, the leadership team has been personally connecting with employees and their families. The company has been leveraging its digital platforms to connect and celebrate major festivals together with families and deliver virtual classroom training to enhance the capabilities of its employees. The company also introduced several initiatives to recognize employees' efforts and drive motivation during these turbulent times by way of awards at various periodic intervals.

II. Supply Chain management

The company has continuously focused on ensuring raw materials/packaging materials availability through proactive planning and relationship management with its key vendors leading to no disruption in manufacturing and market supplies.

III. Demand management

Due to COVID-19 disruptions, the Company deployed several Digital initiatives like teleconsultation facilitation service, e-CMEs (online Continuing Medical Education), webinars and medical emailers to ensure customer outreach in view of limited physical calls. The Company also launched a novel industry-first digital customer connect initiative called 'RPGserv – Anytime, Anywhere Doctor Support Initiative' which offers scientific and Covid-related services to doctors.

IV. Cash conservation

The company focused on sustained Opex control measures and bringing in efficiencies in manufacturing operations which helped in improving the overall profitability and cash flows of the Company. This also resulted in the Company continuing to remain debt-free.

V. Serve Communities

The Company is closely working with RPG Foundation to serve the communities it operates in. The Company has provided sanitizers, masks, gloves, PPE Kits and meals during the unprecedented Covid crisis. The Company developed a 'SafeSeniors' tool along with health-tech companies for early detection of risk in vulnerable Senior citizen segment.

4) Segment wise performance

The Company is exclusively engaged in pharmaceutical business and operates across Domestic Formulations, International Formulations and Active Pharmaceutical Ingredients (API).

During the year under review, the Domestic Formulations business achieved sales revenue of ₹280.94 crores, registering a growth of 19.3% over the previous year. Performance improvement efforts were focussed on prescription generation, augmented product portfolio through new product launches and line extensions and control on sales hygiene and market inventories. The Company is presently working on life cycle management of the legacy brands. The Company's focus is to expand customer coverage in targeted segments, identify brands of strategic interest for chronic portfolio in therapies such as Cardiovascular Metabolic and Urology and to expand Specialty portfolio in therapies such as Rheumatology, Gastroenterology and Dermatology. The Company continued a host of other initiatives such as increasing the in-clinic effectiveness of the field force through extensive scientific training, innovative product demonstrations, emphasis on focus brands and innovative promotional strategies.

The International Formulations business achieved sales revenue of ₹77.91 crores, registering a de-growth of 2.8% over the previous year. The business has its footprints across geographies of EU, UK, Australia, Canada, Myanmar and other Emerging Markets. The performance was impacted due to lower sales in one of its big markets – Myanmar on account of political unrest. The Company is actively scouting for geographic expansion through strategic partnerships in India and South East Asian markets – Sri Lanka, Vietnam, Philippines, Egypt and increasing the penetration of the current product assets - Azathioprine, Nicorandil, Sodium Valproate and Mycophenolate Mofetil globally. Therapy-wise, the focus will be to leverage the strengths of the domestic immuno-suppressant business to grow in the emerging markets along with new product introduction.

The API business performed well and achieved sales of ₹78.32 crores. The performance was up by 15.4% as against the previous year, due to higher sales of some of the Company's key APIs.

5) Outlook

The growth estimate for the domestic industry is positive. In light of the initiatives detailed above, the outlook of the business looks promising. The Domestic Formulations business of the Company will continue to focus on building chronic therapies, expanding specialty portfolio and life cycle management of current legacy products. The International Formulations business will focus on globalization of existing products, development of new products, scouting of new partners and entry to new markets.

The Company's Formulation facility at Ankleshwar, Plant (F1) has WHO GMP, Nigeria and Kenya Health Authority certifications and Plant (F2) has WHO GMP, EU GMP, TGA Australia GMP, Health Canada Drug Establishment License, Kenya, Ethiopia, Nigeria and Sudan Health Authority certifications. API facility at Navi Mumbai plant has WHO GMP and TGA Australia GMP certifications. Such certifications testify a hallmark of quality and shall help the Company to enter in new markets across multiple geographies.

6) Risks and Concerns

Some of the key brands of the Company are under NLEM. The list of NLEM is increasing. Also, more and more Fixed Dose Combinations (FDC) are coming under question mark. The regulatory environment across the globe is becoming more and more stringent, and this makes entry into new geographies more challenging. The mandate to Doctors by the Medical Council of India to prescribe generic names of drugs could have an impact on the branded generics.

The impact of COVID-19 has been felt across manufacturing, selling, supply chain and raw material availability among other things. The disruptions caused by the pandemic could affect growth in the near term.

7) Internal Control Systems and their adequacy

The Company has set up internal control procedures commensurate with its size and nature of the business. These business procedures ensure optimum use and protection of the resources and compliance with the policies, procedures and statutes. The internal control systems provide for well-defined policies, guidelines and authorizations and approval procedures. The prime objective of such audits is to test the adequacy and effectiveness of the internal controls laid down by management and to suggest improvements.

8) Financial performance with respect to operational Performance

The total income during the year stood at ₹443.15 crores. EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) was ₹89.35 crores. After deducting Finance Cost of ₹0.52 crores, Depreciation of ₹15.66 crores and Taxes of ₹21.69 crores, the Profit After Tax (PAT) was at ₹51.48 crores.

9) Material developments in human resources/ industrial front

The Company was conferred with two prestigious awards by Indian Drug Manufacturers' Association (IDMA) namely "IDMA Corporate Citizen Award 2021" for its contribution towards society though the CSR activities and the "IDMA Margi Patel Choksi Memorial Best Patent Award for the period 2019-2021" for its product Alfalog used in the management of chronic kidney disease.

The Company firmly believes that people are its most valued resource and their efficiency plays a key role in achieving defined goals and building a competitive work environment. In its pursuit to attract, retain and develop best available talent, several programmes are regularly conducted at various levels across the Company. Employee relations continued to be cordial and harmonious across all levels and all the units of the Company.

10) Key Financial Ratios

Key Financial Ratios	2021-22	2020-21	Growth (%)
Current Ratio	2.58	2.21	17.0%
Debt Equity Ratio	0.00	0.01	0.00%
Debt Service Coverage Ratio	51.26	5.57	820.2%
Return on Equity Ratio	20.1%	18.5%	8.9%
Inventory Turnover Ratio	5.30	6.67	-20.5%
Trade Receivables Turnover Ratio	13.34	6.78	96.9%
Trade Payable Turnover Ratio	5.60	4.75	17.8%
Net Capital Turnover Ratio	3.47	4.05	-14.2%
Net Profit Ratio	11.7%	10.3%	13.8%
Return on Capital Employed	27.9%	24.3%	14.6%
Return on Investment	20.1%	18.5%	8.9%

- Debt Equity Ratio - This has improved due to increase in Networth and reduction of debt on account of repayment of Term Loan.
- Debt Service Coverage ratio - There is change due to improvement in profitability on account of increased net margin, along with reduction in the debt repayments.
- Trade Receivables Turnover Ratio - This has increased on account of better collections in both domestic market and exports.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic developments within the country, demand and supply conditions in the industry, input prices, changes in Government regulations and tax laws.

Corporate Governance Report

1. Company's Philosophy

The Company lays emphasis on the values of fairness, transparency and accountability for performance at all levels, thereby enhancing the shareholders' value and protecting the interest of the stakeholders. During the year, the Company continued its pursuit of achieving these objectives through adoption and monitoring of prudent business plans, monitoring of major risks to the Company's business and pursuing policies and procedures to satisfy its commercial, social, legal and ethical responsibilities. These practices endeavour to attain a balance between enhancement of stakeholder value, achievement of financial objective and corporate social responsibility.

2. Board of Directors

The responsibilities of the Board include formulation of policies, new initiatives, performance review and control. The Board has constituted Committees and delegated powers for different functional areas. The Board as well as its Committees meet at periodic intervals. The strength of the Board is ten Directors. Mr. Harsh V. Goenka is a Non-Executive Chairman of the Board. Mr. Yugal Sikri is the Managing Director. The composition of the Board meets the requirement of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

3. Board / Committee meetings and proceedings

3.1 Scheduling and selection of agenda items

All Board/ Committee members are given notice of the meetings in advance. The meetings are governed by a structured agenda. The agenda along with the explanatory notes are distributed well in advance.

3.2 Availability of information to the Shareholders

All items in the agenda are supported by detailed background information to enable the Shareholders to take informed decisions.

3.3 Recording minutes of the proceedings

Minutes of the proceedings of each Board/ Committee meetings are recorded. Draft minutes are circulated amongst all Directors for their comments. The minutes of the proceedings of the meetings are entered in the minutes book.

3.4 Follow up mechanism

The Company has an effective mechanism for post meeting follow-up, review and reporting process for the actions taken on decisions of the Board and Committees.

3.5 Compliance

The Board periodically reviews the compliance reports to ensure adherence to all applicable provisions of law, rules and guidelines.

3.6 Board Meetings

During the financial year, six meetings of the Board of Directors were held on April 30, 2021, July 28, 2021, October 29,2021, January 25, 2022 and March 10, 2022.

3.7 The composition, nature of directorship, number of meetings attended and their directorship in other public companies of the Board of Directors as on March 31, 2022 are as under:

Name	Category	No. of Board meetings held	No. of Board meetings attended	Whether attended last AGM held on 31.08.2021	No. of directorship in other public limited companies	Committee positions in other companies[1]		Directorship in other Listed entities
						Chairman	Member	
Mr. Harsh V. Goenka Chairman	Non-Executive (Promoter)	6	6	YES	6	0	0	• CEAT Limited - Non Executive Director (Chairman) • KEC International Limited - Non Executive Director (Chairman) • Bajaj Electricals Limited - Independent Director • Zensar Technologies Limited- Non Executive Director (Chairman)
Dr. Lalit S. Kanodia	Non-Executive & Independent	6	6	YES	2	1	2	• Datamatics Global Services Limited- Executive Director

Name	Category	No. of Board meetings held	No. of Board meetings attended	Whether attended last AGM held on 31.08.2021	No. of directorship in other public limited companies	Committee positions in other companies[1]		Directorship in other Listed entities
						Chairman	Member	
Mr. Manoj Maheshwari	Non-Executive & Independent	6	6	YES	2	1	2	• Mahindra CIE Automotive Limited- Independent Director • Metro Brands Limited- Independent Director
Mr. Mahesh S. Gupta	Non-Executive & Independent	6	6	YES	4	3	5	• Peninsula Land Limited- Non Executive Director • CEAT Limited- Independent Director • Morarjee Textiles Limited- Non Executive Director • Shree Digvijay Cement Co Limited- Independent Director
Ms. Zahabiya Khorakiwala[2]	Non-Executive & Independent	6	3	YES	4	1	1	• Wockhardt Limited- Non Executive Director
Mr. Narendra Ambwani	Non-Executive & Independent	6	6	YES	3	1	7	• Agro Tech Foods Limited- Independent Director • Parag Milk Foods Limited- Independent Director • Godrej Consumer Products Limited-Independent Director
Mr. Bhaskar Iyer	Non-Executive & Independent	6	6	YES	4	1	6	• Themis Medicare Limited- • Independent Director
Mr. Sachin Nandgaonkar	Non-Executive	6	6	YES	0	0	0	-
Mr. Rajat Bhargava	Non-Executive	6	2	YES	1	0	2	-
Mr. Yugal Sikri[3] Managing Director	Executive	6	5	YES	0	0	1	-

1. Only Audit Committee and Stakeholder's Relationship Committee positions are considered as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. Ms. Zahabiya Khorakiwala was appointed as an Independent Director for second term of five consecutive years from July 27, 2021 to July 26,2026.
3. Mr. Yugal Sikri was appointed as a Managing Director for a period from October 1, 2021 to April 30, 2024.

None of the Directors of the Company are related to each other.

3.8 Skills/expertise/competence of the Board:

The Directors on the Board are eminent industrialists/ professionals and have expertise in their respective functional areas, which bring with them the reputation of independent judgement and experience which adds value to the Company's business. Directors are inducted on the Board basis the possession of the skills identified by the Board as below and their special skills with regards to the industries/fields they come from.

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board members stated hereinafter:

Global Business: Understanding of global business dynamics across various geographies, industry verticals and regulatory jurisdictions.

Strategy and Planning: Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.

Governance: Experience in developing governance framework, serving the best interests of all stakeholders, driving board and management accountability, building long-term effective stakeholder engagements and sustaining corporate ethics and values.

The skills/expertise/ competencies have been further elaborated as under:

Name of Director	Skills / Expertise / Competencies
Mr. Harsh V. Goenka Chairman	
Mr. Yugal Sikri Managing Director	
Mr. Mahesh Gupta Independent Director	
Dr. Lalit S. Kanodia Independent Director	
Mr. Manoj Maheshwari Independent Director	
Mr. Narendra Ambwani Independent Director	
Ms. Zahabiya Khorakiwala Independent Director	
Mr. Bhaskar Iyer Independent Director	
Mr. Sachin Nandgaonkar Non- Executive Director	
Mr. Rajat Bhargava Non- Executive Director	

Global Business
Industry Experience
Business Development
General Management
Strategy, M&A
Thought Leadership
Senior Management Experience
Risk Management
Corporate Governance
Human Resources
Public Policy
Accounting, Finance, Legal

3.9 Separate Meeting of Independent Directors

In compliance with Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of Independent Directors of the Company, was held on March 10, 2022 for reviewing the performance of Non-Independent Directors, Board as a whole, the Chairperson of the Company as well as for assessing the quality, quantity and timeliness of flow of information between the Company management and the Board. Majority of Independent Directors were present at the meeting.

The Independent Directors provide an annual confirmation that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations.

The Board at its meeting held on April 29, 2022, reviewed the declaration of independence submitted by Independent Directors and carried out due assessment of the veracity of the same noting that the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management.

4. Audit Committee

The Audit Committee consists of three Independent Directors and one Non-Executive Director, namely, Mr. Mahesh S. Gupta, Mr. Narendra Ambwani, Mr. Bhaskar Iyer and Mr. Rajat Bhargava. Mr. Mahesh S. Gupta is the Chairman of the Audit Committee.

The composition of the Audit Committee complies with the requirements laid down in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference and powers of the Audit Committee are those prescribed under Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 177 of the Companies Act, 2013.

The Chief Financial Officer, Statutory Auditors and Internal Auditors are invitees to the Audit Committee meetings. The Company Secretary acts as Secretary to the Audit Committee.

During the financial year, four meetings of the Audit Committee were held on April 30,2021, July 28, 2021, October 29, 2021 and January 25, 2022. Attendance of Directors at the Audit Committee Meetings held during the financial year is as under:

Name of the Director	No. of meetings attended
Mr. Mahesh S. Gupta	4
Mr. Narendra Ambwani	3
Mr. Bhaskar Iyer	4
Mr. Rajat Bhargava	4

5. Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of three Independent Directors and one Non-Executive Director, namely, Dr. Lalit S. Kanodia, Mr. Mahesh S. Gupta, Mr. Bhaskar Iyer and Mr. Rajat Bhargava respectively. Dr. Lalit S. Kanodia is the Chairman of the Committee.

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors. The role includes formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the appointment, removal and payment of remuneration for the Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP) and other employees; formulation of criteria for effective evaluation of performance of Boards, its Committees and individual Directors to be carried out either by the Board or by NRC or through an independent external agency and review its implementation and compliance, devising a policy on Board diversity; identification of 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 their appointment and removal; determining whether to extend or continue the term of appointment of the Independent Director, based on the report of performance evaluation of Independent Directors.

The composition of the Committee complies with the requirements laid down in Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference and powers of the Committee are those prescribed under Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 178 of the Companies Act, 2013.

During the financial year, three meetings of the Nomination and Remuneration Committee were held on April 30, 2021, June 29, 2021 and January 21, 2022. Attendance of Directors at the Nomination and Remuneration Committee Meetings held during the financial year is as under:

Name of the Director	No. of meetings attended
Dr. Lalit S. Kanodia	3
Mr. Mahesh Gupta	3
Mr. Bhaskar Iyer*	2
Mr. Rajat Bhargava	3

*Mr. Bhaskar Iyer has become member of the Committee with effect from April 9, 2021.

6. Remuneration of Directors

(i) Non-Executive Directors

The Non-Executive Directors are paid sitting fees for attending meetings of the Board and Committee(s) thereof. Each Non-Executive Director is paid a sitting fee of ₹1,00,000/- per Board Meeting, ₹50,000/- per Audit Committee Meeting, ₹15,000/- per Nomination and Remuneration Committee Meeting, Corporate Social Responsibility Committee Meeting, Risk Management Committee Meeting and Stakeholders Relationship Committee Meeting. Keeping in view industry practices, the Board, unanimously decides the amount of sitting fees to be paid from time to time.

Details of remuneration of the Directors during the financial year 2021-22 are as under:

Name of the Director	Sitting Fees (₹)
Mr. Harsh V. Goenka	5,00,000
Dr. Lalit S. Kanodia	5,45,000
Mr. Manoj Maheshwari	5,00,000
Mr. Mahesh S. Gupta	8,35,000
Mr. Narendra Ambwani	6,25,000
Ms. Zahabiya Khorakiwala	4,15,000
Mr. Bhaskar Iyer	7,45,000
Mr. Sachin Nandgaonkar	4,00,000
Mr. Rajat Bhargava	7,75,000

Mr. Harsh V. Goenka holds 26,915 equity shares of the Company in his individual capacity and 88,35,944 equity shares as a Trustee of Nucleus Life Trust and 1 equity share each, Stellar Energy Trust, Secura India Trust, Prism Estates Trust and 10 equity shares each as a Trustee of Navya Goenka Trust, Ishaan Goenka Trust, AVG Family Trust and RG Family Trust. Mr. Narendra Ambwani, Independent Director holds 1,000 equity shares and Mr. Sachin Nandgaonkar, Non-Executive Director holds 5,256 equity shares in the Company. After approval of the Board on recommendation of the Nomination and Remuneration Committee and the Audit Committee, ₹8,75,000/- was paid to Mr. Bhasker Iyer as fees for availing his professional services in the Transformation Project during FY 2021-22.

(ii) Executive Director

Remuneration of Managing Director is decided by the Board based on the recommendation of the Nomination and Remuneration Committee within the ceiling fixed by the Shareholders as per Schedule V of the Companies Act, 2013.

The elements of remuneration paid to Mr. Yugal Sikri, Managing Director during the financial year 2021-22 are as under:

(₹ in lakhs)

Name	Salary	Performance Bonus	Perquisite	Retiral Benefits
Mr. Yugal Sikri – Managing Director	267.81	113.86	-	10.15

The remuneration structure of the Managing Director comprises of salary, perquisites, allowances, performance bonus, and contribution to provident, superannuation and gratuity funds. Payment of remuneration to the Managing Director is governed by the Agreement executed between him and the Company.

7. Stakeholders Relationship Committee

The Stakeholders Relationship Committee consists of three Directors, namely, Mr. Narendra Ambwani, Mr. Mahesh S. Gupta and Mr. Yugal Sikri. Mr. Narendra Ambwani is the Chairman of the Stakeholders Relationship Committee.

The functioning and terms of reference of the Committee are as prescribed and in due compliance with the Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 178 of the Companies Act, 2013 and include reviewing existing investor redressal system, redressing of Shareholder complaints like non-receipt of declared dividend, resolving the grievances of the security holders of the listed entity 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.; review of measures taken for effective exercise of voting rights by shareholders, review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent, review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

During the financial year, four meetings of the Stakeholders Relationship Committee were held on April 30, 2021, July 28,2021, October 29, 2021 and January 25,2022.

Directors at the Stakeholders Relationship Committee Meetings held during the financial year is as under:

Name of the Director	No. of meetings attended
Mr. Narendra Ambwani	3
Mr. Mahesh S. Gupta	4
Mr. Yugal Sikri	4

Company Secretary is the Compliance Officer in terms of Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Statement of the various complaints received and resolved by the Company during the year ended March 31, 2022 are as under:

Type of complaints	Number of Complaints
No. of complaints pending at the beginning of the financial year 2021-22	Nil
No. of complaints received during the financial year 2021-22	1
No. of complaints resolved to the satisfaction of Shareholders during the financial year 2021-22	1
No. of complaints pending to be resolved at the end of the financial year 2021-22	Nil

8. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee (CSR) consists of three Directors, namely, Mr. Narendra Ambwani, Ms. Zahabiya Khorakiwala and Mr. Yugal Sikri. Mr. Narendra Ambwani is the Chairman of the Corporate Social Responsibility Committee.

The terms and reference of the Committee of the CSR inter-alia includes the following:

i. To formulate and recommend to the Board of Directors, a CSR Policy, inter alia a statement containing the approach and direction given by the Board, and includes guiding principles for selection, implementation, and monitoring of CSR activities as well as formulation of the Annual Action Plan.

ii. To recommend to the Board an Annual Action Plan in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, inter-alia including the amount of expenditure to be incurred on CSR activities, list of projects to be undertaken within the purview of Schedule VII to the Companies Act, 2013, manner of execution of such projects, modalities of fund utilization, project implementation schedules, monitoring and reporting mechanism, etc.

iii. To review the CSR policy of the Company from time to time.

iv. Carry out all the functions as may be entrusted (i) by the Board, from time to time; and (ii) by the virtue of applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions of Laws, as amended from time to time.

During the Financial year, two meetings of the Corporate Social Responsibility Committee were held on April 30, 2021 and March 10, 2022.

Attendance of Directors at the Corporate Social Responsibility Committee Meeting held during the financial year is as under:

Name of the Director	No. of meetings attended
Mr. Narendra Ambwani	2
Ms. Zahabiya Khorakiwala	1
Mr. Yugal Sikri	2

9. Risk Management Committee

The Risk Management Committee consists of four Directors, namely, Mr. Mahesh S. Gupta, Mr. Bhaskar Iyer, Mr. Yugal Sikri and Mr. Rajat Bhargava. Mr. Mahesh S. Gupta is the Chairman of the Risk Management Committee.

The roles and responsibilities of the Risk Management Committee are as prescribed under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and includes monitoring and review of risk management plan and reporting the same to the Board of Directors periodically as it may deem fit, in addition to any other terms as may be referred by the Board of Directors, from time to time.

During the financial year, two meetings of the Risk Management Committee were held on July 28, 2021 and January 21, 2022.

Attendance of Directors at the Risk Management Committee Meetings held during the financial year is as under:

Name of the Director	No. of meetings attended
Mr. Mahesh Gupta	2
Mr. Rajat Bhargava	2
Mr. Yugal Sikri	2
Mr. Bhaskar Iyer*	2

*Mr. Bhaskar Iyer has become member of the Committee with effect from April 9, 2021.

10. General Body Meeting

a) The details of the last three Annual General Meetings are as under:

AGM for the period/ year ended	Venue	Date	Time	Special Resolutions passed
12th AGM March 31, 2019	Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, Sayani Road, Prabhadevi, Mumbai 400 025	July 30, 2019	2.30 p.m.	4*
13th AGM March 31, 2020	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	August 20, 2020	3.00 p.m.	Nil
14th AGM March 31, 2021	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	August 31, 2021	3.00 p.m.	2**

* The details of Special Resolutions passed at the 12th AGM are as under:

1. Re-appointment of Dr. Lalit S. Kanodia (DIN:00008050) as Independent Director for second consecutive term of five years
2. Re-appointment of Mr. Narendra Ambwani (DIN:00236658) as Independent Director for second consecutive term of five years
3. Re-appointment of Mr. Mahesh S. Gupta (DIN:00046810) as Independent Director for second consecutive term of five years
4. Re-appointment of Mr. Manoj Maheshwari (DIN:00012341) as Independent Director for second consecutive term of five years

** The details of Special Resolutions passed at the 14th AGM are as under:

1. Re-appointment of Ms. Zahabiya Khorakiwala (DIN:00102689) as Independent Director for second consecutive term of five years
2. Re-appointment of Mr. Yugal Sikri (DIN:07576560) as Managing Director for a period from October 1, 2021 to April 30, 2024.

None of the items transacted at the 13th Annual General Meeting held on August 20, 2020 were required to be passed by postal ballot nor any resolution requiring a postal ballot is being proposed at the ensuing Annual General Meeting.

11. Disclosures

(i) The Company has not entered into any materially significant related party transaction that may have potential conflict with the interest of the Company at large. The Company has received disclosures from the Senior Management Personnel confirming that they have not entered into any financial or commercial transaction, which may have potential conflict with the interest of the Company. The policy on dealing with Related Party Transactions is posted on the Company's website www.rpglifesciences.com.

(ii) To the best of the Company's knowledge, there has neither been any incidence of non-compliance with laws governing capital market nor has any penalty or stricture been imposed on the Company by the Stock Exchanges, SEBI or any statutory authority on any matter related to capital market.

(iii) The Board of Directors has laid down the Code of Conduct for Board Members and Senior Management, which they are bound to observe in the course of conduct of business of the Company. The Code of Conduct has also been posted on the website of the Company. Each Director and Senior Management Personnel including all functional heads, to which the code has been made applicable, have affirmed their compliance with the Code. A declaration by Mr. Yugal Sikri, Managing Director, to this effect forms part of this report.

(iv) The Managing Director and Chief Financial Officer of the Company have submitted the certificate as required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the Board of Directors.

(v) The Company has adopted a Vigil Mechanism/ Whistle Blower Policy and confirms that no personnel was denied access to the Audit Committee.

(vi) The Company is in compliance with all the mandatory requirements of Regulation 17 to 27, 43A and Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Dividend Distribution Policy is available on the website of the Company at https://rpglifesciences.com/website/code_policies_forms.php. The status on adoption of non-mandatory requirement is set out in this report.

(vii) The details of shares in Unclaimed Suspense Account are provided in notes to Notice of Annual General Meeting of the Company included in this Annual Report.

(viii) A Certificate from Company Secretary in Practice 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 Board/ Ministry of Corporate Affairs or any such statutory authority is annexed with this report as **Annexure E**.

(ix) Details of total fees for all services paid by the Company to the statutory auditor and all the entities in the network firm/network entity of which the statutory auditor is as under:

Name of Statutory Auditor and network entity	Type of Services	Name of Company or its subsidiaries obtaining the service	Amount (₹ in lakh)
M/s. BSR & Co. LLP, Chartered Accountants	Auditing, Taxation Matters, Other Services, Reimbursement of expenses	RPG Life Sciences Limited	39

(x) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are as under:

Number of complaints filed during the financial year	Nil
Number of complaints disposed off during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

12. Means of Communication

The quarterly, half-yearly and annual results are published in 'Business Standard' and 'Mumbai Lakshadeep' newspapers. The financial results and official news releases are also available on the Company's website www.rpglifesciences.com.

13. General Shareholder Information

(i)	AGM: Date, time and venue	15th Annual General Meeting on July 29, 2022 at 3.00 p.m. through Video Conferencing
(ii)	Financial Year	April 1 - March 31
(iii)	Dividend Payment Date	The dividend recommended by the Board if declared at the ensuing Annual General Meeting will be paid within 30 days from the date of declaration, subject to approval of the shareholders
(iv)	Listing on Stock Exchanges	The Equity Shares of the Company are listed on the BSE Limited (BSE) having office at Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 and National Stock Exchange of India Limited (NSE) having office at Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051. The listing fees have been paid to both the Stock Exchanges for the financial year 2021-22
(v)	Stock Code	BSE – 532983 NSE – RPGLIFE
(vi)	ISIN Code	INE105J01010

(vii) Market Price Data

Month	BSE		NSE		SENSEX	
	High	Low	High	Low	High	Low
April 2021	509.35	374.90	509.40	360.35	50,375.77	47,204.50
May	484.00	422.00	484.20	421.80	52,013.22	48,028.07
June	490.10	425.00	490.00	424.85	53,126.73	51,450.58
July	538.35	441.10	539.00	441.00	53,290.81	51,802.73
August	567.45	474.95	567.50	475.10	57,625.26	52,804.08
September	751.80	507.85	752.45	501.55	60,412.32	57,263.90
October	724.00	628.80	727.00	627.30	62,245.43	58,551.14
November	737.95	590.00	738.00	589.80	61,036.56	56,382.93
December	654.30	575.00	656.85	573.35	59,203.37	55,132.68
January 2022	667.40	581.25	668.15	581.50	61,475.15	56,409.63
February	604.80	481.90	606.95	482.00	59,618.51	54,383.20
March	640.05	568.00	641.20	481.75	58,890.92	52,260.82

(viii) Registrar and Share Transfer Agents

Link Intime India Pvt. Ltd.
C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400 083
Tel No: (022) 49186270 | Fax No. (022) 49186060
E-mail:rnt.helpdesk@linkintime.co.in
Contact Person: Ms. Udaya Rao

(ix) Grievance Redressal

The investors may register their grievance on investorservices@rpgls.com, an exclusive E-mail ID for registration of complaints by the investors.

(x) Share Transfer System

Pursuant to the amendment to the Listing Regulations effective from April 1, 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. Members holding shares in physical form are therefore requested to convert their holdings to dematerialized mode.

In order to expedite the process of transfer of share in relation to the above, the Board of Directors has delegated the power of transfer of shares to the Company Secretary who considers and approves transfers every fifteen days.

The Company's shares are tradable only in demat form with effect from December 5, 2018 in pursuance of amendment to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Board of Directors has delegated the power to the Company Secretary to expedite transmission, replacement, transposition and issue of duplicate shares in physical form.

The Company has authorised Registrar and Transfer agents viz. Link Intime India Private Limited to issue the securities in dematerialised form only while processing shareholder request such as issue of duplicate share certificate, claim from Unclaimed Suspense account, renewal /exchange of securities certificate, endorsement, sub-division/ splitting of shares, consolidation of share certificates/folios, transmission and transposition as per Securities and Exchange Board of India vide its circular dated January 25, 2022. The RTA shall credit the shares to the Suspense Escrow Demat Account of the Company if the shareholder/claimant fails to submit the demat request within 120 days of issuance of Letter of Confirmation.

(xi) Distribution of Shareholding

- The distribution of shareholding as on March 31, 2022 was as under:

Nominal Value of Shareholding	No. of Shareholders	% of Shareholders	Share Amount (₹)	% of Share Amount
Upto 5000	22,109	94.94	17,52,476	10.60
5001 to 10000	690	2.97	5,12,668	3.10
10001 to 20000	247	1.06	3,66,910	2.22
20001 to 30000	105	0.45	2,67,694	1.62
30001 to 40000	31	0.13	1,12,956	0.68
40001 to 50000	32	0.14	1,51,757	0.92
50001 to 100000	42	0.18	2,90,081	1.75
100001 and above	31	0.13	1,30,84,473	79.11
Total	**23,287**	**100.00**	**1,65,39,015**	**100.00**

- Shareholding Pattern as on March 31, 2022

Category	No. of Shares	%
Promoters	1,19,19,219	72.07
Insurance Companies	-	-
Foreign Institutional Investors	-	-
Mutual Funds/Banks	-	-
Non Resident Indians	1,38,766	0.84
Public	44,81,030	27.09
Total	**1,65,39,015**	**100.00**

(xii) Dematerialization of Shares and Liquidity

Category	No. of Shares	% of shares	No. of Shareholders	% of Shareholders
Electronic Form	1,62,88,748	98.49	17,170	89.77
Physical Form	2,50,267	1.51	1,956	10.23
Total	**1,65,39,015**	**100.00**	**19,126**	**100.00**

(xiii) Outstanding GDR/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs. As of March 31, 2022, the Company does not have any outstanding convertible instruments, which are likely to have an impact on the equity of the Company.

(xiv) Commodity Price Risk or Foreign Exchange Risk and Hedging activities

During the year, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in Note No. 28 to the Financial Statements.

(xv) Plant Locations

Bulk Drugs (Synthetic)	Pharma Formulation
25, M.I.D.C Land, Thane-Belapur Road, Navi Mumbai 400 703 Maharashtra.	Plot No.3102/A, G.I.D.C. Industrial Estate, Ankleshwar 393 002, Dist. Bharuch (Gujarat).

(xvi) Address for Correspondence

Mr. Rajesh Shirambekar
Head – Legal & Company Secretary
25, M.I.D.C. Land, Thane–Belapur Road, Navi Mumbai 400 703, Maharashtra.
Tel No. (022) 6795 5400/ 6795 5555
Fax No. (022) 2763 3269
Email: investorservices@rpgls.com

(xvii) List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year

During the year under review, the Information and Credit Rating Agency (ICRA) has reaffirmed the long-term rating of the Company as '[ICRA] A'. The ICRA has also reaffirmed the short-term rating of the Company as ([ICRA] A1). The outlook on the long-term rating is Stable.

Facilities	Amount	Rating
Long-term loans	₹35 crores	[ICRA] A (Stable); Reaffirmed
Long-term, fund-based facilities	₹40 crores	[ICRA] A (Stable); Reaffirmed
Short-term, non-fund based facilities	₹25.92 crores	[ICRA] A1; Reaffirmed

(xviii) Non-Mandatory Requirements

1. The Board

The Chairman has not sought any reimbursement of expenses incurred for maintenance of his office or performance of his duties. The tenure of majority of Independent Directors on the Board is less than five years. The Board ensures before appointment of Independent Directors that they have the requisite qualifications and experience that would be of use to the Company and would enable them to contribute effectively to the Company in their capacity as Independent Directors.

2. Shareholders' Rights

The quarterly, half-yearly and annual financial results are published in the newspapers and also displayed on Company's website www.rpglifesciences.com. In view of this, the Company does not send the financial results to the shareholders separately.

The Company discloses all information required to be disclosed under Regulation 30 read with Part 'A' and Part 'B' of Schedule III of the SEBI Listing Regulations including material information having bearing on the performance/operations of the Company and other price sensitive information. Information to Stock Exchanges are filed electronically on the online portals of BSE Limited i.e. BSE Corporate Compliance & Listing Centre (Listing Centre) and National Stock Exchange of India Ltd. i.e. NSE Electronic Application Processing System (NEAPS) & the Digital Portal of NSE.

3. Audit Qualification

The financial statements for the year ended March 31, 2022 are unqualified.

4. Separate Posts of Chairman and CEO

The Company has separate persons to the post of the Chairman and the Managing Director.

5. Reporting of Internal Auditor

The Internal Auditors present the Internal Audit Report at the meeting of the Audit Committee every quarter.

Annexure E

Certificate

To,
The Members of
RPG LIFE SCIENCES LIMITED
RPG House, 463, Dr. Annie Besant Road, Worli, Mumbai- 400 030.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of RPG Life Sciences Limited having CIN L24232MH2007PLC169354 and having registered office at 463, RPG House, Dr. Annie Besant Road, Worli, Mumbai 400030 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company*
1.	Mr. Harsh V. Goenka	00026726	06/02/2008
2.	Dr. Lalit S. Kanodia	00008050	06/02/2008
3.	Mr. Manoj Maheshwari	00012341	06/02/2008
4.	Mr. Mahesh S. Gupta	00046810	06/02/2008
5.	Mr. Narendra Ambwani	00236658	24/07/2014
6.	Ms. Zahabiya Khorakiwala	00102689	29/10/2015
7.	Mr. Bhaskar Iyer	00480341	30/10/2019
8.	Mr. Sachin Nandgaonkar	03410739	23/01/2015
9.	Mr. Rajat Bhargava	07752438	25/01/2021
10.	Mr. Yugal Sikri	07576560	01/10/2018

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

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

For Parikh Parekh & Associates
Practising Company Secretaries

Mitesh Dhabliwala
FCS: 8331 CP: 9511
UDIN: F008331D000235899

Place : Mumbai
Date : April 29, 2022

Declaration

I hereby declare that all the Directors and Senior Management Personnel including all functional heads of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended March 31, 2022.

Place : Mumbai
Date : April 29, 2022

Yugal Sikri
Managing Director

Practising Company Secretaries' Certificate

To the Shareholders of
RPG Life Sciences Limited

We have examined the compliance of conditions of Corporate Governance by RPG Life Sciences Limited (hereinafter referred "the Company") for the year ended March 31, 2022 as per relevant provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period April 1, 2021 to March 31, 2022.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

For VKM & Associates
Practicing Company Secretary

Vijay Kumar Mishra
Partner
Membership No.: F5023 C.P. No.: 4279
UDIN: F005023D000258815

Place : Mumbai
Date : April 29, 2022

Business Responsibility Report

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

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	**L24232MH2007PLC169354**
2.	Name of the Company	**RPG LIFE SCIENCES LIMITED**
3.	Registered address	RPG House, 463, Dr. Annie Besant Road, Worli, Mumbai 400 030.
4.	Website	www.rpglifesciences.com
5.	E-mail id	investorservices@rpgls.com
6.	Financial Year reported	2021-22
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Pharmaceuticals : NIC Code 210
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Lomotil, Azoran and Aldactone
9.	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (b) Number of National Locations	The Company has manufacturing facilities situated at Navi Mumbai in Maharashtra and at Ankleshwar in Gujarat. Registered office is in Mumbai. The Company has 20 Carrying & Forwarding Agents, 2 Warehouses, 3 Super Stockists in India and 1 Super Stockist in Nepal.
10.	Markets served by the Company – Local / State/ National/International	In addition to serving the Indian market, the Company exports to around 22 countries worldwide across South East Asia, MENA, United Kingdom, EU, Canada, Australia, China, Latin America, Africa and Russia.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	13.23 crores
2.	Total Turnover (INR)	443.15 crores
3.	Total profit after taxes (INR)	51.48 crores
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹73.72 lakhs (1.43% of the profit after tax for the year) spent during FY 2021-22.
5.	List of activities in which expenditure in 4 above has been incurred:-	The CSR spent for the year under review includes mainly the following: • Promoting education • Employment enhancing vocational skills/ Employability • Community Development For details please refer to the CSR section of the Board's Report of the Company.

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	No
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such Subsidiary Company(s)	Not Applicable
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

1. DIN : 07576560
2. Name : Mr. Yugal Sikri
3. Designation : Managing Director

(b) Details of the BR head

No.	Particulars	Details
1.	DIN	07576560
2.	Name	Mr. Yugal Sikri
3.	Designation	Managing Director
4.	Telephone number	022 2498 1650
5.	Email Address	investorservices@rpgls.com

2. Principle-wise as per National Voluntary Guidelines (NVGs) / Business Policy

(a) Details of compliance (Reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for:	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes, the policies conform to the principles laid down under National Guidelines for Responsible Business Conduct (NGRBCs) on Social, Environmental and Economic Responsibilities of Business and other relevant regulations as applicable to the respective policies.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	All the policies except HR policies can be viewed at https://www.rpglifesciences.com. HR policies are restricted to employees of the Company and uploaded on Company's Intranet.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The Company has not understood the Principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to Business Responsibility (BR)

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The Audit Committee, Risk Management Committee, Sustainability and Corporate Social Responsibility Committee meet in a year at regular intervals.

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

BR Report of the Company forms part of Annual Report and the same can be accessed on the website of the Company i.e. www.rpglifesciences.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company has adopted RPG Code of Corporate Governance and Ethics ('RPG Code') which *inter-alia* covers the issues, related to ethics, conflict of interest and so on. Besides, the RPG Code ensures that every transaction is transparent. Every employee of the Company is required to mandatorily adhere to the RPG Code. It does not extend to joint ventures/ suppliers/ contractors/ NGOs/ others.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

There was one complaint received and resolved during the financial year 2021-22 from investors. Forty Eight complaints were received from customers, out of which Forty Seven complaints were resolved and One complaint was pending as at the end of financial year. The Company has a robust mechanism in place to respond to investor and customer complaints within an appropriate time frame.

Principle 2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Lomotil, Azoran and Aldactone.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

The Company manufactures and distributes at its manufacturing facilities a wide range of branded formulations, generics and active pharmaceutical ingredients. As consumption per unit depends on the product mix, there are no specific standards to ascertain reduction achieved at product level.

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

The Company's products do not have any broad-based impact on energy and water consumption by consumers. However, the Company has taken several ongoing measures to reduce consumption of water and energy.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)?**

(a) **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

The Company has standard operating procedures for approving vendors. Materials are procured from approved vendors both local and international. The Company's quality assurance team conducts periodic audits of vendors, especially those who supply key materials. The Company has long standing business relations with regular vendors. The Company enters into freight contracts with leading transporters for movement of materials. The Company continues to receive unrelenting support from its vendors.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

(a) **If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company procures goods and avail services from local and small vendors, particularly those located around its manufacturing locations. As a result of procurement of goods from local vendors, the Company saves on transportation as also inventory carrying costs. The Company provides technical support and guidance to vendors in developing products.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The pharmaceutical products cannot be recycled but solvents being used in pharmaceutical processes are being re-used and recycled. Domestic effluents generated at our facility are treated. The Waste generated at our facility is segregated as hazardous and non-hazardous waste categories and managed through a robust waste management system. All the non-hazardous waste generated at the manufacturing facility is sold to authorized vendor. The hazardous waste is sent for incineration and landfilling to common hazardous waste Treatment, Storage, and Disposal Facility CHW TSDF site/Common Incineration facility as per MPCB and GPCB. Gujarat Pollution Control Board Authorization.

Principle 3 : Businesses should promote the wellbeing of all employees

1. **Please indicate the Total number of employees.**

The Company has 1,165 permanent employees as on March 31, 2022.

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

377

3. **Please indicate the Number of permanent women employees.**

62

4. **Please indicate the Number of permanent employees with disabilities**

Nil

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

Yes, there are employee associations, which are recognised by the management.

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

9.53%

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

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

Type of employees	Skill Upgradation Training (%) **	Safety Training (%)*
Permanent Employees	100%	100%
Permanent Women Employees	100%	100%
Casual / Temporary / Contractual Employees	100%	100%
Employees with Disabilities	Not Applicable	Not Applicable

*Considered only employees based at Factory locations

**On-the-job training is given to all the employees

Principle 4 : Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. **Has the Company mapped its internal and external stakeholders? Yes/No**

Yes, the Company has mapped its internal and external stakeholders.

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

Yes, the Company identifies underprivileged communities in and around its plants, business locations. The Company conducts various activities, which upholds its philosophy and values towards underprivileged communities.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

The Company has undertaken special initiatives for the development of underprivileged communities in and around its plants, business locations and project sites. These initiatives are in the areas of preventive healthcare, education, drinking water, sanitation, employability, skill development, health care skilling and digital literacy.

Principle 5 : Businesses should respect and promote human rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?**

Human rights are given utmost respect and promoted in the Company. These rights are covered in the RPG Code and various human resource practices and policies.

Equal opportunity is given to all the employees of the Company based on merits. It regards them with dignity, apart from maintaining a congenial work environment free from all sorts of harassment (physical, verbal or psychological).

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

The Company has not received any complaint of human rights violation.

Principle 6 : Business should respect, protect, and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the Company or Extends to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs/others.**

The Environmental, Health and Safety (EHS) Policy of the Company covers all employees, contractors, suppliers and visitors of the Company.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

The Company ensures reduction of environmental degradations and promotion of 3Rs (Reduce, Reuse and Recycle) to help combat the perils of climate change and optimise utilisation of resources to help safeguard the environment. The Company using clean fuel (Natural Gas) in boiler to minimize the impact on global warming. The Company has planted 160 trees during the year at its Plants located at Ankleshwar and Navi Mumbai for carbon sequestration. This information is not separately placed on the Company's website.

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

Yes, The Company on a continuous basis assesses and identifies potential environmental risks and takes adequate

measures and precautions by engineering control measures like use of Filter to exhaust air from plant HVAC system to minimize any potential damage to the environment. Company is using clean fuel (Natural Gas) in boiler.

There are periodic environment audits and checks conducted by the external agencies.

The Company's plant at Navi Mumbai having full-fledge Effluent Treatment Plant ("ETP") which involves Primary, Secondary & Tertiary system to treat process & sewage water. Real Time Online Effluent Monitoring System ("RTOEMS") installed at ETP outlet for monitoring & continuous data transmission to Central Pollution Control Board ("CPCB"), Maharashtra Pollution Control Board ("MPCB") and Common Effluent Treatment Plant ("CETP").

The Company's plant at Ankleshwar having full-fledge Effluent Treatment Plant (ETP) which involves Primary & Secondary Treatment system to treat process effluent and discharge into GIDC underground drainage system by gravity and conveyed to Final Effluent Treatment Plant which ultimately leads to deep sea for final disposal through approved agency.

The Company also have full-Fledge Sewage Treatment Plant having Primary, Secondary and Tertiary treatment system followed by Ultrafiltration. The treated sewage is used in Gardening and Plantation.

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

   Yes, The Company adheres to all rules, regulations, standards framed by Ministry of Environment, Forest & Climate Change ("MoEF&CC"), CPCB, State Pollution Control Board ("SPCB"), Gujarat Pollution Control Board ("GPCB") and MPCB. Compliances of these rules, regulations and standards are being checked by internal auditors. Moreover, independent assessors review these compliances, when needed. Environment Clearance is in place & periodical compliance reports, as applicable, are submitted to MoEF&CC, CPCB and SPCB on half yearly basis.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   Yes, The Company has installed energy efficient lighting across factory premises for energy conservation. In addition, it invests in various Research and Development initiatives to make its manufacturing process more energy efficient. The Company is using Pipeline Natural Gas as a clean fuel to minimise air pollution.

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

   Yes, all the air emissions/ waste water generation/ waste generation are within permissible limits given by the CPCB/SPCB.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   No show cause/legal notice from CPCB/SPCB is received or pending.

Principle 7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with:**

   (a) Pharmaceuticals Export Promotion Council of India (Pharmexcil)

   (b) Bombay Chamber of Commerce and Industry (BCCI)

   (c) Federation of Indian Export Organisation (FIEO)

   (d) Indian Drug Manufacturers' Association (IDMA)

2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   No

Principle 8 : Businesses should support inclusive growth and equitable development

1. **Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   In pursuit of its Corporate Social Responsibility ("CSR") Policy, the Company undertakes various programmes and initiatives such as Education (Pehlay Akshar-Training), Swayam Heath, Swayam Drive, Swayam Digital and Swayam Connect and Community Development. Details of these programmes are enumerated in **Annexure 'C'** (CSR Section) of the Directors' Report.

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

   All the CSR programmes of the Company are undertaken through RPG Foundation, an Implementation Agency.

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

   The Company undertakes impact assessment on a continuous basis and monitors gains to the community arising out of all its CSR activities.

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

   During the year under review, the Company spent ₹57.41 lakhs towards various CSR projects. The details of these projects are given in **Annexure 'C'** (CSR section) of the Directors' Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   The Company has taken adequate steps to ensure that the development initiatives are successfully adopted by the community. Data provided in Annexure 'C' (CSR Section) of Directors' Report endorses successful adoption of initiatives by the community.

Principle 9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner

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

   Total 48 complaints were received from customers and 47 complaints disposed off during the year and 1 complaint was pending as at the end of the financial year.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

   The Company complies with all the legal statutes regarding display of product information on labels.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   No

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

   No

Independent Auditors' Report

To
The Members of
RPG Life Sciences Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of RPG Life Sciences Limited ("the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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, 2022, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Impairment of Intangibles Assets

(Refer note 4 and 2 B (b) and (c) to accounting policies)

The key audit matter	How the matter was addressed in our audit
As at March 31, 2022, the Company has Intangible assets aggregating to ₹ 2,907 lakhs. These assets are evaluated for any indicators of impairment annually. Company performs the annual assessment of the intangible assets, to identify any indicators of impairment. The recoverable amount which is based on the higher of the value in use or fair value less costs to sell, has been derived from discounted forecast cash flow models. These models use several key assumptions, including estimates of future sales volumes, prices, operations costs, terminal value growth rates and the weighted average cost of capital (discount rate). Considering the inherent uncertainty, complexity and Company's judgment involved and the significance of the value of the assets, impairment assessment of intangible assets has been considered as a key audit matter.	Our audit procedures included the following: • Assessing the indicators for impairment of intangible assets and understanding the Company's assessment of those indicators • Evaluating design, implementation and testing operating effectiveness of controls over the Company's impairment assessment process. This included the estimation, reasonableness of forecasts, determination of key assumptions; • Assessing the valuation methodology used for determining the recoverable amount and testing the mathematical accuracy of the impairment models; • Evaluating the reasonableness of the valuation assumptions, such as growth rates and discount rates, used by the Company. We challenged these assumptions including applying sensitivity analysis, with the assistance of our valuations team; • Evaluating past performances where relevant and assessed historical accuracy of the forecast produced by the Company;

Revenue recognition

(Refer note 2 B (q) to accounting policies and note 14 to the financial statements)

The key audit matter	How the matter was addressed in our audit
Revenue is recognized when the control over the underlying products has been transferred to the customer. We identified revenue recognition as a key audit matter because of the quantum of revenue in the financial statements. There is also a risk of revenue being overstated due to fraud through booking fictitious sales resulting from pressure on the Company to achieve performance targets.	• Our procedures included the following: • Assessing compliance of the Company's revenue recognition accounting policies for compliance with Ind AS • Testing the design, implementation and operating effectiveness of the Company's manual and automated (Information Technology - IT) controls on recording revenue and accrual of sales returns. We also involved our IT specialists for testing of IT application controls. • Performing testing on selected statistical samples of revenue transactions recorded throughout the year and at the year end and checking delivery documents and customer purchase orders. • Understanding and testing the process followed by the Company for identifying the value of sales return accrual. • Assessing high risk manual journals posted to revenue to identify any unusual items.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

   c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

   a. The Company has disclosed the impact of pending litigations as at March 31, 2022 on its financial position in its financial statements - Refer Note 25 (a) to the financial statements.

   b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   d. (i). The management has represented that, to the best of its knowledge and belief, as disclosed in the note 33, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

      - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
      - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

      (ii). The management has represented that, to the best of its knowledge and belief, as disclosed in the note 33, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

      - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
      - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries

      (iii). Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditor's) Rules, 2014 contain any material misstatement.

   e. The dividend declared or paid during the year by the Company is in compliance with section 123 of the Act.

   (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

   In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rekha Shenoy
Partner
Membership No: 124219
UDIN: 22124219AICEUZ3924

Mumbai
April 29, 2022

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory requirements' section of our report of even date)

With reference to the Annexure referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2022, we report the following:

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The inventory except stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships during the year. The Company has granted employee loans during the year. Accordingly, we have reported the provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order to the extent applicable to the Company with respect to employee loans.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided employee loans as below:

Particulars	Loans (INR lakhs)
Aggregate amount during the year -Others	2
Balance outstanding as at balance sheet date -Others	18

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advance in the nature of loan to any party during the year.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment. Further, the Company has not given any advance in the nature of loan to any party during the year.

iv According to information and explanation given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provision of section 185 and 186 of the Companies Act are not applicable to the Company. Accordingly, clause 3(iv) of the order is not applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148 (1) of the Companies Act, 2013 in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out detailed examination of the records with a view to determine whether these are accurate or complete.

vii. (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value Added Tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted/ accrued in the books of account in respect of undisputed statutory dues, including Goods and Services Tax (GST), Provident Fund, Employees' State Insurance, Labour Welfare Fund, Income Tax, Duty of Customs, Professional Tax, Cess and other material statutory dues, as applicable has been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax (GST), Provident Fund, Employees' State Insurance, Labour Welfare Fund, Income Tax, Duty of Customs, Professional Tax, Cess and other material statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of records of the Company, statutory dues relating to Goods and Services tax, Provident Fund, Employees State Insurance, Income Tax, Duty of Customs, Sales Tax, Value Added Tax, Service Tax, and Duty of Excise as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount ₹ in lakhs*	Period to which the amount relates (Years)	Forum where the dispute is pending
Gujarat Sales Tax Act, 1969	Sales/Purchase tax including interest and penalty as applicable	116	1997-1998 to 2000-2001	Appellate Authority – up to Commissioner's level
The Finance Act, 1994	Service tax including interest and penalty as applicable	81	April 2006 to May 2015	Customs, Excise & Service Tax Appellate Tribunal
The Central Excise Act, 1944	Excise duty including interest and penalty as applicable	9	1994 to 1996	Appellate Authority – up to Commissioner's level

*Net of amounts paid including under protest.

viii. According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix. (a) According to information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to banks or financial institutions during the year. Further, the Company did not have any outstanding loans or borrowings from any other lender during the year.

(b) According to information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loan was applied for the purpose for which they have raised.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under Companies Act, 2013) during the year ended March 31, 2022. Accordingly, clauses 3(ix)(e) and (f) are not applicable.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

xi. (a) Based on the examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management there are no whistle blower complaints received by Company during the year.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) Based on the information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. In our opinion and according to the information and explanation explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi) (a),(b) and (c) of the Order are not applicable.

(b) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has 3 CIC's as part of the Group.

xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information acCompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub section (5) of section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, Clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with section 135(6) of the Companies Act, 2013.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rekha Shenoy
Partner
Membership No: 124219
UDIN: 22124219AICEUZ3924

Mumbai
April 29, 2022

Annexure B to the Independent Auditors' Report

Report on the financial statements of RPG Life Sciences Limited for the period ended March 31, 2022

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of RPG Life Sciences Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rekha Shenoy
Partner
Membership No: 124219
UDIN: 22124219AICEUZ3924

Mumbai
April 29, 2022

Balance Sheet

AS AT MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

	Note	March 31, 2022	March 31, 2021
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	7,464	7,850
Capital work-in-progress	3	2,545	944
Intangible assets	4	2,907	3,480
Intangible assets under development	4	561	233
Financial assets			
i. Loans	5(a)	16	18
ii. Other financial assets	5(b)	38	28
Current Tax asset (Net)	24(e)	121	123
Deferred tax assets (Net)	24(d)	-	6
Other non-current assets	6	118	72
Total non-current assets		**13,770**	**12,754**
Current assets			
Inventories	7	8,299	5,833
Financial assets			
i. Loans	5(a)	2	-
ii. Trade receivables	5(c)	3,299	5,742
iii. Cash and cash equivalents	5(d)	5,694	4,036
iv. Bank balances other than (iii) above	5(e)	1,332	39
v. Other financial assets	5(b)	149	114
Other current assets	6	1,916	1,821
Total current assets		**20,691**	**17,585**
Total assets		**34,461**	**30,339**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	8(a)	1,323	1,323
OTHER EQUITY	8(b)		
i. Securities Premium Reserve		3,446	3,446
ii. Capital Reserve		5	5
iii. General Reserve		863	863
iv. Retained earnings		19,940	16,008
Total equity		**25,577**	**21,645**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	10(a)	1	9
ii. Lease liabilities	10(a)	29	65
iii. Other financial liabilities	10(c)	313	338
Provisions	11	304	313
Deferred tax liabilities (Net)	24(d)	226	-
Total non-current liabilities		**873**	**725**
CURRENT LIABILITIES			
Financial liabilities			
i. Borrowings	10(a)	28	63
ii. Lease liabilities	10(a)	36	**65**
iii. Trade payables	10(b)		
(a) total outstanding dues of micro enterprises and small enterprises		345	133
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		4,205	4,611
iv. Other financial liabilities	10(c)	1,388	1,092
Provisions	11	1,415	1,361
Current tax liabilities (Net)	24(e)	38	-
Other current liabilities	12	556	644
Total current liabilities		**8,011**	**7,969**
Total liabilities		**8,884**	**8,694**
Total equities and liabilities		**34,461**	**30,339**
Significant accounting policies	1-2		

The accompanying notes are integral part of these financial statements.

In terms of our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rekha Shenoy
Partner
Membership No. 124219

Mumbai, April 29, 2022

For and on behalf of the Board of Directors
RPG Life Sciences Limited
CIN: L24232MH2007PLC169354

Harsh V. Goenka
Chairman
DIN:00026726

Yugal Sikri
Managing Director
DIN:07576560

Mahesh S. Gupta
Director
DIN:00046810

Vishal Shah
Chief Financial Officer

Rajesh Shirambekar
Company Secretary

Mumbai, April 29, 2022

Statement of Profit and Loss

FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

	Note	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations	14	44,016	38,914
Other income	15	299	91
Total Income		**44,315**	**39,005**
Expenses			
Cost of Materials Consumed	16(a)	8,813	8,575
Purchases of Stock-in-Trade		7,890	5,036
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	16(b)	(2,521)	(501)
Employee benefits expense	17	9,997	9,466
Finance costs	18	52	79
Depreciation and amortisation expense	19	1,566	1,647
Other expenses	20	11,201	9,345
Total expenses		**36,998**	**33,647**
Profit before tax		**7,317**	**5,358**
Income tax expense	24(a)		
-Current tax		2,276	1,715
-Deferred tax		(107)	(357)
Income tax expense		**2,169**	**1,358**
Profit for the year		**5,148**	**4,000**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	13(b)	(36)	(16)
Income tax relating to the above		11	4
Other comprehensive income for the year, net of tax		**(25)**	**(12)**
Total comprehensive income for the year		**5,123**	**3,988**
Earnings per equity share (of face value of ₹ 8 each)			
Basic and Diluted earnings per share attributable to the equity holders of the Company	27	31.13	24.19
Significant accounting policies	1-2		

The accompanying notes are integral part of these financial statements.

In terms of our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rekha Shenoy
Partner
Membership No. 124219

Mumbai, April 29, 2022

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Mumbai, April 29, 2022

Cash Flow Statement

FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

	Note	Year ended March 31, 2022	Year ended March 31, 2021
A Cash Flow from operating activities			
Profit before income tax		7,317	5,358
Adjustments for			
Add:			
Depreciation and amortisation expenses	19	1,566	1,647
Finance costs	18	52	79
Loss on disposal of property, plant and equipment	20	-	1
Unrealised exchange rate difference	15	(47)	(39)
Provision for Doubtful Debts and Advances (Net)	20	9	8
Interest received	15	(133)	(32)
Gain on sale of investments	15	(89)	-
Provisions no longer required and written back	15	(4)	(9)
		8,671	**7,013**
Working capital adjustments:			
Decrease in trade receivables	5(c)	2,481	622
(Increase) in financial assets - Loans	5(a)(b)	(10)	-
Decrease in other non-current assets	6	40	6
(Increase) in other financial assets	5(b)	(35)	(1)
(Increase) in other current assets	6	(95)	(461)
(Increase) in inventories	7	(2,466)	(1,172)
(Decrease)/Increase in trade payables	10(b)	(191)	312
Increase in other financial liabilities	10(c)	44	103
Increase in provisions	11	9	110
(Decrease)/Increase in other current liabilities	12	(88)	128
Cash generated from operations		**8,360**	**6,660**
Income taxes paid	24(e)	(1,885)	(833)
Net cash inflow from operating activities		**6,475**	**5,827**
B Cash flow from investing activities:			
Acquisition of property, plant and equipment and Intangible assets	3/4	(2,395)	(851)
Proceeds from sale of property, plant and equipment and Intangible assets		-	5
Movement in Other bank balances (Net)	5(e)	(7)	18
Investment in Bank Fixed Deposit	5(e)	(1,286)	-
Interest received	15	133	32
Net gain on sale of investments	15	89	-
Net cash (outflow) from investing activities		**(3,466)**	**(796)**

Cash Flow Statement

FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

	Note	Year ended March 31, 2022	Year ended March 31, 2021
C Cash flow from financing activities			
Repayment of long term borrowings		(11)	(447)
(Repayment of) Short-term Borrowings (Net)		(31)	(460)
Interest paid	18	(37)	(54)
Repayment of principal portion of lease liabilities		(66)	(63)
Interest paid on lease liabilities	18	(15)	(25)
Dividend paid	9	(1,191)	-
Net cash (outflow) from financing activities		**(1,351)**	**(1,049)**
Net increase in cash and cash equivalents		1,658	3,982
Add: Cash and cash equivalents at the beginning of the financial year	5(d)	4,036	54
Cash and cash equivalents at the end of the year		**5,694**	**4,036**
Cash and cash equivalents	5(d)	5,694	4,036
Bank overdrafts		-	-
Balances as per statement of cash flows		**5,694**	**4,036**

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Cash Flow Statements".

For reconciliation of net debt refer note 10

The notes referred to above and other notes form an integral part of the financial statements.

In terms of our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rekha Shenoy
Partner
Membership No. 124219

Mumbai, April 29, 2022

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Director
DIN:00046810

Vishal Shah
Chief Financial Officer

Rajesh Shirambekar
Company Secretary

Mumbai, April 29, 2022

Statement of Changes in Equity

FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

(A) Equity share capital

As at April 01, 2020	**1,323**
Changes in equity share capital	-
As at March 31, 2021	**1,323**
Changes in equity share capital	-
As at March 31, 2022	**1,323**

(B) Other equity

	Notes	Reserves and Surplus				Total
		Capital reserve	General Reserve	Securities premium reserve	Retained earnings	
Balance as at April 01, 2020	8(b)	**5**	**863**	**3,446**	**12,020**	**16,334**
Profit for the year		-	-	-	4,000	4,000
Other Comprehensive Income		-	-	-	(12)	(12)
Total comprehensive income for the years		5	863	3,446	16,008	20,322
Dividend paid including dividend tax		-	-	-	-	-
Balance as at April 01, 2021		**5**	**863**	**3,446**	**16,008**	**20,322**
Profit for the year		-	-	-	5,148	5,148
Other Comprehensive Income		-	-	-	(25)	(25)
Total comprehensive income for the years		5	863	3,446	21,131	25,445
Dividend paid including dividend tax		-	-	-	(1,191)	(1,191)
Balance as at March 31, 2022		**5**	**863**	**3,446**	**19,940**	**24,254**
Significant accounting policies	1-2					

The accompanying notes are integral part of these financial statements.

In terms of our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rekha Shenoy
Partner
Membership No. 124219

Mumbai, April 29, 2022

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Rajesh Shirambekar
Company Secretary

Mumbai, April 29, 2022

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

1. Background

RPG Life Sciences Limited (the 'Company') is a Company domiciled in India with its registered office situated at RPG House, 463 Dr. A.B. Road, Worli Mumbai 400 030. The Company was incorporated on 29 March 2007 under the provisions of The Companies Act, as applicable in India as RPG Pharmaceuticals Limited and its equity shares are listed on Bombay Stock Exchange & National Stock Exchange in India. The name of the Company was subsequently changed to RPG Life Sciences Limited on 13 February 2008. The Company is engaged in the manufacturing and marketing of Formulations (Finished Dosage Forms) and Active Pharmaceutical Ingredients (APIs).

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These accounting policies have been consistently applied to all the periods presented by the Company.

A. Basis of Preparation:

a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provision of the Act.

These financial statements were authorised for the issue by the Company's Board of Directors on April 29, 2022.

b. Functional and Presentation Currency

These financial statements are presented in Indian Rupees, which is also the Company's functional currency. All amount have been rounded-off to the nearest lakhs, unless otherwise indicated.

c. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following

- certain financial assets and liabilities measured at fair value and
- defined benefit plans - plan assets measured at fair value;

B. Summary of significant accounting policies:

a. Property, Plant and Equipment

i. Recognition & Measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to its working condition for its intended use.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

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.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at costs, comprising of direct costs, related incidental expenses and attributable interest.

ii. Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefit associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is provided on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives based on technical assessment on a pro-rata basis using the straight line method. The estimated useful lives followed by the Company for depreciating such tangible assets are as under:

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

Tangible Assets	Useful Life followed by the Company (years) Reserves and Surplus	Useful Life as prescribed in Schedule II to Companies Act, 2013 (years)
Buildings on Leasehold Land	25-30	30
Plant and Equipment	4-20	10-20
Furniture and Fixtures	4-10	10
Vehicles	5	8
Office Equipment	4-8	5
Computers	2-3	3
Servers	3	6

Leasehold lands are amortised on straight line basis, over the remaining lease term.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The asset's residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in financial statements.

b. Intangible Assets:

Internally generated: Research and development

Expenditure on research activities is recognised in profit or loss as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible assets only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and use or sell the assets. Otherwise, it is recognised on profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses.

Others

Other intangible assets including those acquired by the Company in a business combination are initially measured at cost. In case of business combination, cost of the intangible assets is same as fair value. Such Intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

i. Amortisation

Intangible assets are amortised over their estimated useful lives using the straight line method over the following periods:

	Estimated useful life (years)
Computer Software	5
Technical Knowhow	5
Trademarks & Licenses	3-20

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

c. Impairment of Non-Financial Assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amotisation, if no impairment loss had been recognised.

d. Income Tax:

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to the tax payable in respect to the previous years. The amount of current tax reflects the best estimates of the tax amount expected to be paid or received after considering the uncertainty, if any, relates to income taxes. Current tax assets and tax liabilities are offset where the Company has legally enforceable right to offset and intends to settle such assets and liabilities on a net basis.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of the assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits.

Deferred tax is determined using tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the end of the reporting period and are expected to be apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

A deferred tax assets is recognised to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are regrouped/ reduced to the extent that it is no longer probable that the related tax benefit will be released.

Deferred tax assets and liability are offset if there is a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes levied by the same tax authorities on the Company.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax ("MAT")

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is a minimum tax payable and subject to availability of sufficient taxable income as per Indian tax laws in the nature of unused tax credit which can be carried forward and utilised during the specified periods. Deferred tax assets on such tax credits are recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future periods. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

e. Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that requires delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

Debt instruments at amortised cost

A 'debt instrument' is measured at its amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified at FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

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 recognised 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 of financial assets at fair value through profit or loss are recognised in other gain/ (losses) 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.

The Company has no equity investment financial assets.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit and loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and other financial assets.

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables under Ind AS 116

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as 'contractual revenue receivables' in these financial statements)

e) Loan commitments which are not measured as at FVTPL

f) Financial guarantee contracts which are not measured as at FVTPL

The Company measures the loss allowances at an amount equal to life time expected credit losses except the following which are measured at twelve months expected losses.

- Cash and cash equivalent, bank balances and other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Twelve months expected credit loss are the portion of the expected credit loss that result in default event that are possible within twelve months after the reporting period (or a shorter period if the expected life of the instrument is less than twelve months).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables and
- Security Deposits

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Lifetime ECL are expected credit losses resulting from all possible defaults events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial

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(All amounts in Indian Rupees lakhs, unless otherwise stated)

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instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. 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 every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and other financial liabilities.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised

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(All amounts in Indian Rupees lakhs, unless otherwise stated)

in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a nonfinancial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken to profit and loss as the Company has not applied hedge accounting for the periods presented in theses financial statements.

f. Segment Reporting:

Operating segments are reported based on the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker assesses the financial performance and position of the Company as a whole, and makes strategic decisions. The Company operates in one reportable business segment i.e. "Pharmaceuticals".

g. Foreign Currency Translation:

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

environment in which the entity operates (INR).The financial statements are presented in INR which is both the functional and the presentation currency.

Transaction and balances

Transactions in foreign currencies are initially recorded by the Company in their functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting period. Exchange differences arising on the settlement of monetary items or on translating monetary items are recognized in the Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Foreign exchange difference on foreign currency borrowings, settlement gain/loss and fair value gain/ loss on derivative contract relating to borrowings are accounted and disclosed under finance cost.

h. Business Combinations:

The Company accounts for each business combination by applying the acquisition method. The acquisition date is the date on which control is transferred to the Company. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

The Company measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount of the identifiable assets acquired and liabilities (including contingent liabilities in case such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably) assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognized as capital reserve.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company.

Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recongnised in profit and loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Other contingent consideration is re-measured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit and loss.

Any goodwill that arises on account of business combination is tested annually for impairment.

Transaction costs that the Company incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

On an acquisition-by-acquisition basis, the Company recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders. The difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

i. Assets held for sale:

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

j. Inventories:

Inventories consist of raw materials, work-in-progress, finished goods and stock in trade etc. are valued at cost or net realisable value, whichever is lower.

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

'Cost' comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to their present location and condition. Cost of raw material, packing material, stores and spares is determined on weighted average basis. Cost of work-in-progress and finished goods includes labour and manufacturing overheads, where applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

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

Raw material, components and other supplies held for use in the production of finished products are not written down below cost expect 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.

k. 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, and bank overdrafts.

l. Leases:

The Company has adopted Ind AS 116 effective from April 01, 2019, using modified retrospective approach. For the purpose of preparation of Financial Information, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 for year ended March 31, 2020.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of- use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including insubstance fixed payments; The lease liability is measured at amortised cost using the effective interest method. The Company has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straightline basis over the lease term. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

The Company's leases comprise leasehold land and Computers.

m. Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation, legal or constructive, as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate

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(All amounts in Indian Rupees lakhs, unless otherwise stated)

can be made of the amount of the obligation. Expected future operating losses are not provided for.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

Contingent liabilities are disclosed when there is possible obligation arising from past events, the existence of which will be confirmed only for the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the objection or a reliable estimate of the amount cannot be made.

n. 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 elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

o. Employee Benefits

Short-term obligations:

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 recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other Long-term employee benefit obligations:

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the treated are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method.

The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Profit and Loss.

The obligations are presented as current in the balance sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post- employment obligations:

The Company operates defined benefit plans such as gratuity and defined contribution plans such as provident fund.

Defined benefit plan - Gratuity Obligations:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows outflows by reference to market yields at the end of the reporting period on government bonds that have a terms approximating to the terms of the obligation.

The interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation, and is recognised as employee benefit expenses in the statement of profit and loss.

Defined benefit plan - Gratuity Obligations:

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

recognised in the Other comprehensive income in the year in which they arise.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined Contribution Plan:

The Company pays Contribution to Superannuation Fund, Provident fund, Employees' Pension Scheme and Employees State Insurance Scheme which are administered through Government of India trustee except superannuation fund. The Company has no further payment obligations once the contribution have been paid. The Contributions are accounted for as defined contribution plans and contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or reduction in the future payment is available.

p. Government Grants:

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the 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 are included in non-current liabilities 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.

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

q. Revenue Recognition:

Sale of Goods

Revenue from sale of goods is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, allowances and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate probable saleable and non-saleable return of goods from the customers. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Rendering of Services

Revenue from services rendered is recognized in the Statement of Profit and Loss as the underlying services are performed. Upfront non-refundable payments received are deferred and recognized as revenue over the expected period over which the related services are expected to be performed.

Interest income

Interest income from the financial assets is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Dividend income

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Export Benefits

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and no significant uncertainty exist regarding its ultimate collection.

r. Borrowing Costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use 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

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(All amounts in Indian Rupees lakhs, unless otherwise stated)

qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

s. Critical Accounting Judgements and Estimates:

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equals the actual results. Management also needs to exercise judgement in applying the accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates and judgements are:

Impairment of Trade Receivables (Note 5)

Estimation of Defined Benefit Obligation (Note 11)

Estimation of Provision and Contingent Liabilities (Note 25)

Estimation of useful life of Property, Plant and Equipment (Note 3)

Estimate of useful life of Intangible Assets (Note 4)

Recognition of deferred tax assets for computation of losses (Note 24)

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 are believed to be reasonable under the circumstances.

t. Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Ministry of Home Affairs on March 24, 2020 notified a nation-wide lockdown in India to contain the outbreak of the COVID-19 pandemic due to which there have been several restrictions imposed by the Governments across the globe on the travel, movement of goods and transportation considering public health and safety measures. The Company is in the business of manufacturing and supplying pharmaceutical products which are categorised under essential goods and the production facilities of the Company remain operational following enhanced internal safety guidelines. The Company has considered internal and external information while finalizing various estimates and recoverability of assets in relation to its financial statement captions as at the date of approval of these financial statements by the Board of Directors. During this period, sales of the Company's products continue and it does not expect any material financial impact at this point of time on the demand of its products, its liquidity, assets, debt servicing abilities and supply chain operations. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID -19 situation evolves in India and globally. The Company will continue to closely monitor any material changes to future economic conditions.

u. Recent Accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2022, as below:

a) Ind AS 16 Property, Plant and Equipment – For items produced during testing/trail phase, clarification added that revenue generated out of the same shall not be recognised in SOPL and considered as part of cost of Property, Plant and Equipment.

b) Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets – Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.

c) Ind AS 41 Agriculture– This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

d) Ind AS 101 – First time Adoption of Ind AS – Measurement of Foreign Currency Translation Difference in case of subsidiary/associate/ JV's date of transition to Ind AS is subsequent to that of Parent.

e) Ind AS 103 – Business Combination – Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.

f) Ind AS 109 Financial Instruments – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability.

The Company does not expect these amendments to have any significant impact on its financial statements.

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

3 Property, plant and equipment

	Leasehold Land	Buildings	Plant and equipments	Furniture and fittings	Vehicles	Office Equipments	Computers	Total
Year ended March 31, 2021								
Gross carrying amount								
Opening gross carrying amount	2,020	3,160	4,808	380	96	114	559	11,137
Additions	-	76	244	1	-	1	111	433
Disposals	-	-	(6)	-	(25)	-	-	(31)
Closing gross carrying amount	**2,020**	**3,236**	**5,046**	**381**	**71**	**115**	**670**	**11,539**
Accumulated depreciation								
Opening accumulated depreciation	156	458	1,615	182	42	61	251	2,765
Depreciation charge during the year	39	135	570	44	18	18	125	949
Disposals	-	-	(5)	-	(20)	-	-	(25)
Closing accumulated depreciation	**195**	**593**	**2,180**	**226**	**40**	**79**	**376**	**3,689**
Net carrying amount March 31, 2021	**1,825**	**2,643**	**2,866**	**155**	**31**	**36**	**294**	**7,850**
Year ended March 31, 2022								
Gross carrying amount								
Opening gross carrying amount	2,020	3,236	5,046	381	71	115	670	11,539
Additions		61	407	4	12	3	10	497
Disposals					**(14)**			(14)
Closing gross carrying amount	**2,020**	**3,297**	**5,453**	**385**	**69**	**118**	**680**	**12,022**
Accumulated depreciation								
Opening accumulated depreciation	195	593	2,180	226	40	79	376	3,689
Depreciation charge during the year	39	137	520	39	13	13	122	883
Disposals					**(14)**			(14)
Closing accumulated depreciation	**234**	**730**	**2,700**	**265**	**39**	**92**	**498**	**4,558**
Net carrying amount March 31, 2022	**1,786**	**2,567**	**2,753**	**120**	**30**	**26**	**182**	**7,464**
Capital work-in-progress								
Net carrying amount March 31, 2021								**944**
Net carrying amount March 31, 2022								**2,545**

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

3 Property, plant and equipment (Contd.....)

NOTES:

(i) Property, plant and equipment includes right of use of assets of ₹ 1786 lakhs [March 31, 2021 ₹ 1,825 lakhs] related to leasehold land that do not meet the definition of investment property and ₹82 lakhs [March 31, 2021 ₹ 140 lakhs] related to leased computers.

	Leasehold Land	Computers
Net carrying amount as at March 31, 2020	**1864**	**205**
Additions to right to use assets	-	-
Depreciation charge during the year	39	65
Net carrying amount as at March 31, 2021	**1,825**	**140**
Additions to right to use assets	-	
Depreciation charge during the year	39	58
Net carrying amount as at March 31, 2022	**1,786**	**82**

(ii) Property, Plant and Equipment pledged as security

There is a second charge on the immovable assets such as land, building and plant and machinery at Thane/ Ankleshwar factory against the working capital loans of ₹ 21 lakhs [March 31, 2021 ₹ 18 lakhs]

(iii) Contractual obligations

Refer to note 10d for disclosure of contractual commitments for the Right-of-use assets.

(iv) Capital work-in-progress:

Capital work-in-progress mainly comprises of Buildings, Plant and equipments & furniture and fittings.

(v) Depreciation is provided on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives based on technical assessment on a pro-rata basis using the straight line method.

(vi) Capital work in progress (CWIP) Ageing Schedule

Projects in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022	**1,934**	**269**	**141**	**201**	**2,545**
As at March 31, 2021	**571**	**166**	**207**	**-**	**944**

The Completion date of CWIP amounting to ₹ 1411 lakhs is overdue as compared to its original plan and is schedule to complete within 1 year.

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

4 Intangible assets

	Trade Marks	Technical Knowhow	Computer Software	Total
Year ended March 31, 2021				
Gross carrying amount				
Opening gross carrying amount	4273	1498	473	6,244
Additions		190	71	261
Closing gross carrying amount	**4,273**	**1,688**	**544**	**6,505**
Accumulated amortisation				
Opening accumulated amortisation	1,471	601	255	2,327
Amortisation charge for the year	428	196	74	698
Closing accumulated amortisation	**1,899**	**797**	**329**	**3,025**
Net carrying amount March 31, 2021	**2,374**	**891**	**215**	**3,480**
Year ended March 31, 2022				
Gross carrying amount				
Opening gross carrying amount	4,273	1,688	544	6,505
Additions		85	25	110
Closing gross carrying amount	**4,273**	**1,773**	**569**	**6,615**
Accumulated amortisation				
Opening accumulated amortisation	1,899	797	329	3,025
Amortisation charge for the year	427	175	81	683
Closing accumulated amortisation	**2,326**	**972**	**410**	**3,708**
Net carrying amount March 31, 2022	**1,947**	**801**	**159**	**2,907**

(i) Computer software includes software licenses.

(ii) Significant estimate: useful life of intangible assets

The useful life used to amortise intangible assets relates to the expected future performance of the assets and management's judgment of the period over which economic benefit will be derived from the asset.

Impairment of Trade Marks and Technical Knowhow ('Intangible assets')

The impairment assessment has been performed for acquired Trade Marks and internally generated Technical Knowhow annually.

The recoverable amount of a intangible assets is based on its value in use. The value in use is estimated using discounted cash flows over a period of five years. We believe five years to be most appropriate time scale over which to review and consider annual performance before applying a fix terminal value multiple to year end cash flow.

Operating margins and growth rates for the ten year cash flow projections have been estimated based on past experience and after considering the financial budgets/ forecasts approved by management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

4 Intangible assets (Contd....)

Key assumptions used in the value-in-use calculations

Assumptions	How determined
Projected cash flows	Based on past experience and adjusted for the following : - Current Market dynamics - Anticipated competition - Impact due to COVID-19
Terminal value growth rate	Long-term growth rate used for the purpose of calculation of terminal value has been determined by taking into account nature of business , long term inflation expectation and long term GDP expectation for the Indian economy.
Pre-tax risk adjusted discount rate	The discount rate applied to the cash flows of Company's operations is generally based on the risk free rate for ten year bonds issued by the government in India. These rates are adjusted for a risk premium to reflect both the increased risk of investing in equities and the systematic risk of of the Company.

Particulars	As at March 31, 2022
Pre tax discount rate	15.00%
Terminal value growth rate	2.00%
projected cash flow growth rate	10.00%

These assumptions are reviewed annually as part of management's budgeting and strategic planning cycles. These estimates may differ from actual results. The values assigned to each of the key assumptions reflect the Management's past experience as their assessment of future trends, and are consistent with external / internal sources of information.

As at March 31, 2022 the estimated recoverable amount of the intangible assets exceeded its carrying amount and accordingly, no impairment was recognized.

The Company has also performed sensitivity analysis calculations on the projections used and discount rate applied. Given the significant headroom that exists, and the results of the sensitivity analysis performed, it is concluded that there is no significant risk that reasonable changes in any key assumptions would cause the carrying value of intangible assets to exceed its value in use.

(iii) Intangible Asset under Development (IAUD) Ageing Schedule

Projects in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022	515	46	-	-	561
As at March 31, 2021	154	18	61	-	233

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

5 Financial assets

a) Loans

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
(Unsecured, considered good)				
Loan to employees	2	16	-	18
Total loans	2	16	-	18

b) Other financial assets

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
(Unsecured, considered good)				
Security Deposits	43	38	58	28
Employee Advances	46	-	56	-
	89	38	114	28
(Unsecured, considered doubtful)				
Credit Impaired				
Security Deposits	27	-	27	-
Employee Advances	4	-	9	-
	31	-	36	-
Less: Provision allowances for credit impaired	(31)	-	(36)	-
Interest accrued on deposits	60	-	-	-
Total other financial assets	149	38	114	28

c) Trade receivables

	As at March 31, 2022	As at March 31, 2021
Secured, considered good	9	12
Unsecured, considered good	3,290	5,730
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	100	100
Total	3,399	5,842
Less: Allowance for credit impairment	(100)	(100)
Total trade receivables	3,299	5,742

Trade receivables Ageing Schedule

As at March 31, 2022	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	2223	988	88	-	-	-	3,299
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	30	16	54	100
Total	2223	988	88	30	16	54	3,399

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

5 Financial assets (Contd....)

c) Trade receivables (Contd....)

As at March 31, 2021	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	3713	1,956	44	29	-	-	5,742
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	41	26	33	100
Total	**3,713**	**1,956**	**44**	**70**	**26**	**33**	**5,842**

d) Cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- in current accounts	77	115
-Deposits with maturity of less than three months	5,614	3,918
Cash on hand	3	3
Total cash and cash equivalents	**5,694**	**4,036**

e) Bank balances other than cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Deposits with original maturity of more than 3 months but less than 12 months	1,286	-
Unpaid Dividend accounts	44	39
Margin money balances	2	-
Total bank balances other than cash and cash equivalents	**1,332**	**39**

6 Other assets

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
(Unsecured, considered good)				
Capital advances	-	118	-	32
Advances other than Capital Advance				
- Prepaid Gratuity (Refer Note 13)	8	-	6	-
Export Benefits receivable	366	-	443	-
Balances with Government Authorities	779	-	950	40
Prepaid/Advance to suppliers	763	-	422	-
Total other assets	**1,916**	**118**	**1,821**	**72**

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

7 Inventories

	As at March 31, 2022	As at March 31, 2021
Raw Materials	1,218	1,329
Work-in-Progress	1,713	1,028
Finished Goods	2,943	2,063
Stock-in-Trade	2,017	1,061
Stores and Spares	123	117
Packing Materials	285	235
Total Inventories	**8,299**	**5,833**

a) Inventory is hypothecated against the secured working capital loans of Union Bank of India, State Bank of India, Export Import Bank of India and IDBI Bank.

b) During the year, the Company has recorded inventory write-downs of ₹ 60 Lakhs (March 31, 2021 ₹ 149 Lakhs). The adjustments were included in cost of material consumed and changes in inventories.

8 Equity share capital and other equity

a) Equity Share capital
Authorised Equity Share capital

	As at March 31, 2022	As at March 31, 2021
Authorised Equity Share capital		
1,87,50,000 equity shares of ₹ 8 each (March 31, 2021 1,87,50,000 equity shares of ₹ 8 each)	1,500	1,500
Issued, Subscribed and Paid-up Capital		
1,65,39,015 equity shares of ₹ 8 each (March 31, 2021 16,539,015 equity shares of ₹ 8 each)	1,323	1,323

(i) Movements in equity share capital

	Number of shares	Equity share capital (par value) (Rs in lakhs)
As at March 31, 2021	**1,65,39,015**	**1,323**
As at March 31, 2022	**1,65,39,015**	**1,323**

Terms and rights attached to equity shares

The Company has only one class of shares i.e. equity shares having a face value of ₹ 8 each. Each shareholder is entitled to 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.

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

8 Equity share capital and other equity (Contd....)

(ii) Details of shareholding of Promoters

Shares held by promoters as at March 31, 2022 and as at March 31, 2021

	Number of shares	% of total shares	% Change during the year
- Nucleus Life Trust	88,35,944	53.4	-
- Ektara Enterprises LLP	25,14,293	15.2	-
- STEL Holdings Limited	5,25,369	3.2	-
- Harsh V Goenka	26,915	0.2	-
- Mala Goenka	8,747	0.1	-
- Carniwal Investments Ltd.	6,500	0.0	-
- Sudarshan Electronics and TV Ltd.	501	0.0	-
- Summit Securities Limited	398	0.0	-
- Chattarpati Apartments LLP	362	0.0	-
- Instant Holdings Limited	97	0.0	-
- Atlantus Dwellings and Infrastructure LLP	10	0.0	-
- Malabar Coastal Holdings LLP	10	0.0	-
- Sofreal Mercantrade Pvt. Ltd.	10	0.0	-
- Swallow Associates LLP	10	0.0	-
- Vayu Udaan Aircraft LLP	10	0.0	-
- AVG Family Trust	10	0.0	-
- Ishaan Goenka Trust	10	0.0	-
- Navya Goenka Trust	10	0.0	-
- RG Family Trust	10	0.0	-
- Prism Estates Trust	1	0.0	-
- Stellar Energy Trust	1	0.0	-
- Secura India Trust	1	0.0	-
Total shares held by Promoters	**1,19,19,219**	**72.1**	

The percentage shareholding above has been computed considering the outstanding number of shares of 1,65,39,015 as at March 31, 2022.

b) Reserves and surplus

	As at March 31, 2022	As at March 31, 2021
Securities Premium Reserve	3,446	3,446
Capital Reserve	5	5
General Reserve	863	863
Retained earnings	19,940	16,008
Total reserves and surplus	**24,254**	**20,322**

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

8 Equity share capital and other equity (Contd....)

b) Reserves and surplus (Contd.)

(i) Securities premium reserve

	As at March 31, 2022	As at March 31, 2021
Opening balance	3,446	3,446
Movement during the year	-	-
Closing Balance	**3,446**	**3,446**

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act.

(ii) Capital reserve

	As at March 31, 2022	As at March 31, 2021
Opening balance	5	5
Movement during the year	-	-
Closing Balance	**5**	**5**

Pursuant to the scheme dated April 02, 2007 (the appointed date), the existing equity shares of the Company was cancelled and the credit of ₹ 5 lakhs arising upon such cancellation was transferred to capital reserve.

(iii) General reserve

	As at March 31, 2022	As at March 31, 2021
Opening balance	863	863
Movement during the year	-	-
Closing Balance	**863**	**863**

General reserve is created from time to time by way of transfer profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

8 Equity share capital and other equity (Contd....)

(iv) Retained earnings

	As at March 31, 2022	As at March 31, 2021
Opening balance	16,008	12,020
Add: profit for the year	5,148	4,000
Items of other comprehensive income recognised directly in retained earnings:		
Remeasurements of post-employment benefit obligation, net of tax	(25)	(12)
Dividend Paid (Refer Note 9)	(1,191)	-
Closing Balance	**19,940**	**16,008**

9 Distribution made and proposed

Cash dividends on equity shares declared and paid

The following dividends were paid by the Company during the year:

	As at March 31, 2022	As at March 31, 2021
Final dividend for the year ended on March 31, 2021 (₹ 7.20 per share)	1,191	-

After the reporting dates the following dividends were proposed by the directors subject to the approval at the annual general meeting.

Proposed dividends on equity shares	As at March 31, 2022	As at March 31, 2021
Final cash dividend for the year ended on March 31, 2022: ₹ 9.60 per share (March 31, 2021 ₹ 7.20 per share)	1,588	1,191

10 Financial liabilities

a) **Borrowings**

Non-current borrowings

	As at March 31, 2022	As at March 31, 2021
Secured		
Vehicle loans from Bank : Refer Note (i)	8	19
Unsecured		
Lease liabilities : Refer Note (ii)	65	131
Total borrowings	**73**	**150**
Less: Current maturities of long term debt	(7)	(11)
Less: Current maturities of long term lease liabilities	(36)	(65)
Non-Current borrowings (as per balance sheet)	**30**	**74**

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

10 Financial liabilities (Contd....)

a) **Borrowings (Contd....)**

i) Nature of Security and Terms of repayment for vehicle loans from Bank

Nature of Security	Terms of Repayment
Vehicle loans from a Bank is secured by hypothecation of vehicles purchased under loan.	Repayable in 36 to 48 Equated Monthly Instalments beginning from the time loan is taken and carries an interest rate ranging from 8.50% to 10.25% per annum.

ii) Particulars and Terms of repayment for unsecured lease liabilities

Nature of Security	Terms of Repayment
Terms of repayment for unsecured lease liabilities	Repayable in 36 Equated monthly and 12 to 20 Equated quarterly Instalments beginning from of taking the lease and carries an interest rate ranging from 11.00% to 14.36% per annum.

Current borrowings

	As at March 31, 2022	As at March 31, 2021
Secured working Capital loans		
From Banks	21	18
Total secured borrowings	**21**	**18**
Unsecured working Capital loans		
From Banks	-	34
Total unsecured borrowings	**-**	**34**
Current Maturity of Long Term Borrowings	7	11
Current borrowings (as per balance sheet)	**28**	**63**

Secured borrowings and assets pledged as security

Total Working Capital Loans ₹ 21 lakhs (March 31, 2021 ₹ 18 lakhs) are secured by hypothecation of inventory and book debts and second charge on immovable assets such as land, building and plant and machinery at Thane/Ankleshwar Factory.

Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents	5,694	4,036
Bank Balances other than Cash and Cash Equivalents	1,332	39
Current borrowings and current maturity of long term borrowings	(64)	(128)
Non current borrowings	(30)	(74)
Net debt	**6,932**	**3,873**

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

10 Financial liabilities (Contd....)

a) Borrowings (Contd....)

	Other Assets		Liabilities from financing activities			Total
	Cash and cash equivalents	Bank Balances other than cash & Cash equivalents	Lease liabilities	Non current borrowings	Current borrowings	
Net debt as at March 31, 2021	54	57	(194)	(22)	(956)	1,061
Cash flows	3,982	(18)	63	14	893	4,934
Interest expense	-	-	25	18	15	58
Interest paid	-	-	(25)	(18)	(15)	(58)
Net debt as at March 31, 2022	**4,036**	**39**	**(131)**	**(8)**	**(63)**	**3,873**
Cash flows	1,658	1,293	66	7	35	3,059
Interest expense	-	-	15	-	9	24
Interest paid	-	-	(15)	-	(9)	(24)
Net debt as at March 31, 2022	**5,694**	**1,332**	**(65)**	**(1)**	**(28)**	**6,932**

b) Trade payables

	As at March 31, 2022	As at March 31, 2021
Trade payables other than acceptances		
(a) total outstanding dues of micro enterprises and small enterprises	345	133
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	4,205	4,611
Total trade payables	**4,550**	**4,744**

(i) Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 (the MSMED Act) are given as follows

	As at March 31, 2022	As at March 31, 2021
(a) The principal amount remaining unpaid to any supplier	336	133
(b) Interest due thereon remaining unpaid to any supplier	9	-
(c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(d) The amount of interest due and payable for the year	9	-
(e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small Enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the Act.	-	-

(ii) The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED.

(iii) There are no trade payable balance to related parties.

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

10 Financial liabilities (Contd....)

Trade payables Ageing Schedule

As at March 31, 2022	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	283	62	-	-	-	345
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,384	2808	4	8	1	4,205
Total	**1,667**	**2870**	**4**	**8**	**1**	**4,550**

As at March 31, 2021	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	128	5	-	-	-	133
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,261	2,317	16	16	1	4,611
Total	**2,389**	**2,322**	**16**	**16**	**1**	**4,744**

c) Other financial liabilities

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Deposits from Dealers	-	313	-	338
Unpaid Dividends*	44	-	39	-
Employee Benefits Payable	1,048	-	984	-
Payables on purchase of capital assets	296	-	69	-
Total other financial liabilities	**1,388**	**313**	**1,092**	**338**

* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

d) Lease liabilities

Lease liabilities are payable as follows:

	As at March 31, 2022			As at March 31, 2021		
	Future MLP (Minimum lease Payments)	Interest element of MLP	Present value of MLP	Future MLP (Minimum lease Payments)	Interest element of MLP	Present value of MLP
Less than one year	42	7	35	78	13	65
Between one and five year	32	2	30	74	9	65
After more than 5 years	-	-	-	-	-	-

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

11 Provisions

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Provision for Employee benefits				
Compensated absences	97	304	79	313
Gratuity	-	-	-	-
Others	-	-	-	-
Provision for Sales Return/Spoilages	1,318	-	1,282	-
Total provisions	**1,415**	**304**	**1,361**	**313**

Provision for Sales Return/Spoilages

Movements in provision for Sales Return/Spoilages	
As at April 1, 2020	**1,143**
Additional provisions recognised	139
Amount utilised during the year	-
As at March 31, 2021	**1,282**
As at April 1, 2021	**1,282**
Additional provisions recognised	36
Amount utilised during the year	-
As at March 31, 2022	**1,318**

12 Other liabilities

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Advances received from customers	246	-	389	-
Statutory dues	310	-	255	-
Total other liabilities	**556**	**-**	**644**	**-**

13 Post employment benefit obligations

a) Defined Contribution Plans

Expenses recognised for defined contribution plans are summarised below:

	As at March 31, 2022	As at March 31, 2021
(a) Contribution to Provident Fund	166	157
(b) Contribution to Employee's Superannuation Fund	10	11
(c) Contribution to Employees' State Insurance Scheme	10	9
(d) Contribution to Employees' Pension Scheme	161	160
Total	**347**	**337**

b) Defined Benefit Plans - Gratuity

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

The most recent actuarial valuation of the present value of the defined benefit obligation for gratuity was carried out as at March 31, 2022 by an independent actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

13 Post employment benefit obligations (Contd....)

b) Defined Benefit Plans - Gratuity (Contd....)

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31, 2022

	Present value of obligation	Fair value of plan assets	Net amount
March 31, 2020	853	816	37
Current service cost	94	-	94
Interest expense/(income)	49	51	(2)
Total amount recognised in profit and loss	**143**	**51**	**92**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	16	-	16
Total amount recognised in other comprehensive income	**16**	**-**	**16**
Employer contributions	(114)	37	(151)
Assets/Liability Transferred In/Acquisitions	-	-	-
Benefit payments	-	-	-
March 31, 2021	**899**	**905**	**(6)**
March 31, 2021	**899**	**905**	**(6)**
Current service cost	99	-	99
Interest expense/(income)	52	57	(5)
Total amount recognised in profit and loss	**151**	**57**	**94**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	(15)	-	(15)
(Gain)/loss from change in demographic assumptions	(26)	-	(26)
(Gain)/loss from change in financial assumptions	(4)	-	(4)
Experience (gains)/losses	81	-	81
Total amount recognised in other comprehensive income	**36**	**-**	**36**
Employer contributions	(133)	-	(133)
Assets/Liability Transferred In/Acquisitions	-	-	-
Benefit payments	-	-	-
March 31, 2022	**954**	**962**	**(8)**

The net liability disclosed above relates to funded and unfunded plans are as follows:

	As at March 31, 2022	As at March 31, 2021
Present value of funded obligations	954	899
Fair value of plan assets	(962)	(905)
Deficit of funded plan	**(8)**	**(6)**
Unfunded plans	-	-
Deficit of gratuity plan	**(8)**	**(6)**

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

13 Post employment benefit obligations (Contd....)

b) Defined Benefit Plans - Gratuity (Contd....)

Fair value of plan assets at the balance sheet date for defined benefit obligations:

	As at March 31, 2022	As at March 31, 2021
Fixed Deposit	170	190
Insurance fund (LIC)	793	710
Other Net Assets	13	4
Total	**976**	**905**

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

	As at March 31, 2022	As at March 31, 2021
Discount rate	6.33%	6.24%
Expected Return on Plan Assets	6.33%	6.24%
Rate of Employee Turnover		
- Sales Employees	25.00%	30.00%
- Other than Sales Employees	15.00%	8.00%
Salary growth rate	8.50%	8.50%

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumptions		Impact on defined benefit obligation			
			Increase in assumptions		Decrease in assumptions	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Discount rate	1.00%	1.00%	(36)	(46)	39	52
Salary growth rate	1.00%	1.00%	38	50	(36)	(46)
Employee Turnover	1.00%	1.00%	(5)	(7)	5	8

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 recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The principal assumptions used in determining gratuity and leave encashment for the Company's plan are shown below

Description of risk exposures

Valuations are performed on certain basic set of predetermined assumptions and other regulatory frame work which may vary overtime. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest rate risk

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

13 Post employment benefit obligations (Contd....)

b) Defined Benefit Plans - Gratuity (Contd....)

Concentration Risk

Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Asset liability matching risk

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

14 Revenue from operations

	As at March 31, 2022	As at March 31, 2021
Sale of products	43,662	38,288
Sale of services		
- Product development	54	50
Other Operating Revenue		
- Scrap Sales	115	40
- Export Incentives	185	535
- Miscellaneous Income	-	1
Revenue from operations	**44,016**	**38,914**

Critical judgments in calculating amounts

When a customer has the right to return the product within the given period, the Company recognises a provision for returns ₹ 1,318 lakhs as at March 31, 2022 (March 31, 2021 - ₹ 1,282 lakhs). This is measured based on the previous history of sales return. Revenue is adjusted for the expected value of the return.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	As at March 31, 2022	As at March 31, 2021
Revenue as per contracted price	47,596	41,337
Adjustments		
Discounts	3,127	2,337
Sales return & Expiries	807	711
Revenue from contract with customers	**43,662**	**38,288**

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

15 Other income

	As at March 31, 2022	As at March 31, 2021
Interest Income	133	32
Profit on sale of investment (mutual funds)	89	-
Provision no longer required, written back	4	9
Net Gain on Foreign Exchange Transaction and Translation	73	40
Sales Tax Refund	-	10
Total other income	**299**	**91**

16 (a) Cost of Materials Consumed

	As at March 31, 2022	As at March 31, 2021
Raw material Consumed	7,390	7,592
Packaging material consumed	1,423	983
Total cost of Material consumed	**8,813**	**8,575**

16 (b) Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

	As at March 31, 2022	As at March 31, 2021
Opening Stock		
Work in progress	1028	939
Finished goods	2063	1,252
Stock in Trade	1061	1,460
	4,152	**3,651**
Closing Stock		
Work in progress	1,713	1,028
Finished goods	2,943	2,063
Stock in Trade	2,017	1,061
	6,673	4,152
'Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	**(2,521)**	**(501)**

17 Employee benefits expense

	As at March 31, 2022	As at March 31, 2021
Salaries, wages, bonus, etc.	8,981	8,418
Contribution to provident and other funds	346	337
Gratuity (Refer Note 13 (b))	95	92
Compensated Absences	68	81
Staff welfare expenses	507	538
Total	**9,997**	**9,466**

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

18 Finance costs

	As at March 31, 2022	As at March 31, 2021
Interest expense on financial liabilities measured at amortised cost (other than lease liabilities)	37	54
Interest expense on lease liabilities	15	25
Total	**52**	**79**

19 Depreciation and amortisation expense

	As at March 31, 2022	As at March 31, 2021
Depreciation on Property, plant and equipment (Refer Note 3)	883	949
Amortisation of Intangible Assets (Refer Note 4)	683	698
Depreciation and amortisation expense	**1,566**	**1,647**

20 Other expenses

	As at March 31, 2022	As at March 31, 2021
Consumption of Stores and Spares	839	654
Power and Fuel	1,269	1,127
Rent	66	70
Repairs and Maintenance		
- Buildings	213	174
- Plant and Machinery	226	234
- Others	71	42
Insurance	345	419
Rates and Taxes		
- Others	164	144
Processing Charges	290	222
Legal and Professional Charges	1,582	1,059
Travelling and Conveyance	786	614
License Fees	79	183
Directors' Fees	53	60
Printing and Stationery	60	63
Postage and Telephone	163	151
Freight and Distribution	950	782
Loss on sale of Assets (Net)	-	1
Commission on Sales	811	755
Expenditure towards Corporate Social Responsibility (CSR) Activities [Refer note 22]	74	52
Sales Promotion	1,466	1,010
Bad Debts and Advances written off	9	16
Less: Provision	(9)	(16)
Allowance for credit impairment (Net)	9	8
Conference	17	4
Misc Service Purchases	310	293
Training	43	48
Bank charges	89	100
Subscription	83	98
Payments to auditors (Refer note 21)	39	39
Effluent treatment & waste disposal expenses	102	48
Contract labour charges	622	522
Miscellaneous Expenses	380	369
Total	**11,201**	**9,345**

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

21 Details of payments to auditors

	As at March 31, 2022	As at March 31, 2021
a) Audit fees	31	31
b) Taxation matters	5	5
c) Other services	2	2
d) Reimbursement of Expenses	1	1
Total	**39**	**39**

22 Corporate Social Responsibility expenditure

	As at March 31, 2022	As at March 31, 2021
Contribution to RPG Foundation	57	39
Accrual towards unspent obligations in relation to:		
Ongoing project	17	13
Other than ongoing project	-	
Total	**74**	**52**
Gross amount required to be spent by the Company during the year as per section 135 of the act	74	52
Amount spent during the year (in cash)		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	57	39

Details of ongoing CSR projects under Section 135(6) of the Act

	Amount
Balance as April 01, 2020	
With the Company	-
In Separate CSR Unspent account	-
	-
Amount required to be spent during the year	52
	52
Amount spent during the year	
From Company's bank account	(39)
From Separate CSR Unspent account	-
	13
Balance as March 31, 2021	
With the Company	13
In Separate CSR Unspent account	-
Balance as April 01, 2021	
With the Company	13
In Separate CSR Unspent account	-
	13
Amount required to be spent during the year	74
	87
Amount spent during the year	
From Company's bank account *	(70)
From Separate CSR Unspent account	-
	17
Balance as March 31, 2022	
With the Company	17
In Separate CSR Unspent account	-

* Includes ₹ 13 lakhs of Previous Year.

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

23 Research and Development expenditure

	As at March 31, 2022	As at March 31, 2021
Salaries and Wages	478	481
Consumable Stores	130	83
Utilities	29	27
Others	85	101
Intangibles under Research and Development	412	154
	1,134	**846**

24 Income Tax expense

a) Income tax expense

	As at March 31, 2022	As at March 31, 2021
Current tax		
Current tax on profits for the year	2,276	1,715
Deferred tax		
(Decrease) increase in deferred tax liabilities	(107)	(357)
Income tax expense	**2,169**	**1,358**

b) The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

	As at March 31, 2022		As at March 31, 2021	
Total profit for the year		7,317	-	5,358
Tax using the Company's domestic tax rate 29.12%	29.12%	2,131	29.12%	1,560
Differences due to:				
Expenses not deductible for tax purposes	0.30%	22	0.35%	19
Others	0.22%	16	-4.12%	(221)
Current and Deferred Tax expenses as per note 24 (a)	**29.64%**	**2,169**	**25.35%**	**1,358**

c) Deferred tax liabilities (net)

	As at March 31, 2022	As at March 31, 2021
Property, plant and equipment	798	902
Total deferred tax liabilities	**798**	**902**
Provision for Employee Benefits	113	110
Provision for Doubtful Debts and Advances	38	40
Provision for sales return and spoilages	384	373
Statutory Liabilities	37	35
MAT Entitlement	-	351
Total deferred tax assets	**572**	**908**
Net	**226**	**(6)**

Significant estimate:

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

24 Income Tax expense (Contd....)

d) Movement in deferred tax liabilities/assets

	MAT	Provisions	Property, plant and equipment	Total
At March 31, 2020	**933**	**512**	**(985)**	**460**
(Charged)/credited:				
- to profit or loss	(582)	41	83	(458)
- to other comprehensive income	-	4	-	4
At March 31, 2021	**351**	**557**	**(902)**	**6**
At March 31, 2021	**351**	**557**	**(902)**	**6**
(Charged)/credited:				
- to profit or loss	(351)	4	104	(243)
- to other comprehensive income	-	11	-	11
At March 31, 2022	**-**	**572**	**(798)**	**(226)**

e) Current tax Assets/(liabilities)

	As at March 31, 2022	As at March 31, 2021
Opening balance Asset (net)	123	190
Less: Current tax payable for the year	(2,276)	(1,715)
Add : MAT credit utilisation	351	815
Add: Taxes paid (net of refund received)	1,885	833
Closing balance Asset (net)	**83**	**123**
Non Current tax assets (net)	121	123
Current tax liabilities (net)	38	-

25 Contingent liabilities and contingent assets

a) Contingent liabilities

The Company had contingent liabilities at March 31, 2022 in respect of:

	As at March 31, 2022	As at March 31, 2021
(a) Bank Guarantees		
Bank Guarantees given on behalf of the Company for various parties	202	273
(b) Claims against the Company not acknowledged as debts		
Sales Tax, Service Tax and Excise Duty	219	219

b) Significant estimate

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallising or are very difficult to quantify reliably, we treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, we do not expect them to have a materially adverse impact on our financial position or profitability.

26 Commitments

a) Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 1091 lakhs [March 31, 2021 ₹ 1,191 lakhs] (net of capital advances of ₹ 118 lakhs [March 31, 2021 ₹ 32 lakhs]).

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

26 Commitments (Contd....)

b) Other Commitments

	As at March 31, 2022	As at March 31, 2021
(i) Guarantee given to Gujarat Industrial Development Corporation	-	15

27 Earnings per share

a) Profit attributable to equity share holders

	As at March 31, 2022	As at March 31, 2021
Profit attributable to the equity holders of the Company	5,148	4,000
	5,148	**4,000**

b) Weighted average number of equity shares

	March 31, 2022 No. of shares	March 31, 2021 No. of shares
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	1,65,39,015	1,65,39,015
Earnings per share		
Basic and Diluted EPS attributable to equity holders	**31.13**	**24.19**

28 Financial risk management

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 established 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 periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade receivables and other financial assets. The credit risk relates to the certain items is as follows :

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. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments etc.) and applying experienced credit judgment. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

28 Financial risk management (Contd....)

Trade receivables (Contd....)

macroeconomic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. The Company has used expected credit loss (ECL) model (under simplified approach) for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

	Current	0-30 days	31-180 days	181-365 days	More than 365 days
Default Rate	0.07%	0.71%	1.50%	8.49%	8.49%

Cash and cash equivalents

As at the year end, the Company held cash ₹ 5694 lakhs (March 31, 2021 - ₹ 4036 lakhs). The cash counterparties are banks with good credit rating.

Bank balances other than cash and cash equivalents

As at the year end, the Company held Bank balances other than cash and cash equivalents ₹ 1,332 lakhs (March 31, 2021- ₹ 39 lakhs). Other bank balances are held with bank and financial institution counterparties are banks with good credit rating.

Other financial assets

a) Other financial assets which include rent deposits, loans to employees, employee advances and insurance claim receivable for which the credit risk has not increased significantly since initial recognition, accordingly the expected probability of default is low.

b) Other financial assets also includes security deposits where the loss allowance is measured based on life time expected credit loss as per the table given below.

Security Deposits	As at March 31 ,2022	As at March 31,2021
Gross carrying amount	43	58
Expected credit losses	27	27
Carrying amount net of impairment provision	**70**	**85**

c) Reconciliation of loss allowance provision - Security Deposits

Reconciliation of loss allowance as per life time expected credit loss	Loss Allowance measured at life time expected losses *
Loss Allowance on March 31, 2021	27
Less: Decrease in loss allowances	-
Loss Allowance on March 31, 2022	**27**

* Financial assets for which credit risk has increased significantly and not credit-impaired

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

28 Financial risk management (Contd....)

d) Reconciliation of loss allowance provision - Trade receivables (Simplified approach)

Loss Allowance as on March 31, 2021	(100)
Changes in loss allowance	-
Loss Allowance as on March 31, 2022	**(100)**

Significant estimates and judgments

Impairment of financial assets
The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting.

(ii) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The table below provides details regarding the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities March 31, 2022	Carrying Amount	Less than 12 months	More than 12 months	Total
Non Derivative				
Borrowings	29	28	1	29
Lease liabilities	65	36	29	65
Trade payables	4,550	4,550	-	4,550
Other financial liabilities	1,701	1,388	313	1,701
	6,345	**6,002**	**343**	**6,345**
March 31, 2021				
Non Derivative				
Borrowings	71	63	8	71
Obligations under lease liabilities	131	65	66	131
Trade payables	4,744	4,744	-	4,744
Other financial liabilities	1,430	1,092	338	1,430
	6,376	**5,964**	**412**	**6,376**

(iii) Market Risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs. The Company uses derivative to manage market risk.

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

28 Financial risk management (Contd....)

Currency Risk

a) The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:

	As at March 31, 2022			As at March 31, 2021		
	USD	EUR	GBP	USD	EUR	GBP
Financial Assets						
Trade Receivables	1,814	287	799	3,042	213	277
Derivative Assets						
Foreign Exchange forward contracts	4	(1)	9	(2)	6	-
Financial Liabilities						
Trade Payables	(158)	-	-	(145)	-	-
Advance to suppliers	1	-	-	-	24	-
Net Exposure to foreign Currency risk	**1,661**	**286**	**808**	**2,895**	**243**	**277**

b) Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and GBP rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

	Change in assumptions	Increase in assumptions		Decrease in assumptions	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
USD	+/- 5%	83	145	(83)	(145)
EUR	+/- 5%	14	12	(14)	(12)
GBP	+/- 5%	40	14	(40)	(14)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Fair value sensitivity analysis for fixed-rate instruments

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

29 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The Company seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as interest-bearing loans and borrowings, less cash and cash equivalents, other bank balances.

The gearing ratios were as follows:

	As at March 31, 2022	As at March 31, 2021
Net debt	**(6,932)**	**(3,873)**
Total Equity	**25,577**	**21,645**
Net debt to equity ratio	**(0.27)**	**(0.18)**

30 Fair value measurements

a) Financial instruments by category

	As at March 31, 2022	As at March 31, 2021
Financial assets (at amortised cost)		
Cash and cash equivalents	5,694	4,036
Bank Balances	1,332	39
Other financial assets (at amortised cost)		
Loans	18	18
Trade receivables	3,299	5,742
Deposits	108	113
Other financial assets	50	65
Total financial assets	**3,475**	**5,938**
Financial liabilities (at amortised cost)		
Borrowings	94	202
Deposits	313	338
Other financial liabilities	1,388	1,092
Trade payables	4,550	4,744
Total financial liabilities	**6,345**	**6,376**

b) Fair value of financial assets and liabilities measured at amortised cost

	As at March 31, 2022		As at March 31, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Loans	18	18	18	18
Deposits	2	2	3	3
Financial liabilities				
Borrowings	-	-	-	-
Deposits	313	313	338	338

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

30 Fair value measurements (Contd....)

b) Fair value of financial assets and liabilities measured at amortised cost (Contd....)

The following methods and assumptions were used to estimate the fair values:

1 Fair value of cash and cash equivalents, bank balances , trade receivables, other current financial assets, trade payables, other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

2 The amount of fair value of loans to employee and security deposits given and taken is considered to be insignificant in value and hence carrying value and fair value is considered as same.

3 Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

4 The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

5 Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

31 Segment information

a) Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The Managing Director, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the CODM of the Company. The CODM reviews the Company's performance on the analysis of profit before tax at overall level. Accordingly, the Company has only one reportable business segment which is manufacturing and marketing of pharmaceutical products as per Ind AS 108. ("Operating Segments")

b) Segment revenue

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Revenue from external customers	As at March 31, 2022	As at March 31, 2021
India	30,459	24,098
Outside India	13,557	14,816
Total	**44,016**	**38,914**

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

31 Segment information (Contd....)

c) Segment Assets

Non-current assets*	As at March 31, 2022	As at March 31, 2021
India	13,595	12,579
Outside India	-	-
Total	**13,595**	**12,579**

*Other than financial instruments, deferred tax assets and post-employment benefit assets

There are no major customers who individually contribute for more than 10 percent of the entity's revenue.

32 Related party transactions

In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017 the required disclosures are given in the table below:

a) Related parties being an entity where control exists:

-Nucleus Life Trust
-Ektara Enterprises LLP
-STEL Holdings Limited
-Harsh V Goenka
-Mala Goenka
-Carniwal Investments Ltd.
-Sudarshan Electronics and TV Ltd.
-Summit Securities Limited
-Chattarpati Apartments LLP
-Instant Holdings Limited
-Atlantus Dwellings and Infrastructure LLP
-Malabar Coastal Holdings LLP
-Sofreal Mercantrade Pvt. Ltd.
-Swallow Associates LLP
-Vayu Udaan Aircraft LLP
-AVG Family Trust
-Ishaan Goenka Trust
-Navya Goenka Trust
-RG Family Trust
-Prism Estates Trust
-Stellar Energy Trust
-Secura India Trust

b) Related parties with whom the Company had transactions during the year

Key Management Personnel

-Yugal Sikri - Managing Director

Non-Executive Directors

-Harsh V. Goenka - Chairman
-Lalit S. Kanodia
-Mahesh S. Gupta
-Manoj Maheshwari
-Narendra Ambwani
-Zahabiya Khorakiwala
-Bhaskar Iyer
-Sachin Nandgaonkar
-Rajat Bhargava (w.e.f. January 25, 2021)

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

32 Related party transactions (Contd....)

Entities where control / significant influence by KMPs and their relatives exists and with whom transactions have taken place

-RPG Enterprises Limited

-CEAT Limited

-KEC International Limited

-RPG Life Sciences Limited Staff Superannuation Fund

-RPG Life Sciences Limited Staff Gratuity Fund

c) Key Management Personnel - Compensation

	As at March 31, 2022	As at March 31, 2021
Short-term employee benefits	382	382
Post-employment benefits #$	10	9
Total	**392**	**391**

excludes provision for gratuity and compensated absences, which is determined on the basis of actuarial valuation done on overall basis of the Company.

$ Including PF and other benefits.

d) Transactions with the other related parties:

The following transactions occurred with the other related parties:

	As at March 31, 2022	As at March 31, 2021
(i) License fees - RPG Enterprises Limited	77	180
(ii) Payments made/expenses incurred on behalf of related party		
- CEAT Limited	3	7
- RPG Enterprises Limited	42	43
- KEC International Limited	2	-
(iii) Service charges		
- CEAT Limited	130	134
- KEC International Limited	6	2
(iv) Sitting Fees paid to Chairman and Non-executive directors		
- Harsh V. Goenka	5	6
- Manoj Maheshwari	5	6
- Mahesh S. Gupta	8	10
- Lalit S. Kanodia	5	6
- Narendra Ambwani	6	9
- Zahabiya Khorakiwala	4	3
- Bhaskar Iyer	7	9
- Sachin Nandgaonkar	4	9
- Rajat Bhargava	8	3
(v) Consultancy Fees paid to Non-executive directors		
- Bhaskar Iyer	9	-
(vi) Contribution made to Trusts		
- RPG Life Sciences Limited Staff Superannuation Fund	10	11
- RPG Life Sciences Limited Staff Gratuity Fund	131	108

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

32 Related party transactions (Contd....)

e) Outstanding balances

The following balances are outstanding at the end of the reporting period in relation to transactions with the related parties:

	As at March 31, 2022	As at March 31, 2021
(Advance) / Trade Payables	0	-
Post Employment Benefit Plan	(8)	(6)

All transactions were made on normal commercial terms and conditions and at market rates. All outstanding balances are unsecured and are repayable in cash.

33 Utilisation of Borrowed funds and share premium

a) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

i) 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

ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

b) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i) 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

ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

34 Ratio Analysis and its elements

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	2.6	2.2	17.0%	-
Debt- Equity Ratio	Current & Non Current Borrowings	Total Equity	0.0	0.0	0.0%	-
Debt Service Coverage ratio	Earning Available for Debt Service = Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Finance Costs	Interest on borrowings+ Principal repayments	51.3	5.6	820.2%	There is an improvement in profitability due to increased net margin, along with reduction in the debt repayments.
Return on Equity Ratio	Profit After Tax	Total Equity	20.1%	18.5%	8.9%	-
Inventory Turnover Ratio	Revenue from operations	Closing Inventory	5.3	6.7	-20.5%	-

Notes to the Financial Statements AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Indian Rupees lakhs, unless otherwise stated)

34 Ratio Analysis and its elements (Contd....)

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% change	Reason for variance
Trade Receivables Turnover Ratio	Revenue from operations	Closing Trade Receivable	13.3	6.8	96.9%	This has increased on account of better collections in both domestic market and exports.
Trade Payable Turnover Ratio	Cost of materials consumed + other Expenses-corporate social responsibility (CSR)+ Donations + Loss/ (profit) on sale of Fixed Assets +Rates & Taxes + Sundry Balance write off /Bad debts (net) + Provision for doubtful debts	Closing Trade Payable	5.5	4.7	17.8%	-
Net Capital Turnover Ratio	Revenue from operations	Working Capital = Current Assets - Current Liabilities	3.5	4.0	-14.2%	-
Net Profit Ratio	Profit after Tax	Revenue from operations	11.7%	10.3%	13.8%	-
Return on Capital Employed	Profit Before tax + Finance Cost	Total Assets - Total current liabilities	27.9%	24.3%	14.6%	-
Return on Investment	Profit after Tax	Total Equity	20.1%	18.5%	8.9%	-

In terms of our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rekha Shenoy
Partner
Membership No. 124219

Mumbai, April 29, 2022

For and on behalf of the Board of Directors

RPG Life Sciences Limited
CIN: L24232MH2007PLC169354

Harsh V. Goenka
Chairman
DIN:00026726

Yugal Sikri
Managing Director
DIN:07576560

Mahesh S. Gupta
Director
DIN:00046810

Vishal Shah
Chief Financial Officer

Rajesh Shirambekar
Company Secretary

Mumbai, April 29, 2022

NOTICE

NOTICE IS HEREBY GIVEN THAT THE FIFTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF RPG LIFE SCIENCES LIMITED WILL BE HELD ON FRIDAY, JULY 29, 2022 AT 3.00 P.M. (IST) THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO VISUAL MEANS ("OAVM"), TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2022 and the Report of the Directors and Auditors' thereon.

2. To declare dividend of ₹ 9.60/- per equity share of face value of ₹8/- each for the Financial Year ended March 31,2022.

3. To appoint a Director in place of Mr. Sachin Nandgaonkar (DIN:03410739), 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 consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and read with the Companies (Audit and Auditors) Rule, 2014, other applicable rules, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. SRBC & Co. LLP, Chartered Accountants (Firm's Registration No. 324982E/E300003), be and are hereby appointed as Statutory Auditors of the Company in place of M/s. BSR & Co. LLP, Chartered Accountants (Firm's Registration No. 101248W/W-100022) whose tenure expires at the Fifteenth Annual General Meeting, at such remuneration plus reimbursement of actual out of pocket expenses, as may be incurred by them in connection with the audit of accounts of the Company, as may be mutually agreed between the Board of Directors/ Audit Committee of the Company and the said Auditors.

   RESOLVED FURTHER THAT M/s. SRBC & Co. LLP, if appointed shall hold the office for a period of five years, from the conclusion of the Fifteenth Annual General Meeting till the conclusion of the Twentieth Annual General Meeting of the Company, and the Board of Directors/Audit Committee of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary desirable or expedient to give effect to this Resolution."

SPECIAL BUSINESS:

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

   "RESOLVED THAT pursuant to the provisions of Section 148 read with Companies (Audit and Auditors) Rules, 2014, and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Kirit Mehta & Co. (Registration No. 000353), Cost Accountants, appointed by the Board of Directors, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023, be paid the remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

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

Notes:

1. In view of the continuing COVID-19, to ensure social distancing norms, the Ministry of Corporate Affairs ("MCA") vide its Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, and clarification Circular No.02/2021 dated January 13, 2021 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/ HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, (collectively referred to as 'SEBI Circulars') as amended from time to time have permitted Companies to conduct AGM through Video Conferencing (VC) and Other Audio Visual Means (OAVM) without the physical presence of the Members at a Common Venue and has granted relaxation in respect of sending physical copies of the annual report to the shareholders. The deemed venue of the Fifteenth AGM shall be the Registered Office of the Company. In terms of the said Circulars, the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Fifteenth Annual General Meeting of the Members is to be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith and also available at the Company's website www.rpglifesciences.com.

2. The Annexure to notice in respect of the Director seeking re-appointment at the AGM and relative Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the business under Item Nos. 3 to 5 set out above and details under Regulations 26(4) and 36(3) of the Listing Regulations and Paragraph 1.2.5

of the Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India are annexed hereto.

3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote instead of himself/ herself and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

4. Institutional Members are encouraged to attend and vote at this AGM through VC/OAVM. Institutional/ Corporate Shareholders (i.e. other than individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/ OAVM or to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to rpgls.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.

5. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled commencement time of the Meeting and window for joining the Meeting shall be kept open throughout the proceedings of the AGM. The facility of participation at the AGM through VC/ OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

7. As per the provisions of Clause 3.A.III. of the General Circular No. 20/2020 dated May 5, 2020, the matter of Special Business as appearing at Item No.5 of the accompanying Notice, is considered to be unavoidable by the Board and hence, forming part of this Notice.

8. The Company has fixed Friday, July 15, 2022 as the Record Date for determining the entitlement of Members for payment of Dividend for the Financial Year ended on March 31, 2022, if approved at the AGM.

9. The dividend for the financial year March 31, 2022, as recommended by the Board, if approved by the shareholders, will be paid subject to deduction of tax at source, as applicable on or after Saturday, July 30, 2022.

For Members holding shares in Demat form:

i) The dividend shall be paid to those Members whose names stand registered in the Company's register of Members as Beneficial Owners as at the end of business day on Friday, July 15, 2022 as per the list to be furnished by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

ii) Members may note that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Share Transfer Agents cannot act on any request received directly from the Members holding shares in dematerialised mode for any change of bank particulars or bank mandates. Hence, such changes in Bank details, ECS mandate, address or e-mails are to be furnished by the Members to their Depository Participant only.

For Members holding shares in Physical form:

i) The dividend shall be paid to those Members whose names stand registered in the Company's Register of Members as Members on the end of business day on Friday, July 15, 2022.

ii) SEBI vide its Circular No. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 and clarification issued vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 has mandated all listed Companies to record/update the KYC details i.e. PAN, Nomination and Bank Account details of the first holder for shares held in physical mode. The Company has sent a letter to all the Shareholders holding shares in physical mode whose details are yet to be updated seeking the information. Detailed information in this regard is available at the Company's website https://www.rpglifesciences.com/website/forms_related_to_physical_shares.php

Members holding shares in physical mode are requested to ensure the aforesaid KYC details are updated with the Company's Registrar and Share Transfer Agents, Link Intime India Private Limited ('RTA') before April 01, 2023, post which the said folios shall be frozen. In case, the folios continue to remain frozen, till December 31, 2025, the same shall be referred to the Administering Authority under the Benami Transactions (Prohibitions) Act, 1988 and Prevention of Money Laundering Act, 2002.

iii) With a view to avoid any fraudulent encashment of dividend, the Member(s) holding shares in physical mode are requested to submit, if not already submitted, particulars of their Bank Accounts (Bank Account number, the name of the Bank and the Branch) in 'Form ISR – 1' along with copy of the cancelled cheque leaf with the first named shareholder's name imprinted on the face of the cheque leaf, where they would like to deposit the dividend warrants for encashment. These details should be furnished by the first/sole shareholder, directly to the Registrar and Share Transfer Agents, M/s. Link Intime India Private Limited ('RTA') (Unit: RPG Life Sciences Limited), C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai - 400 083, Tel: 022-49186270, Fax: 022-49186060, by quoting the folio number.

10. Deduction of Tax on Dividend

i) Pursuant to Finance Act, 2020, dividend income is taxable in the hands of shareholders w.e.f. April 01, 2020 and therefore the Company is required to deduct tax at source/withhold tax from dividend to be paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the provisions in the Income Tax Act, 1961 and amendments thereof. The shareholders are requested to update their PAN with the Company/RTA (in case of shares held in physical mode) and with the Depository Participants (in case of shares held in demat mode). The voting rights on the shares outstanding in the suspense account as on March 31, 2022 shall remain frozen till the rightful owner of such shares claims the shares.

ii) A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source to Link Intime India Private Limited, the Company's RTA at https:// linkintime.co.in/formsreg/submission-of-form-15g-15h.html or by email to rpglsdivtax@linkintime.co.in by Friday, July 15, 2022. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of as applicable.

iii) Non-resident shareholders (including Foreign Institutional Investors -FIIs/ Foreign Portfolio Investors – FPIs) can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by uploading the same at https://linkintime.co.in/formsreg/submissionof-form-15g-15h.html or sending the same by email to rpglsdivtax@linkintime.co.in. Therefore said declarations and documents need to be submitted by the shareholders by Friday, July 15, 2022.

iv) The formats of declarations, are available on the Company's website at https://www.rpglifesciences.com/website/TDS_on_dividend_communication.php

11. In case of joint holders, the shareholder 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.

12. The details of shares in Unclaimed Suspense Account and dematerialized are as follows:

Particulars	Number of Shareholders	Number of Shares
Aggregate no. as at April 1, 2021	71	7,958
No. of Shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year	1	100
No. of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	1	100
No. of Shareholders whose shares were transferred to Investor Education and Protection Fund during the year	69	7,821
Aggregate no. as at March 31, 2022	1	37

The voting rights on the shares outstanding in the suspense account as on March 31, 2022 shall remain frozen till the rightful owner of such shares claims the shares.

13. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available electronically for inspection by the Members during the AGM and all other documents referred to in the Notice and Explanatory Statements, will be available for inspection through electronic mode without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members can inspect the same by sending an email to cosec@rpgls.com.

14. Shareholders who have not encashed their dividend warrant for the previous years, may approach the Company or the Registrar & Share Transfer Agent and submit their claim for the said dividend. The amount of dividend remaining unclaimed for a period of seven (7) years shall be transferred to the Investor Education and Protection Fund as per the provisions of Section 125 of the Companies Act, 2013. The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Shareholders holding shares in physical form can submit their PAN details to the Company.

16. The Company has authorised Registrar and Transfer agents viz. Link Intime India Private Limited to issue the securities in dematerialised form only while processing shareholder request such as issue of duplicate share certificate, claim from Unclaimed Suspense account, renewal /exchange of securities certificate, endorsement, sub-division/ splitting of shares, consolidation of share certificates/folios, transmission and transposition as per Securities and Exchange Board of India vide its circular dated January 25, 2022. The RTA shall credit the shares to the Suspense Escrow Demat Account of the Company if the shareholder/claimant fails to submit the demat request within 120 days of issuance of Letter of Confirmation.

17. To support the "Green Initiative", we request Members, holding shares in demat form, to kindly register/update your email address with your respective Depository Participants. Further Members, holding shares in physical form, can kindly register/update your email address with the Registrar and Share Transfer Agents of the Company at rnt.helpdesk@linkintime.co.in. The registered email address will be used for sending future communications.

18. Instructions for e-voting and joining the AGM are as follows:

A. Voting through electronic means (Remote e-voting):

I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Secretarial Standard on General Meetings issued by the Institute of Companies Secretaries of India, and in terms of SEBI Circular no. SEBI/ HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility provided by Listed Entities, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. The facility of casting votes by a member using remote e-voting system as well as voting on the day of the AGM will be provided by NSDL.

II. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020 & January 15, 2021, The Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those shareholders whose e-mail addresses are registered with the Company / Depositories. The shareholders may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.rpglifesciences.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL i.e. www.evoting.nsdl.com.

B. The instructions for shareholders voting electronically are as under:

i. The remote e-voting period begins on Tuesday, July 26, 2022 (09.00 a.m. IST) and ends on Thursday, July 28, 2022 (05.00 p.m. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, July 22, 2022 may cast their vote electronically.

ii. The Members, who have cast their vote by remote e-voting prior to the AGM, may also attend the AGM but shall not be entitled to cast their vote on such resolution again at the AGM.

iii. Any person holding shares in physical form and non- individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. Friday, July 22, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forget your password, you could reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Friday, July 22, 2022 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

iv. Details of the process and manner for remote e-voting and joining the Annual General Meeting are explained herein below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"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 i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

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

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

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

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

   a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

3. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

4. Now, you will have to click on "Login" button.

5. After you click on the "Login" button, Home page of e-Voting will open.

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

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

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

2. Select "EVEN of RPG Life Sciences Limited" for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

8. In case of any queries, with respect to remote e-voting or e-voting at the AGM, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 /1800 22 4430 or can contact NSDL on evoting@nsdl.co.in or contact Ms. Pallavi Mhatre, Manager, NSDL at pallavid@nsdl.co.in or Ms. Sarita Mote, Assistant Manager, NSDL at SaritaM@nsdl.co.in.

C. Process for those shareholders whose email IDs are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned

copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to rnt.helpdesk@linkintime.co.in

2. In case shares are held in demat mode, please register / update the email address with the relevant Depository Participants. In case of difficulties in registering the email address, members may temporarily get their e-mail addresses registered with Link Intime India Pvt. Ltd. at rnt.helpdesk@linkintime.co.in by providing details such as Name, DPID/Client ID, PAN, mobile number and e-mail ID. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

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

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

D. The instructions for members for e-voting on the day of the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

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

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

E. Instructions for members for attending the AGM through VC/OAVM are as under:

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

2. Members are encouraged to join the Meeting through Laptops for better experience.

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

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request from their registered Email ID mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at cosec@rpgls.com between 9.00 a.m. (IST) on Saturday, July 23, 2022 and 5.00 p.m. (IST) on Monday, July 25, 2022. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

6. The shareholders who do not wish to speak during the AGM but have queries on accounts or any matter to be placed at the AGM may send the same latest by Monday, July 25, 2022 mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at cosec@rpgls.com. These queries will be replied by the Company suitably either at the AGM or by email.

F. Other Guidelines for Members

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 /1800 22 4430 or send a request at evoting@nsdl.co.in. or contact Ms. Pallavi Mhatre Manager, NSDL at the designated email IDs: evoting@nsdl.co.in or pallavid@nsdl.co.in or Ms. Sarita Mote, Assistant Manager, NSDL at the designated e-mail ID: evoting@nsdl.co.in or SaritaM@nsdl.co.in.

19. Mr. P. N. Parikh (FCS 327 CP 1228) or failing him Mr. Mitesh Dhabliwala (FCS 8331 CP 9511) of Parikh Parekh & Associates, Practicing Company Secretaries, have been appointed as the Scrutinizers for conducting the remote e-voting and the e-voting during the AGM in a fair and transparent manner.

20. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast through remote e-Voting) and make, not later than 48 hours after conclusion of AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

21. The results declared along with the Scrutinizer's Report shall be placed on the Company's website (www.rpglifesciences.com) and on the website of NSDL e-voting i.e. www.evoting.nsdl.com and shall also be communicated to the BSE Limited and National Stock Exchange of India Limited within 48 hours after the AGM.

By Order of the Board of Directors

Rajesh Shirambekar
Head – Legal & Company Secretary
(ACS No. 11146)

Registered office:
RPG House
463, Dr. Annie Besant Road,
Worli, Mumbai 400 030.

Place: Mumbai
Date: April 29, 2022

ANNEXURE TO NOTICE AND EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 5 of the accompanying Notice:

Item No. 3

As regards the re-appointment of Mr. Sachin Nandgaonkar (DIN: 03410739) referred to Item No.3 of the Notice, following necessary disclosures are made for the information to the Shareholders:

Mr. Sachin Nandgaonkar, aged 52 years, was a member of the Management Board of RPG Group. During his tenure with the RPG Group, he was Sector Head for the Specialty Sector comprising of RPG Life Sciences and Raychem RPG. He was also responsible for evangelizing RPG's efforts in Digital, Business Excellence, Innovation and New Ventures. Prior to joining RPG Group in Jan 2015, he had spent 22 years in management consulting across Boston Consulting Group and Accenture."

Mr. Nandgaonkar is B.Tech. in Electrical Engineering from IIT, Bombay and MBA from IIM, Ahmedabad.

Mr. Nandgaonkar is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

Mr. Nandgaonkar holds 5,256 equity shares in the Company.

Other Directorships and Memberships of Committees in other listed companies (includes only Audit & Stakeholders Relationship Committee): Nil

For other details including number of meetings of the Board attended during the year, remuneration drawn, etc. please refer to the Corporate Governance Report section of the Annual Report.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Nandgaonkar himself, is in any way concerned or interested whether financially or otherwise, in resolution set out in Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution as set out in Item No. 3 of the Notice for approval of the Members.

Item No. 4

As regards to the appointment of Statutory Auditors referred in Item No. 4 of the Notice, following necessary disclosures are made for the information to the Shareholders:

M/s. BSR & Co. LLP, Chartered Accountants, (Firm Registration No. 101248W/W-100022) have been the Statutory Auditors of the Company since their appointment at the Annual General Meeting ('AGM') held on July 24, 2017. Pursuant to the provisions of Section 139 (2) of the Companies Act 2013 ('the Act'), read with applicable Rules framed thereunder, the term of the present Statutory Auditors expires at the conclusion of the Fifteenth AGM. The Board of Directors places on record their appreciation for the services rendered by M/s. BSR & Co. LLP, Chartered Accountants during their tenure with the Company.

Accordingly, the Board of Directors based on the recommendation of the Audit Committee proposed the appointment of M/s. SRBC & Co. LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) as Statutory Auditors of the Company in place of M/s. BSR & Co.LLP, Chartered Accountants. M/s. SRBC & Co.LLP, Chartered Accountants have vide their letter dated April 22, 2022, informed the Company that their appointment, if made, shall be in compliance with the provisions of Sections 139, 141 and 144 of the Act and Companies (Audit and Auditors) Rules, 2014.

The Board recommends the appointment of M/s. SRBC & Co.LLP, Chartered Accountants as the Statutory Auditors of the Company for a term of 5 (five) years to hold the office from the conclusion of the Fifteenth Annual General Meeting till the conclusion of the Twentieth Annual General Meeting of the Company.

Details as required pursuant to regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 are as under:

Proposed statutory audit fees payable to auditors

upto Rs. 35 Lacs (Rupees Thirty Five Lacs) as statutory audit fees for the financial year ending March 31, 2023.

Terms of appointment

5 (five) years from the conclusion of Fifteenth Annual General Meeting till the conclusion of the Twentieth Annual General Meeting of the Company.

Material change in fees payable

There is no material change in the proposed fees payable to the auditors.

Basis of recommendation and auditors credentials

The recommendation is based on the fulfilment of the eligibility criteria prescribed in the Companies Act, 2013.

M/s. S R B C & Co. LLP, (Registration no. 324982E/E300003) is a part of network of firms of Chartered Accountants, M/s. S. R. Batliboi & Affiliates ("SRB") started in 1914 and registered with the Institute of Chartered Accountants of India. All the constituent firms of SRB are member firms in India of EY Global Limited ("EYG"). It has its registered office at Kolkata and has offices at 13 locations in various cities in India. M/s. S R B C & Co. LLP is a Limited Liability Partnership (LLP) firm established in the year 2002 in India and has a valid peer review certificate. It is primarily engaged in providing audit and assurance services to the clients.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way concerned or interested, whether financially or otherwise, in the resolution set out in Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution as set out in Item No. 4 of the Notice for approval of the Shareholders.

Item No. 5

The Board on recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Kirit Mehta & Co., Cost Auditors, to conduct the audit of the cost records in respect of pharmaceutical activities of the Company for the financial year ending March 31, 2023, on a remuneration not exceeding Rs.3,10,000/- p.a., exclusive of all taxes and out of pocket expenses. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2023.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed Ordinary Resolution set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution, as set out at Item No. 5 of accompanying Notice, for approval by the shareholders.

Registered office:
RPG House
463, Dr. Annie Besant Road,
Worli, Mumbai 400 030.

Place: Mumbai
Date: April 29, 2022

By Order of the Board of Directors

Rajesh Shirambekar
Head – Legal & Company Secretary
(ACS No. 11146)

NOTES

Forward-looking statements

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

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RPG LIFE SCIENCES

hello **happiness**

RPG Life Sciences Limited
RPG House, 463, Dr. Annie Besant Road, Worli Mumbai - 400 030, India
Tel: =91 -22-2498 1650/51, www.rpglifesciences.com

An RPG Company