

# **TARSONS PRODUCTS LIMITED**

## **ANNUAL REPORT- 2020-21**



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

**CIN: L51109WB1983PLC036510**

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

**T: +91 33 3522 0300, Email- [info@tarsons.com](mailto:info@tarsons.com), Website: [www.tarsons.com](http://www.tarsons.com)**

## **DIRECTORS' REPORT**

### **To The Members of** **TARSONS PRODUCTS LIMITED** **(Formally known as Tarsons Products Private Limited)**

Your Directors take pleasure in presenting the Thirty-Eight Annual Report covering the highlights of the finances, business, and operations of your Company. Also included herein are the Audited Financial Statements of the Company (standalone and consolidated) prepared in compliance with Ind AS accounting standards, for the financial year ended March 31, 2021.

## **FINANCIAL RESULTS**

The Company's financial performance for the year ended March 31, 2021 is summarized below:

Particulars	Standalone	
	2020-21	2019-20
	` Million	` Million
<b>Profit Before Tax</b>	<b>924.34</b>	531.33
Current Tax	<b>234.73</b>	132.88
Deferred Tax	<b>0.91</b>	-6.86
<b>Net Profit after Tax</b>	<b>688.70</b>	405.31
Other Comprehensive Income		
Items that will not be reclassified subsequently to Profit or Loss	<b>-1.02</b>	-2.34
<b>Total Comprehensive Income for the Year</b>	<b>687.68</b>	402.97
<b>Earnings per equity share</b>		
Basic earning per share	<b>13.43</b>	7.94
Diluted earning per share	<b>13.43</b>	7.75

Note:

Figures in brackets represent deductions.

Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosure.

## **PERFORMANCE REVIEW**

The Company is engaged in the manufacturing and trading of plastic laboratory products and certain scientific equipments. The products find usage in laboratories engaged in research on molecular biology, cell culture, genomics, Proteomics, immunology etc.

During the year under review, the revenue from operations and other income was Rs. 2342.91 Mn. The Company has achieved Profit Before Tax of Rs. 924.34 Mn and Profit After Tax of Rs. 688.70 Mn. The Company achieved a total Comprehensive Income of Rs. 687.68 Mn. The EPS on standalone financials for the year ended on March 31, 2021, was Rs. 13.43.

## **COVID-19**

### **A. Battling COVID-19 on a war footing:**

In order to support people battle the challenges posed by the pandemic, the Company launched several initiatives on multiple fronts for prevention and treatment of COVID-19 by leveraging its capabilities in research space and manufacturing different types of medical tools and equipments.

**B. Extensive workplace safety measures:**

Stringent measures have been put in to safeguard employees. Thermal scanning is done to check body temperature at all entry points. Hand sanitizers are placed at vantage points all across the Office. Disposable masks have been made available. As a part of the protocols in most of the areas inside the plant and factories area and all across the offices, employees need to wear masks wherever required.

**DIVIDEND & TRANSFER TO RESERVES**

Keeping in view plans to expand the existing business and to increase the Company's net worth, your Directors intend to retain the internal accrual, which will generate a good return for shareholders both for today and tomorrow. Thus, your Board does not propose to declare any dividend for the financial year under review.

Your Directors do not propose to transfer any amounts to the general reserves of the Company, instead have recommended to retain the entire of profits for the financial year ended March 31, 2021 in the profit and loss account.

**PUBLIC DEPOSITS**

The company has not accepted any public deposit during the period within the meaning of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF REPORT**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this Report.

**CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There was no change in the nature of business of the Company during the financial year ended 31<sup>st</sup> March, 2021.

**SHARE CAPITAL**

As on 31<sup>st</sup> March, 2021, the issued, subscribed and paid up share capital of your Company stood as under:

Particulars	Amount (₹)
Authorised Capital (Face value of ₹10 each)	1,15,00,000
Issued Capital (Face value of ₹10 each)	19,22,280
Subscribed and Paid up Capital (Face value of ₹10 each)	19,22,280

**BUY-BACK OF SHARES**

During the year, the Company bought back 8,013 (Eight Thousand Thirteen) fully paid-up equity shares of Rs. 10/- each from the existing shareholders/beneficial owners of equity shares of the Company on a proportionate basis through "Tender offer" route at a price of Rs. 27,454/- (Rupees Twenty-Seven Thousand Four Hundred Fifty Four Only).

**RISK MANAGEMENT**

The Company has a comprehensive Risk Management framework that seeks to minimize adverse impact on business objectives and capitalise on opportunities. Our success as an organization depends on the ability to identify such opportunities and leverage them while mitigating the risks that arise while conducting our business. The Company has implemented a mechanism for risk

management and formulated a Risk Management Policy. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Company has set up a Risk Management Committee which is chaired by Mr Sanjive Sehgal, to monitor the risks and their mitigating actions as well as formulating strategies towards identifying new and emergent risks.

### **INTERNAL FINANCIAL CONTROLS**

The Company has a well-established internal control framework, which is designed to continuously assess the adequacy, effectiveness and efficiency of financial and operational controls. The Internal Financial Controls ("IFCs") are commensurate with the scale and complexity of its operations. The controls were tested during the year and no reportable material weaknesses either in their design or operations were observed.

### **HOLDING AND SUBSIDIARIES**

<b>Name of the Company</b>	<b>Nature of Association</b>	<b>Date of Association</b>	<b>Date of discontinuation of Association</b>
INLABPRO Pte Ltd	Wholly-Owned Subsidiary Company	<b>20.07.2020</b>	<b>Not Applicable</b>

*\*The Company has formed a wholly owned subsidiary company named INLABPRO Pte. Ltd having paid-up capital of USD 1 in Singapore on July 20, 2020. The Company has passed a board resolution dated June 14, 2021 for winding-up of Inlabpro Pte. Ltd. The winding up of Inlabpro Pte. Ltd. is currently under process. Since its incorporation Inlabpro Pte. Ltd. has not been operational.*

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

The particulars relating to energy conservation, technology absorption as required to be disclosed under section 134(3)(m) of the Companies act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 are not applicable to the company.

Details of foreign exchange earnings and outgo, as required to be disclosed under section 134(3)(m) of the Companies act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 are given hereunder: -

Foreign Exchange Earnings: Rs. 755.91 Mn (Previous Year: Rs. 445.30 Mn)  
C.I.F. Value of Imports: Rs. 720.39 Mn (Previous Year: Rs. 637.54 Mn)  
Other Foreign Expenditure: Rs. 19.01 Mn (Previous Year: Rs. 28.10 Mn)

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

#### **• Appointment of Directors/ KMP**

None of the Directors/KMP's were appointed during the FY 2020-21.

#### **• Directors Resigned/Retired during the year**

None of the Directors resigned/retired during the FY 2020-21.

In accordance with the provisions of the Act and in terms of the Memorandum and Articles of Association of the Company, Mr. Rohan Sehgal (DIN: 06963013) retires by rotation at the ensuing Annual General Meeting and has offered himself for re-appointment.

### **PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said Rules forms part of this report.

### **Statement of Disclosure pursuant to Section 197 of Companies Act, 2013**

#### **[Read with Rules 5(2)(i) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

**The board's report shall include a statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee, who-**

- (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees:

S N o.	Name	Designation	Remuneration (₹)	Qualification	Experience	Date of commencement of employment	Age	Last Employment
					(Years)		(Years)	
1	Sanjive Sehgal	Managing Director	Rs. 39.60 Mn	BSC	37	26/07/2018	60	Not Applicable
2	Rohan Sehgal	Whole time Director	Rs. 19.80 Mn	BSC (Management)	10	26/07/2018	32	Not Applicable
3	Keshavmurthy Annantrao Kabboor	COO	Rs. 10.59 Mn	Engineering in Tool and Die making	30	10/04/2020	51	Polybond India Private Limited

- (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month: Not Applicable

- (iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company: Not Applicable

### **Particulars of Employees and Related Disclosures:**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report.

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report.

Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of

the Company. Any member interested in obtaining such information may address their email to info@tarsons.in

### **DETAILS OF BOARD MEETINGS**

Your Board meets at regular intervals to discuss and decide on business strategies/policies and review the Company's financial performance. During the year, 5 (Five) Board meetings were held through video-conferencing due to on-going threat of COVID-19 as well as exemptions provided by Ministry of Corporate Affairs. Details of the meetings are detailed below:

<b>Date</b>	<b>Board Strength</b>	<b>No of Directors Present</b>
30-04-2020	6	6
13-08-2020	6	6
12-10-2020	6	6
17-12-2020	6	6
10-02-2021	6	6

  

<b>S. No.</b>	<b>Name of Directors</b>	<b>Designation</b>	<b>No. of Board Meetings Attended</b>
1	Sanjive Sehgal	Managing Director	6 of 6
2	Rohan Sehgal	Whole-Time Director	6 of 6
3	Suresh Eshwara Prabhala	Nominee Director	6 of 6
4	Viresh Oberai	Independent Director	6 of 6
5	Ashok Kumar Duggar	Director	6 of 6
6	Gaurav Pawan Kumar Podar	Nominee Director	6 of 6

### **Corporate Social Responsibility Meeting**

<b>Date</b>	<b>Board Strength</b>	<b>No of Directors Present</b>
12-10-2020	3	3
03-02-2021	3	3

<b>Sl. No.</b>	<b>Name of the Director</b>	<b>Designation/ Nature of Directorship</b>	<b>No. of meetings of CSR Committee attended During the Year</b>
1.	Mr. Sanjive Sehgal	Managing Director	2 of 2
2.	Mr. Rohan Sehgal	Whole-Time Director	2 of 2
3.	Mr. Ashok Kumar Duggar	Director	2 of 2

The Board Meetings are in compliance with the Companies Act, 2013 and Secretarial Standards issued by Companies Secretaries of India.

The Company has passed resolution by circulation on 21<sup>st</sup> day of July, 2020, 11<sup>th</sup> day of August, 2020, 10<sup>th</sup> day of December, 2020 and 5<sup>th</sup> day of February, 2021.

The Company has held Extra-Ordinary general Meeting held on the 2<sup>nd</sup> day of May, 2020 and 12<sup>th</sup> day of October, 2020 and Annual General Meeting on 12<sup>th</sup> day of October, 2020.

### **AUDITORS**

#### **a) Statutory Auditors**

In the AGM held on 28.09.2018, M/s. Price Waterhouse Chartered Accountants LLP (FRN012754N/N500016), Chartered Accountants with FRN 012754N were appointed as Statutory Auditors of the Company for a period of five years from Financial Year 2018-19 to Financial Year 2022-2023.

Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI.

The Board has duly reviewed the Statutory Auditor's Report and the observations and comments, appearing in the report, are self explanatory and do not call for any further explanation/clarification by the Board as provided under section 134(3)(f) of the Act.

#### **b) Internal Auditors**

Pursuant to section 138 of the Companies Act, 2013 read with rule 13 of the Companies (Accounts) Rules, 2014, and other applicable provisions of the Act, the Company was not required to appoint any Internal Auditor for the Financial Year 2020-21.

The Company appoint M/s. Grant Thornton, Chartered Accountants as the Internal Auditor of the Company for the financial year 2021-22 in the Board Meeting held on 26th June, 2021.

#### **c) Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company was not required to appoint any Secretarial Auditor for the Financial Year 2020-21

The Company appointed M/s. Manisha Saraf & Associates, Practicing Company Secretaries for conducting Secretarial Audit of the Company for the financial year 2021-22 in the Board Meeting held on 26<sup>th</sup> June, 2021.

#### **d) Cost Audit**

The Company is not required to maintain cost records as per sub-section (1) of Section 148 of the Act.

#### **AUDITORS' QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE**

There are no qualifications, reservations or adverse remarks by the statutory auditors in their report. During the year, there were no instances of frauds reported by auditors under Section 143(12) of the Act.

#### **EXTRACT OF ANNUAL RETURN**

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return in Form MGT-9 is annexed herewith as **Annexure I**.

#### **PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES UNDER SECTION 186**

Your Company has not made any loans, investments and given guarantees during the Financial Year.

#### **REPORT ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

Your Directors further state that the Company has zero tolerance towards sexual harassment at the workplace. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **VIGIL MECHANISM POLICY**

As required under Section 177(9) and (10) of the Companies Act, 2013 and the rules made there under, your Company has adopted a vigil mechanism policy for all employees of the Company including Directors and Senior Management Executives, which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. This Vigil Mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism.

### **CORPORATE SOCIAL RESPONSIBILITY**

Corporate Social Responsibility (CSR) Committee has been constituted for the purposes of recommending and monitoring the CSR initiatives of the Company.

The CSR Committee of your Company has formulated the CSR Policy which describes the broad areas around which the CSR activities of your Company are positioned being health, education and upliftment of poor as per Schedule VII of the Companies Act, 2013 as may be identified by the CSR Committee from time to time.

As required under Section 135 of the Companies Act, 2013, during the financial year 2020-21, the CSR budget of your Company was Rs. 97,61,979.00 (Rupees Ninety Seven Lakhs Sixty One Thousand Nine Hundred and Seventy Nine Only). The company recognizes its social responsibility towards outbreak of Covid-19 Pandemic and provided KN95 mask with/without valve to Tata Medical Center, Kolkata.

Further, the Company has also made advance CSR expenditure amounting to Rs. 3,31,18,754.00 (Rupees Three Crore Thirty One Lakhs Eighteen Thousand Seven Hundred Fifty Four Only) by donating KN-95 mask with and without valve to Tata Medical Centre, Kolkata, Rabindranath Tagore International Institute Of Cardiac Science (Narayana Hrudayalaya Limited) and in the Local area and community directly.

The manner in which the CSR amount was spent during the financial year is set out as an annexure to the Directors' Report and forms part of this Annual Report.

The annual report on our CSR activities is appended as Annexure II to the Board's Report.

### **RELATED PARTY TRANSACTIONS**

Pursuant to Section 188(1) of the Companies Act 2013 read with Companies [Meetings of Board and Its Powers] Rules, 2014, all contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Your directors draw attention of the members to Note 36 to the financial statements.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

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

### **OTHER DISCLOSURES**

- (i) The Board of Directors of the Company, in its meeting held on 10<sup>th</sup> May, 2021, approved the resolution to initiate the conversion of the company from a private limited company to a public company in view of its plans to approach the capital markets and have its shares listed on the stock exchange. The requisite approvals have been obtained under the Companies Act, 2013 and the company has been converted to a public limited company on 14<sup>th</sup> June, 2021.



- (ii) The Board of Directors of the Company, in its meeting held on 14<sup>th</sup> June, 2021, have discussed the proposal of the Company for an initial public offering of its equity shares and listing of the shares on one or more of the stock exchanges in India. In pursuance of the Initial Public Offer, the Company has started taking initiatives towards various legal, statutory and procedural formalities including appointment of various intermediaries and filing the draft red herring prospectus.
- (iii) The Company in its Extra-Ordinary General Meeting held on 10<sup>th</sup> day of May, 2021 approved to increase the Authorized Share Capital of the Company from the present level of Rs. 1,15,00,000/- (Rupees One Crore Fifteen Lakhs Only) divided into 11,50,000 (Eleven Lakhs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 20,00,00,000/- (Rupees Twenty Crores Only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each.
- (iv) The Company in its Extra-Ordinary General Meeting held on 16<sup>th</sup> day of June, 2021 approved to sub-divide the existing authorised share capital of the Company from Rs. 20,00,00,000 (Rupees Twenty Crore) consisting of 2,00,00,000 (Two Crore) equity shares of face value of Rs. 10/- each to 20,00,00,000 (Rupees Twenty Crore) consisting of 10,00,00,000 (Ten Crore) equity shares of face value of Rs. 2/- each. Therefore, the cumulative number of issued, subscribed and paid up Equity Shares, pursuant to sub-division was increased from 192,228 equity shares of Rs.10 each to 961,140 Equity Shares of Rs.2 each.
- (v) The Company in its Extra-Ordinary General Meeting held on 16<sup>th</sup> day of June, 2021 approved the bonus issue of 52 (Fifty Two) equity shares of face value Rs. 2/- each for every one existing fully paid up equity share of face value Rs.2 each and accordingly 49,979,280 bonus shares were issued and allotted. The Bonus shares were allotted in the Board meeting held on 26th day of June, 2021.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to 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 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; and
- (e) The company being an unlisted company the provisions of section 134(3)(e) of the Companies Act, 2013 pertaining to laying of internal financial controls is not applicable to the company.
- (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.

#### **GENERAL DISCLOSURES**

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134(3) of the Act and rule 8 of the Accounts Rules to the extent the transactions took place on those items during the year under review. Apart from what are

mentioned in this report, there are no material changes and commitments affecting the financial position of the Company between the end of the financial year to which the financial statements relate and the date of this report.

### **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for the continued co-operation and support extended to the Company by various Banks. Your Directors also thank the Medical Profession, the Trade and Consumers for their patronage to the Company's products. Your Directors also place on record sincere appreciation of the continued hard work put in by the employees at all levels, amidst the challenges due to pandemic. The Directors also thank the Company's vendors, investors, business associates, Government of India, State Government and various departments and agencies for their support and co-operation.

Your Directors mourn the loss of lives due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

Your Directors appreciate and value the contribution made by every member of the Tarsons family.

### **FOR TARSONS PRODUCTS LIMITED**

Sanjive  
Sehgal

Digitally signed by Sanjive  
Sehgal  
Date: 2021.08.06 17:40:42  
+05'30'

**SANJIVE SEHGAL  
(DIRECTOR)  
(DIN: 00787232)**

Rohan  
Sehgal

Digitally signed by Rohan  
Sehgal  
Date: 2021.08.06 17:42:16  
+05'30'

**ROHAN SEHGAL  
(DIRECTOR)  
(DIN: 06963013)**

**DATE : 06.08.2021  
PLACE: KOLKATA**

## **Annexure-I**

### **Form No. MGT-9**

#### **EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31<sup>st</sup> March, 2021

Of

#### **TARSONS PRODUCTS LIMITED**

(Formerly known as Tarsons Products Private Limited)

*[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

### **I. REGISTRATION AND OTHER DETAILS:**

CIN	U51109WB1983PLC036510
Registration Date	05/07/1983
Name of the Company	TARSONS PRODUCTS LIMITED
Category / Sub-Category of the Company	Company limited by shares
Address of the Registered Office and contact details	Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector-V, Kolkata-700091
Whether listed company	No
Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	Not Applicable

### **II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company are stated below:-

<b>S. No.</b>	<b>Name and Description of main products / services</b>	<b>NIC Code of the Product/ service</b>	<b>% to total turnover of the company</b>
1.	Plastic Products	2220	94.61%

### **III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

<b>S. No.</b>	<b>NAME AND ADDRESS OF THE COMPANY</b>	<b>CIN/GLN</b>	<b>HOLDING/ SUBSIDIARY/ ASSOCIATE</b>	<b>% OF SHARES HELD</b>	<b>APPLICABLE SECTION</b>
1.	INLABPRO Pte Ltd	-	Wholly Owned Subsidiary Company	-	

*\*The Company has formed a wholly owned subsidiary company named INLABPRO Pte. Ltd having paid-up capital of USD 1 in Singapore on July 20, 2020. The Company has passed a board resolution dated June 14, 2021 for winding-up of Inlabpro Pte. Ltd. The winding up of Inlabpro Pte. Ltd. is currently under process. Since its incorporation Inlabpro Pte. Ltd. has not been operational.*

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2020]				No. of Shares held at the end of the year [As on 31-March-2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
(a) Individual/HUF	98037	Nil	98037	48.96%	98037	Nil	98037	51%	2.04%
(b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) State Govt (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (A) (1):-</b>	98037	Nil	98037	48.96%	98037	Nil	98037	51%	2.04%
(2) <b>Foreign</b>									
(a) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b) Other - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (A) (2):-</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	98037	Nil	98037	48.96%	98037	Nil	98037	51%	2.04%

<b>B. Other than Promoter/ Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(i) Others (specify)	102204	Nil	102204	51.04%	91491	Nil	94191	49%	-2.04%
Foreign Body Corporate									
<b>Sub-total (B)(1):</b>	102204	Nil	102204	51.04%	91491	Nil	94191	49%	-2.04%
<b>2.Non-Institutions</b>									
(a)Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(i) Indian									
(ii) Overseas									
(b) Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh									
(c)Others (specify)	Nil	Nil	Nil	Nil	Nil	NIL	Nil	Nil	Nil
<b>Sub-total (B)(2):-</b>									
Total Public Shareholding									
(B)=(B)(1)+(B)(2)									
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Grand Total (A+B+C)</b>	200241	Nil	200241	100%	192228	Nil	192228	100%	Nil

**(ii) Shareholding of Promoters**

S No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% Change In share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sanjive Sehgal	56,101	28.02%	Nil	56,101	29.18%	Nil	1.16%
2	Rohan Sehgal	41,936	20.94%	Nil	41,936	21.82%	Nil	0.88%

**(iii) Change in Promoters' Shareholding:**

S No.	For Each of the Promoters	Shareholding at the beginning of the year as on 1.04.2020		Cumulative Shareholding during the year 1-04.2020-31.03.2021	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Sanjive Sehgal</b>	56101	28.02%	56101	29.18%
	Date wise Increase/Decrease in Shareholding during the year Specifying the reasons for Increase /decrease (e.g. allotment/transfer/bonus /sweat equity, etc.):	NIL	NIL	NIL	NIL
	At the end of the year	<b>56101</b>	<b>28.02%</b>	<b>56101</b>	<b>29.18%</b>
2.	<b>Rohan Sehgal</b>	41936	20.94%	41936	21.82%
	Date wise Increase/Decrease in Shareholding during the year Specifying the reasons for Increase /decrease (e.g. allotment/transfer/bonus /sweat equity, etc.):	NIL	NIL	NIL	NIL
	At the end of the year	<b>41936</b>	<b>20.94%</b>	<b>41936</b>	<b>21.82%</b>

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Clear Vision Investment Holdings Pte. Limited	102,204	51.04%	94,191	49.00%

During the year, the Company bought back 8,013 (Eight Thousand Thirteen) fully paid-up equity shares of Rs. 10/- each from the existing shareholders/beneficial owners of equity shares of the Company on a

proportionate basis through "Tender offer" route at a price of Rs. 27,454/- (Rupees Twenty Seven Thousand Four Hundred Fifty Four Only).

**(v) Shareholding of Directors and Key Managerial Personnel:**

S No.	For Each of the Directors and KMP	Shareholding at the beginning of the year as on 1.04.2020		Cumulative Shareholding during the year 1-04.2020-31.03.2021	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Sanjive Sehgal</b>	56101	28.02%	56101	29.18%
	Date wise Increase/Decrease in Shareholding during the year Specifying the reasons for Increase /decrease (e.g. allotment/transfer/bonus /sweat equity, etc.):	NIL	NIL	NIL	NIL
	At the end of the year	<b>56101</b>	<b>28.02%</b>	<b>56101</b>	<b>29.18%</b>
2.	<b>Rohan Sehgal</b>	41936	20.94%	41936	21.82%
	Date wise Increase/Decrease in Shareholding during the year Specifying the reasons for Increase /decrease (e.g. allotment/transfer/bonus /sweat equity, etc.):	NIL	NIL	NIL	NIL
	At the end of the year	<b>41936</b>	<b>20.94%</b>	<b>41936</b>	<b>21.82%</b>

**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment:**

Particulars	Secured Loans	Unsecured	Deposits	Total
	excluding deposits	Loans		Indebtedness
	Amount (In Rupees, Millions)			
Indebtedness at the beginning of the financial year				
i) Principal Amount	336.92	0.01	0.00	336.93
ii) Interest due but not paid	0.00	22.03	0.00	22.03
iii) Interest accrued but not due	1.08	0.00	0.00	1.08
Total (i+ii+iii)	338.00	22.04	0.00	360.04
During the financial year:				
• Addition	4568.02	0.00	0.00	4568.02
• Reduction	4571.00	22.03	0.00	4593.03
Net Change	-2.98	-22.03	0.00	-25.01
Indebtedness at the end of the financial year				
i) Principal Amount	334.53	0.01	0.00	334.54
ii) Interest due but not paid	0.49	0.00	0.00	0.49
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	335.02	0.01	0.00	335.03

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Sanjive Sehgal Managing Director	Rohan Sehgal Whole Time Director	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under	Rs. 34.10 Mn Rs. 0.04 Mn	Rs. 16.50 Mn Rs. 0.04 Mn	Rs. 50.60 Mn Rs. 0.08 Mn
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - others, specify...			
5.	Others, please specify Bonus	Rs. 5.50 Mn	Rs. 3.30 Mn	Rs. 8.80 Mn
	Total (A)	<b>Rs. 39.64 Mn</b>	<b>Rs. 19.84 Mn</b>	<b>Rs. 59.48 Mn</b>
	Ceiling as per the Act			

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Viresh Oberoi (Independent Director)	Total Amount
1	Independent Directors Fee for attending board/committee meetings	Rs. 0.30 Mn	Rs. 0.30 Mn
2.	. Commission - as % of profit - others, specify...	Rs. 0.50 Mn	Rs. 0.50 Mn
3.	Others, please specify	Nil	Nil
	Total (A)	<b>Rs. 0.80 Mn</b>	<b>Rs. 0.80 Mn</b>

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD**

Sl. No.	Particulars of Remuneration	SANTOSH KUMAR AGARWAL
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under	Rs. 4.72 Mn
2.	Stock Option	
3.	Sweat Equity	
4.	Commission - as % of profit - others, specify...	
5.	Others, please specify Bonus	Rs. 0.10 Mn
	Total (A)	<b>Rs. 4.82 Mn</b>
	Ceiling as per the Act	

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There are no pending penalties, punishments, compounding of offences for year ending 31<sup>st</sup> March, 2021.



## ANNEXURE-II

### **ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FY 2020-21**

1. **Brief Outline on CSR Policy of the Company:** Our CSR activities are designed to: Serve, societal, local and national goals in all the locations where we operate and create a significant and sustained impact on communities affected by our businesses.
2. **The Composition of the CSR Committee as on 31<sup>st</sup> March, 2021:**

Sl. No.	Name of the Director	Designation/ Nature of Directorship	No. of meetings of CSR Committee attended During the Year
1.	Mr. Sanjive Sehgal	Managing Director	2 of 2
2.	Mr. Rohan Sehgal	Whole-Time Director	2 of 2
3.	Mr. Ashok Kumar Duggar	Director	2 of 2

3. **Average net profit of the Company for the last three financial years:**

The average net profit as per Sec 198 of the Companies Act, 2013 for the last three financial years is Rs. 488,098,940.

4. **Prescribed CSR Expenditure (two percent of the amount mentioned in item 3 above):**

The Company was required to spend Rs. 97,61,979.00 (Rupees Ninety Seven Lakhs Sixty One Thousand Nine Hundred and Seventy Nine Only) towards CSR for the financial year 2020-21.

5. **Details of CSR spent during the financial year:**

- i) Total amount spent for the financial year: Rs. 97,76,188 (Rupees Ninety Seven Lakhs Seventy six thousand One hundred eighty eight only).
- ii) The Company has also made advance CSR expenditure amounting to Rs. 3,31,18,754.00 (Rupees Three Crore Thirty One Lakhs Eighteen Thousand Seven Hundred Fifty Four Only).
- iii) Amount unspent, if any : NIL

iv) Manner in which the amount spent during the financial year: Details given below

Sl. No.	CSR Project or activity	Sector in which the project is covered	Projects or programmes 1) Local area or other 2) Specify the state and district where the project or program was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing Agency
1.	Tata Medical Centre	COVID-19 relief Activities	Distribution of KN95 Masks to Tata Medical Centre, Kolkata (Local Area)	Rs. 97,61,979	Rs. 97,76,188	Rs. 97,76,188	Direct For FY 2020-21
	<b>Total</b>			<b>Rs. 97,61,979</b>	<b>Rs. 97,76,188</b>	<b>Rs. 97,76,188</b>	<b>Direct</b>

The Company has also made advance CSR expenditure amounting to Rs. 3,31,18,754.00 (Rupees Three Crore Thirty One Lakhs Eighteen Thousand Seven Hundred Fifty Four Only) by donating KN-95 mask with and without valve to Tata Medical Centre, Kolkata, Rabindranath Tagore International Institute Of Cardiac Science (Narayana Hrudayalaya Limited) and in the Local area and community directly.

#### Responsibility Statement:

The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is reproduced below:

The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.

Sanjive  
Sehgal

Digitally signed by Sanjive  
Sehgal  
Date: 2021.08.06 17:41:23  
+05'30'

**Mr. Sanjive Sehgal**  
**Chairman of CSR Committee**  
**(DIN: 00787232)**

**Place: Kolkata**

**Date: 6<sup>th</sup> day of August, 2021**

# Price Waterhouse Chartered Accountants LLP

## Independent auditor's report

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

## Report on the audit of the Standalone Financial Statements

### Opinion

1. We have audited the accompanying standalone financial statements of Tarsons Products Limited (Formerly known as Tarsons Products Private Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2021, 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 significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

### Basis for opinion

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

### Emphasis of Matter

4. We draw your attention to the following matters :
  - (a) Note 48 to the standalone financial statements which describes the accounting treatment of 8,013 equity shares of Rs.10 each presented as Equity Share Capital amounting to Rs.0.08 million and Securities Premium of Rs. 219.91 million in the financial statements as at March 31, 2020, in accordance with the requirements of the Act. Such presentation is different from the treatment prescribed under Ind AS 32 'Financial Instruments - Presentation' which requires presentation of these as a financial liability as on March 31, 2020.
  - (b) Note 47 to the standalone financial statements, which explains the uncertainties and management's assessment of the financial impact due to the lock-down and other restrictions related to the Covid-19 pandemic imposed by the Governments, for which a definitive assessment of the impact is dependent upon future economic conditions.

Our opinion is not modified in respect of these matters.

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Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

# **Price Waterhouse Chartered Accountants LLP**

## **Other Information**

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

## **Auditor's responsibilities for the audit of the financial statements**

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may

## **Price Waterhouse Chartered Accountants LLP**

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Other Matter**

12. The financial information of the Company for the year ended March 31, 2020 and the transition date opening balance sheet as at April 1, 2019 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2020 and March 31, 2019 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated October 12, 2020 and September 30, 2019 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

### **Report on other legal and regulatory requirements**

13. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

## Price Waterhouse Chartered Accountants LLP

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act. (Also refer paragraph 4(a) under the 'Emphasis of Matter' section of our report).
- (e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company has long-term contracts as at March 31, 2021 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2021
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.
  - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021
- 15. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. As the Company was a private limited company till June 14, 2021, the reporting under Section 197(16) of the Act is not applicable to the Company for the year ended March 31, 2021.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

**AMIT**

**PESWANI**

Digitally signed by  
AMIT PESWANI  
Date: 2021.08.06  
18:01:53 +05'30'

Amit Peswani

Partner

Membership Number

UDIN: 21501213AAAABV2698

Gurugram

August 6, 2021

# **Price Waterhouse Chartered Accountants LLP**

## **Annexure A to Independent Auditors' Report**

Referred to in paragraph 14(f) of the Independent Auditors' Report of even date to the members of Tarsons Products Limited (Formerly known as Tarsons Products Private Limited) on the standalone financial statements for the year ended March 31, 2021

Page 1 of 3

### **Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls with reference to financial statements of Tarsons Products Limited (Formerly known as Tarsons Products Private Limited) ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

# **Price Waterhouse Chartered Accountants LLP**

## **Annexure A to Independent Auditors' Report**

Referred to in paragraph 14(f) of the Independent Auditors' Report of even date to the members of Tarsons Products Limited (Formerly known as Tarsons Products Private Limited) on the standalone financial statements for the year ended March 31, 2021

Page 2 of 3

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

## **Meaning of Internal Financial Controls with reference to financial statements**

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

## **Inherent Limitations of Internal Financial Controls with reference to financial statements**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control 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.



# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditors' Report

Referred to in paragraph 14(f) of the Independent Auditors' Report of even date to the members of Tarsons Products Limited (Formerly known as Tarsons Products Private Limited) on the standalone financial statements for the year ended March 31, 2021

Page 3 of 3

## Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also refer paragraph 4 of our report.

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

**AMIT  
PESWANI**

Digitally signed by AMIT PESWANI  
Date: 2021.08.06 17:58:10 +05'30'

Amit Peswani  
Partner  
Membership Number :  
UDIN: 21501213AAAABV2698

Gurugram  
August 6, 2021

# **Price Waterhouse Chartered Accountants LLP**

## **Annexure B to Independent Auditors' Report**

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Tarsons Products Limited (Formerly known as Tarsons Products Private Limited) on the standalone financial statements as of and for the year ended March 31, 2021.

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of immovable properties, as disclosed in Note 3(a) on Property, Plant and Equipment to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory (excluding stocks with third parties) have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues in respect of income-tax, employees' state insurance and goods and service tax though there has been a slight delay in few cases, and is regular in depositing undisputed dues, including provident fund, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 35 to the financial statements regarding management's assessment on certain matters relating to provident fund.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax or goods and service tax which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer and further public offer (including debt instruments). In our opinion, and according to the information and explanations

# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Tarsons Products Limited (Formerly known as Tarsons Products Private Limited) on the standalone financial statements as of and for the year ended March 31, 2021.

Page 2 of 2

given to us, the moneys raised by way of term loans have been applied, on an overall basis, for the purposes for which they were obtained.

- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company. Also refer paragraph 15 of our main audit report.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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

**AMIT**

**PESWANI**

Digitally signed by AMIT  
PESWANI  
Date: 2021.08.06 18:00:36  
+05'30'

Amit Peswani  
Partner  
Membership Number  
UDIN: 21501213AAAABV2698

Gurugram  
August 6, 2021

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**
**Standalone Balance Sheet**
*(All amounts in Rupees millions, unless otherwise stated)*

Particulars	Notes	As at		
		31st March, 2021	31st March, 2020	1st April, 2019
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	3(a)	1,136.64	876.48	845.17
Right-of-use Assets	43	67.66	43.93	44.50
Capital Work-in-Progress	3(b)	215.00	192.93	65.56
Intangible assets under development	3(c)	5.83	-	-
Investment in subsidiaries	4	-	-	-
Financial Assets				
i. Other Financial Assets	5	30.58	22.01	24.62
Current Tax assets	6	24.39	18.12	10.45
Other Non-Current Assets	7	351.38	135.13	158.13
<b>Total Non-Current Assets</b>		<b>1,831.48</b>	<b>1,288.60</b>	<b>1,148.43</b>
<b>Current Assets</b>				
Inventories	8	466.97	487.28	464.47
Financial Assets				
i. Trade Receivables	9	470.37	381.99	445.88
ii. Cash and Cash Equivalents	10	23.32	253.11	5.07
iii. Bank Balances other than Cash and Cash Equivalents	11	8.13	9.41	4.37
iv. Other Financial Assets	5	0.39	0.15	0.20
Other Current Assets	12	158.84	66.52	51.16
<b>Total Current Assets</b>		<b>1,128.02</b>	<b>1,198.46</b>	<b>971.15</b>
<b>Total Assets</b>		<b>2,959.50</b>	<b>2,487.06</b>	<b>2,119.58</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	13	1.92	2.00	1.92
Other Equity	14	2,441.46	1,973.69	1,350.81
<b>Total Equity</b>		<b>2,443.38</b>	<b>1,975.69</b>	<b>1,352.73</b>
<b>LIABILITIES</b>				
<b>Non-Current Liabilities</b>				
Financial Liabilities				
i. Borrowings	15	32.74	58.97	186.93
ii. Lease Liabilities	43	0.44	0.27	0.26
iii. Other Financial Liabilities	17	0.53	0.53	0.63
Deferred Tax Liabilities (Net)	18	32.80	31.89	38.74
Other Non-Current Liabilities	20	31.62	15.31	-
<b>Total Non-Current Liabilities</b>		<b>98.13</b>	<b>106.97</b>	<b>226.56</b>
<b>Current Liabilities</b>				
Financial Liabilities				
i. Borrowings	15	230.77	187.55	363.43
ii. Lease Liabilities	43	0.03	0.02	0.02
iii. Trade Payables	16			
(A) Total Outstanding Dues to Micro Enterprises and Small Enterprises		3.33	-	-
(B) Total Outstanding Dues to Creditors other than Micro Enterprises and Small Enterprises		56.42	59.05	20.19
iv. Other Financial Liabilities	17	97.98	131.31	113.11
Provisions	19	15.31	11.14	8.13
Other Current Liabilities	20	14.15	15.33	21.90
Current tax liabilities	21	-	-	13.51
<b>Total Current Liabilities</b>		<b>417.99</b>	<b>404.40</b>	<b>540.29</b>
<b>Total Liabilities</b>		<b>516.12</b>	<b>511.37</b>	<b>766.85</b>
<b>Total Equity and Liabilities</b>		<b>2,959.50</b>	<b>2,487.06</b>	<b>2,119.58</b>
Significant Accounting Policies	2			

The accompanying notes are an integral part of these standalone financial statements

This is the Balance Sheet referred to in our report of even date.

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration No. 012754N/N500016

Chartered Accountants

**AMIT PESWANI**  
 Digitally signed by AMIT PESWANI  
 Date: 2021.08.06 16:58:22 +05'30'  
**NI**  
 Digitally signed by NI  
 Date: 2021.08.06 16:58:22 +05'30'  
 Partner  
 Membership No. 501213

Gurugram  
 6th August, 2021

**For and on behalf of the Board of Directors**

**Sanjive Sehgal**  
 Digitally signed by Sanjive Sehgal  
 Date: 2021.08.06 16:20:08 +05'30'  
 Sanjive Sehgal  
 Chairman & Managing Director  
 DIN: 00787232

Kolkata  
 6th August, 2021

**Rohan Sehgal**  
 Digitally signed by Rohan Sehgal  
 Date: 2021.08.06 16:21:26 +05'30'  
 Rohan Sehgal  
 Director  
 DIN: 06963013

**SANTOSH KUMAR AGARWAL**  
 Digitally signed by SANTOSH KUMAR AGARWAL  
 Date: 2021.08.06 16:13:05 +05'30'  
 Santosh Kumar Agarwal  
 Chief Financial Officer  
**Piyush Khater**  
 Digitally signed by Piyush Khater  
 Date: 2021.08.06 16:26:54 +05'30'  
 Piyush Khater  
 Company Secretary

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Standalone Statement of Profit and Loss***(All amounts in Rupees millions, unless otherwise stated)*

Particulars	Notes	For the year ended	
		31st March, 2021	31st March, 2020
Revenue from Operations	22	2,289.11	1,759.02
Other Income	23	53.80	41.52
<b>Total Income</b>		<b>2,342.91</b>	<b>1,800.54</b>
<b>Expenses</b>			
Cost of Materials Consumed	24	448.79	381.38
Purchases of Stock in Trade	25	115.03	118.41
Changes in Inventories of Finished Goods, Work-in-Progress, Traded Goods and Scrap	26	51.23	(13.05)
Employee Benefits Expenses	27	244.36	200.89
Finance Costs	28	27.22	61.03
Depreciation and Amortization Expenses	29	136.62	141.70
Other Expenses	30	395.32	378.85
<b>Total Expenses</b>		<b>1,418.57</b>	<b>1,269.21</b>
<b>Profit before tax</b>		<b>924.34</b>	<b>531.33</b>
Tax Expense:			
Current Tax	31	234.73	132.88
Deferred Tax	18	0.91	(6.86)
<b>Total Tax Expense</b>		<b>235.64</b>	<b>126.02</b>
<b>Profit for the Year</b>		<b>688.70</b>	<b>405.31</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified subsequently to Profit or Loss</b>			
- Remeasurements of post-employment benefit obligations		(1.36)	(3.13)
- Income Tax on above		0.34	0.79
<b>Other Comprehensive Income / (Loss), net of tax</b>		<b>(1.02)</b>	<b>(2.34)</b>
<b>Total Comprehensive Income for the Year</b>		<b>687.68</b>	<b>402.97</b>
<b>Earnings per equity share (Nominal value of Rs 2/share) (Refer Note 36)</b>			
Basic earning per share	36	13.43	7.94
Diluted earning per share	36	13.43	7.75

The accompanying notes are an integral part of these standalone financial statements

This is the Statement of Profit and Loss referred to in our report of even date.

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration No. 012754N/N500016

Chartered Accountants

**AMIT PESWANI**  
 Digitally signed by AMIT PESWANI  
 Date: 2021.08.06 16:59:45 +05'30'  
**Amit Peswani**

Partner  
 Membership No. 501213

Gurugram  
 6th August, 2021

**For and on behalf of the Board of Directors**

**Sanjive Sehgal**  
 Digitally signed by Sanjive Sehgal  
 Date: 2021.08.06 16:19:25 +05'30'  
 Sanjive Sehgal  
 Chairman &  
 Managing  
 Director  
 DIN: 00787232

Kolkata  
 6th August, 2021

**Rohan Sehgal**  
 Digitally signed by Rohan Sehgal  
 Date: 2021.08.06 16:22:13 +05'30'  
 Rohan Sehgal  
 Director  
 DIN: 06963013

**SANTOSH KUMAR AGARWAL**  
 Digitally signed by SANTOSH KUMAR AGARWAL  
 Date: 2021.08.06 16:13:37 +05'30'  
 Santosh Kumar Agarwal  
 Chief Financial Officer

**Piyush Khater**  
 Digitally signed by Piyush Khater  
 Date: 2021.08.06 16:27:47 +05'30'  
 Piyush Khater  
 Company Secretary

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Standalone Cash flow statement***(All amounts in Rupees millions, unless otherwise stated)*

Particulars	Notes	For the year ended	
		31st March, 2021	31st March, 2020
<b>Cash flow from operating activities</b>			
Profit before tax		924.34	531.33
Adjustments for:			
Depreciation Expense	29	136.62	141.70
Profit on Sale of Fixed Assets	23	(1.02)	(0.20)
Allowance for expected credit loss reversal	30	(0.95)	(7.53)
Provision for Doubtful Advances	30	0.67	-
Foreign Exchange Differences (Net)		0.00	11.73
Interest Income	23	(2.92)	(4.05)
Finance Cost	28	27.19	58.72
Interest on Lease Liability	28	0.03	0.03
Deferred Government Grant	23	(1.99)	(0.63)
<b>Operating cash flow before working capital changes</b>		<b>1081.97</b>	<b>731.10</b>
<b>Change [(increase)/ decrease] in operating assets</b>			
Trade Receivable		(87.43)	71.43
Inventories		20.31	(22.80)
Other Financial Assets		(6.97)	(1.90)
Other Assets		(92.99)	(15.36)
<b>Change [(increase)/ (decrease)] in operating liabilities</b>			
Trade Payable		0.70	38.87
Other Financial Liabilities		7.95	1.85
Other Liabilities		(4.04)	(7.62)
Provisions		2.81	(0.13)
<b>Cash generated from operations</b>		<b>922.31</b>	<b>795.44</b>
Less: Direct Taxes Paid		240.66	153.28
<b>Net cash generated from operating activities (A)</b>		<b>681.65</b>	<b>642.16</b>
<b>Cash flows from investing activities</b>			
Payment for purchase of Property, Plant & Equipments, intangible assets and ROU		(618.77)	(260.03)
Upfront payment towards lease arrangement		(24.38)	0.00
Proceeds from Sale of Property, Plant & Equipments		1.59	0.40
Fixed Deposits Realised (original maturity more than 3 months)		626.90	664.19
Fixed Deposits Placed (original maturity more than 3 months)		(626.92)	(664.04)
Interest Received		2.25	5.65
<b>Net cash used in investing activities (B)</b>		<b>(639.33)</b>	<b>(253.83)</b>
<b>Cash flows from financing activities</b>			
Proceeds from Long Term Borrowings		65.16	-
Repayment of Long Term Borrowings		(132.81)	(113.92)
Payment of lease liabilities (including interest)		(0.02)	(0.02)
Payment towards buyback of equity shares		(219.99)	0.00
Proceeds from Working Capital Demand Loan		1479.70	214.90
Payment of Working Capital Demand Loan		(1414.54)	(191.13)
Finance Cost Paid		(49.61)	(48.16)
<b>Net cash used in financing activities (C)</b>		<b>(272.11)</b>	<b>(138.33)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B +C)</b>		<b>(229.79)</b>	<b>250.00</b>
Cash and Cash Equivalents at the Beginning of the Year		253.11	5.07
Exchange difference on translation of foreign currency Cash and Cash Equivalent		-	(1.96)
<b>Cash and cash equivalents at end of the year</b>		<b>23.32</b>	<b>253.11</b>

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Standalone Cash flow statement***(All amounts in Rupees millions, unless otherwise stated)***Reconciliation of cash and cash equivalents as per the cash flow statement**

Cash and cash equivalents as per above comprise of the following

	31st March, 2021	31st March, 2020
Cash and cash equivalents		
Cash on hand	0.13	0.10
<b>Balances with banks -</b>		
In Current Accounts (in INR )	23.06	187.10
In Fixed Deposit Accounts (original maturity less than 3 months)	0.13	65.91
<b>Balances per statement of cash flows</b>	<b>23.32</b>	<b>253.11</b>

Notes:

- Figures in brackets represent cash outflows.
- The above cashflow statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows" as notified under the Companies (Accounts) Rules, 2015.
- Significant non-cash movement in investing and financing activities during the year include **Rs. 0.17 millions** (March 31, 2020: Rs. 21.99 millions) on account of acquisition of Right-of-Use Assets with corresponding adjustment to Lease Liabilities.

The accompanying notes are an integral part of these standalone financial statements

This is the Statement of Cash Flows referred to in our report of even date.

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration No. 012754N/N500016

Chartered Accountants

**AMIT PESWANI**Digitally signed by AMIT  
PESWANI  
Date: 2021.08.06 17:01:36  
+05'30'**Amit Peswani**

Partner

Membership No. 501213

Gurugram

6th August, 2021

**Sanjive  
Sehgal**Digitally signed by  
Sanjive Sehgal  
Date: 2021.08.06  
16:18:27 +05'30'Sanjive Sehgal  
Chairman & Managing  
Director  
DIN: 00787232

Kolkata

6th August, 2021

**For and on behalf of the Board of Directors****Rohan  
Sehgal**Digitally signed by  
Rohan Sehgal  
Date: 2021.08.06  
16:23:00 +05'30'Rohan Sehgal  
Director  
DIN: 06963013SANTOSH KUMAR  
AGARWALSantosh Kumar Agarwal  
Chief Financial Officer**Piyush  
Khater**Digitally signed by  
Piyush Khater  
Date: 2021.08.06  
16:28:40 +05'30'Piyush Khater  
Company Secretary

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**

**Standalone Statement of Changes in Equity**

(All amounts in Rupees millions, unless otherwise stated)

**A. Equity Share capital**

Particulars	Equity share capital	
	Number	Amount
<b>Balance as at 1st April 2019</b>	192,228	1.92
Changes in Equity Share Capital during the Year	8,013	0.08
<b>Balance as at 31st March 2020</b>	<b>200,241</b>	<b>2.00</b>
Changes in Equity Share Capital during the Year	(8,013)	(0.08)
<b>Balance as at 31st March 2021</b>	<b>192,228</b>	<b>1.92</b>

**B. Other Equity**

Particulars	Reserves and surplus				
	Securities premium reserve	Retained earnings	Amalgamation Reserve	Capital Redemption Reserve	Total
<b>Balance as at 1st April 2019</b>	<b>17.48</b>	<b>1,327.47</b>	<b>5.86</b>	-	<b>1,350.81</b>
Profit for the year	-	405.31	-	-	<b>405.31</b>
Other Comprehensive Income / (Loss), net of tax	-	(2.34)	-	-	<b>(2.34)</b>
Conversion of compulsory convertible debenture	219.91	-	-	-	<b>219.91</b>
<b>Balance as at 31st March 2020</b>	<b>237.39</b>	<b>1,730.44</b>	<b>5.86</b>	-	<b>1,973.69</b>
Transferred to Capital Redemption Reserve	(0.08)	-	-	0.08	-
Profit for the year	-	688.70	-	-	<b>688.70</b>
Other Comprehensive Income / (Loss), net of tax	-	(1.02)	-	-	<b>(1.02)</b>
<b>Transactions with owners in their capacity as owners:</b>					
Buy back of Equity Shares	(219.91)	-	-	-	<b>(219.91)</b>
<b>Balance as at 31st March 2021</b>	<b>17.40</b>	<b>2,418.12</b>	<b>5.86</b>	<b>0.08</b>	<b>2,441.46</b>

The accompanying notes are an integral part of these standalone financial statements

This is the Statement of Changes in Equity referred to in our report of even date.

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration No. 012754N/N500016

Chartered Accountants

**AMIT PESWANI**  
Digitally signed by AMIT PESWANI  
Date: 2021.08.06 17:03:26 +05'30'

**Amit Peswani**

Partner

Membership No. 501213

Gurugram  
6th August, 2021

**For and on behalf of the Board of Directors**

**Sanjive Sehgal**  
Digitally signed by Sanjive Sehgal  
Date: 2021.08.06 16:17:48 +05'30'

Sanjive Sehgal  
Chairman & Managing Director  
DIN: 00787232

Kolkata  
6th August, 2021

**Rohan Sehgal**  
Digitally signed by Rohan Sehgal  
Date: 2021.08.06 16:23:46 +05'30'

Rohan Sehgal  
Director  
DIN: 06963013

**SANTOSH KUMAR AGARWAL**  
Digitally signed by SANTOSH KUMAR AGARWAL  
Date: 2021.08.06 16:14:41 +05'30'

Santosh Kumar Agarwal  
Chief Financial Officer

**Piyush Khater**  
Digitally signed by Piyush Khater  
Date: 2021.08.06 16:29:40 +05'30'

Piyush Khater  
Company Secretary



**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**  
**Notes to the Standalone financial statements for the year ended 31st March, 2021**

**1. Corporate Information**

Tarsons Products Private Limited ("the Company" or "Tarsons") is a private limited company domiciled in India, with its registered office situated at Martin Burn Business Park, Plot -3, BP Block, Sector V, Bidhannagar, Kolkata, West Bengal 700091. The Company has been incorporated under the provisions of Companies Act. The Company is engaged in manufacturing and selling of plastic laboratory products and certain scientific instruments. The Company caters to both domestic and international markets. The Company has been converted into a public limited company subsequent to year end.

**2. Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**2.1 Basis of preparation**

***(i) Compliance with Ind AS***

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

The Company's standalone financial statements up to and for the year ended 31 March 2021 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the Company's first standalone financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 44.

The standalone financial statements were authorised for issue by the Company's Board of Directors on August 6, 2021.

***(ii) Functional and presentation currency***

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest rupee, unless otherwise indicated.

***(iii) Historical cost convention***

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- (a) certain financial assets and liabilities that is measured at fair value and
- (b) defined benefit plans – plan assets measured at fair value

***(iv) Use of estimates and judgements***

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

**Assumptions and estimation uncertainties**

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

The areas involving critical estimates or judgements are:

The areas involving critical estimates or judgements are:

- Estimated useful life of property, plant and equipment. – Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economy obsolescence that may change the utility of property, plant and equipment.
- Estimation of defined benefit obligation – Measurement of defined benefit obligation and related under plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality.
- Impairment of trade receivable: The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation.
- Determination of lease term - In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).
- The Company uses judgement in determining classification of Compulsorily Convertible Debenture as debt instrument. Management has considered all terms and conditions of the arrangements.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

**2.2 Property, plant and equipment**

***(i) Recognition and measurement***

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The assets' useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount.

**(ii) Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2019 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

**(iii) Depreciation**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written-down value method, and is generally recognised in the statement of profit and loss. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Useful Life
Building	30 to 60 Years
Plant and Machinery and mould	15 Years
Electricals Equipment and Fittings	10 Years
Computers	3 Years
Office Equipments	5 Years
Vehicles	8 Years

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

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The residual values are considered by the Management as per the limits specified in Part A of Schedule II of the Companies Act, 2013.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

**2.3 Capital Work in Progress**

Expenditure incurred on construction of assets which are not ready for their intended use are carried at cost less impairment (if any), under Capital work-in-progress. The cost includes the purchase cost of materials, including import duties and non-refundable taxes, interest on borrowings used to finance the construction of the asset and any directly attributable costs of bringing an assets ready for their intended use.

**2.4 Intangible Assets under development**

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

Development costs that are directly attributable to the design and testing of identifiable products controlled by the Company are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

The cost incurred by the Company in the development of an intangible asset is currently capitalised and disclosed under Intangible Asset under development.

**2.5 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 qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

## **2.6 Leases**

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the lease commencement date. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed lease payments.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company, where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received and makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Company entities use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date
- any initial direct costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

## **2.7 Financial assets**

### ***(i) Classification***

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

### ***(ii) Measurement***

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flow represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

***(iii) Derecognition***

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

***(iv) Dividend***

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

***(v) Offsetting***

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**2.8 Impairment**

***(a) Impairment of financial instruments***

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are measured at amortised cost. The Company does not have any financial assets which are carried at at fair value through profit or loss or at FVOCI. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets (i.e. cash and bank balances and other financial assets) , expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised, is recognised as an impairment gain or loss in the statement of profit and loss.

***(b) Impairment of non-financial assets***

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## **2.9 Measurement of fair values**

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

## **2.10 Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Cost is determined using the First-in-First out (FIFO) method in respect of Raw Materials. The cost comprises cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work in progress, incurred in bringing such inventories to their present location and condition.

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

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

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

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

## **2.11 Foreign Currency Translation**

### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences arising on foreign currency borrowings are presented in the statement of profit and loss. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income /(income).

## **2.12 Revenue Recognition**

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The Company recognizes revenue from the sale of goods measured at the price specified in the contract, net of returns and allowances, trade discounts and volume rebates. Such provisions give rise to variable consideration, and are estimated at contract inception and updated thereafter. Revenue from value added services, namely freight and shipping insurance, is recognised as and when services are rendered, as per the terms agreed with the customers. Shipping and handling expenses have been netted off while recognition of revenue.

- a. A refund liability is recognised for expected volume discounts payable for sales made till the end of the reporting period.
- b. If a customer pays consideration before the Company transfers goods or services to the customer, an advance from customers (contract liability) is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.
- c. The Company does not have any significant financing element included in the sales made.

## **2.13 Employee Benefits**

### ***(i) Short-term employee benefits***

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### ***(ii) Defined contribution plans***

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

***(iii) Defined benefit plans***

The Company provides for gratuity, a defined benefit retirement plan (“the Gratuity Plan”) covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment with the Company.

The liability or asset recognised in the balance sheet in respect of 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 calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

***(iv) Compensated absences***

The Company also has liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations 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 appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity 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.

**2.14 Income Tax**

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

***(i) Current Tax***

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

***(ii) Deferred Tax***

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**2.15 Provisions and Contingencies**

***(i) Provisions***

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management’s best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

***(ii) Contingencies***

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

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Contingent assets are not recognised but disclosed in the standalone standalone financial statements when an inflow of economic benefit is probable.

## **2.16 Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

## **2.17 Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are generally paid within 30 to 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## **2.18 Borrowings and other financial liabilities**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

## **2.19 Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with 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.

## **2.20 Earnings Per Share**

### **(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

### **(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

## **2.21 Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. Refer note 41 for details on segment information presented.

## **2.22 Government Grant**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income such as duty drawbacks and other export benefit entitlements are deferred and 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 (Export Promotion Capital Goods) 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.

**2.23 Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds

**2.24 Rounding off amounts**

All amounts disclosed in the standalone standalone financial statements and notes have been rounded off to the nearest million rupees as per the requirement of Schedule III, unless otherwise stated.

**2.25 New and amended standards adopted by the Company**

The Company has considered application of the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2020:

- Definition of Material – amendments to Ind AS 1 and Ind AS 8
- Definition of a Business – amendments to Ind AS 103
- COVID-19 related concessions – amendments to Ind AS 116
- Interest Rate Benchmark Reform – amendments to Ind AS 109 and Ind AS 107

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.



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**Notes to the Standalone standalone financial statements for the year ended 31st March, 2021**
*(All amounts in Rupees millions, unless otherwise stated)*
**3(a) Property, Plant and Equipment**

Description	Gross Carrying amount				Accumulated depreciation				Carrying amount (net)
	As at 1 April 2020	Additions	Deletions	As at 31 March 2021	As at 1 April 2020	For the Year	Deletions	As at 31 March 2021	As at 31 March 2021
Freehold Land	135.50	118.18	-	253.68	-	-	-	-	253.68
Buildings	159.62	1.50	-	161.12	13.63	14.58	-	28.21	132.91
Plant & Machinery	333.49	106.92	0.09	440.32	61.54	55.24	-	116.78	323.54
Moulds	364.31	160.90	-	525.21	62.71	58.82	-	121.53	403.68
Furniture & Fixtures	11.64	0.76	-	12.40	0.61	2.82	-	3.43	8.97
Office Equipments	2.11	0.31	-	2.42	1.04	0.27	-	1.31	1.11
Computer	1.36	1.73	-	3.09	0.53	0.74	-	1.27	1.82
Vehicles	9.59	6.39	0.47	15.51	1.08	3.50	-	4.58	10.93
<b>Total</b>	<b>1,017.62</b>	<b>396.69</b>	<b>0.56</b>	<b>1,413.75</b>	<b>141.14</b>	<b>135.97</b>	<b>-</b>	<b>277.11</b>	<b>1,136.64</b>

Description	Gross Carrying amount				Accumulated depreciation				Carrying amount (net)
	Deemed cost as at 1 April 2019	Additions	Deletions	As at 31 March 2020	As at 1 April 2019	For the Year	Deletions	As at 31 March 2020	As at 31 March 2020
Freehold Land	135.49	0.01	-	135.50	-	-	-	-	135.50
Buildings	142.37	17.25	-	159.62	-	13.63	-	13.63	145.99
Plant & Machinery	289.26	44.23	-	333.49	-	61.54	-	61.54	271.95
Moulds	270.52	93.79	-	364.31	-	62.71	-	62.71	301.60
Furniture & Fixtures	2.26	9.38	-	11.64	-	0.61	-	0.61	11.03
Office Equipments	0.94	1.17	-	2.11	-	1.04	-	1.04	1.07
Computer	1.07	0.29	-	1.36	-	0.53	-	0.53	0.83
Vehicles	3.26	6.53	0.20	9.59	-	1.08	-	1.08	8.51
						-			
<b>Total</b>	<b>845.17</b>	<b>172.66</b>	<b>0.20</b>	<b>1,017.62</b>	<b>-</b>	<b>141.14</b>	<b>-</b>	<b>141.14</b>	<b>876.48</b>

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Notes to the Standalone standalone financial statements for the year ended 31st March, 2021***(All amounts in Rupees millions, unless otherwise stated)***3(b) Capital work in progress**

Particulars	As at 31st March 2021	As at 31st March 2020
<i>Opening balance</i>	<b>192.93</b>	<b>65.56</b>
Add: Addition during the year	55.01	207.54
Add: Adjustment	-	-
Less: Transfer during the year	(32.94)	(80.17)
<b>Total</b>	<b>215.00</b>	<b>192.93</b>

**3(c) Intangible assets under development**

Particulars	As at 31st March 2021	As at 31st March 2020
<i>Opening balance</i>	-	-
Add: Addition during the year	5.83	-
Less: Transfer during the year	-	-
<b>Total</b>	<b>5.83</b>	<b>-</b>

**Note:**

1. Refer to Note 15 for information on Property, Plant & Equipment hypothecated as security by the Company.
2. Title deeds of all the immovable properties comprising of land and building which are freehold, are held in the name of the Company. In respect of leasehold land and self-constructed buildings on leasehold land, the land lease agreement is in the name of the Company, where the Company is the lessee in the agreement.
3. Aggregate amount of depreciation has been included under "Depreciation and Amortisation expense" in the Statement of Profit and Loss (Refer Note 29).
4. Refer Note 34 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipments.
5. In respect of the Company's land at Jangalpur on which the factory is located, the approval under the West Bengal Land Reforms Act, 1955, for conversion of use from agricultural to non agricultural purpose is yet to be received.

#### 4 Other Financial Assets

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Unquoted</b>			
Investments in equity instruments (valued at cost, unless stated otherwise)			
Investments in Equity Shares (refer note 38)			
INLABPRO Pte. Ltd 1 (31 March, 2020: Nil and 1 April 2019: Nil) Equity shares of USD 1 each	*	-	-
<b>Aggregate amount of unquoted investments</b>	<b>*</b>	<b>-</b>	<b>-</b>

\*represents amount less than Rs. 10,000

#### 5 Other Financial Assets

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Non-Current</b>			
Security Deposits	28.20	21.47	19.52
Long Term Deposits with Banks with Maturity Period More Than 12 Months*	2.38	0.55	5.11
<b>Total</b>	<b>30.58</b>	<b>22.01</b>	<b>24.62</b>

\*Held as margin money against Bank Guarantee & Borrowings

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Current</b>			
Loan to Employees	0.39	0.15	0.20
<b>Total</b>	<b>0.39</b>	<b>0.15</b>	<b>0.20</b>
<b>Total Other Financial Assets</b>	<b>30.97</b>	<b>22.16</b>	<b>24.83</b>

#### 6 Current Tax Assets

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Advance tax [Net of Provision of Rs. 958.43 million (31st March, 2020: Rs. 724.37 million, 1st April, 2019: NIL)]	24.39	18.12	10.45
<b>Total</b>	<b>24.39</b>	<b>18.12</b>	<b>10.45</b>

#### 7 Other Non-Current Assets

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Non-Current</b>			
Capital Advances	351.38	135.13	158.13
<b>Total</b>	<b>351.38</b>	<b>135.13</b>	<b>158.13</b>

#### 8 Inventories

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Raw Materials</b>	137.40	113.57	106.33
<b>Work-In-Progress</b>	7.06	4.54	1.78
<b>Finished Goods</b>	217.73	283.18	274.60
[including Goods-in-transit of Rs.7.70 millions (March 31, 2020: Nil, April 1, 2019: Nil)]			
<b>Stock in Trade</b>	85.67	73.67	71.95
<b>Packing Materials</b>	16.48	7.01	6.74
<b>Consumable Stores</b>	1.53	3.91	1.66
<b>Scrap</b>	1.10	1.40	1.41
<b>Total</b>	<b>466.97</b>	<b>487.28</b>	<b>464.47</b>

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

#### 9 Trade receivables

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Unsecured</b>			
Trade receivables	472.01	385.39	457.86
Less: Allowance for expected credit losses	(1.64)	(3.40)	(11.98)
<b>Total</b>	<b>470.37</b>	<b>381.99</b>	<b>445.88</b>

#### Note:

- There are no outstanding receivables due from directors or other officers of the Company.
- Refer Note 32 for information about credit risk and market risk on receivables.
- Refer Note 15 for information on trade receivable hypothecated as security by the Company

**Break up of security details**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Trade Receivables considered good - Secured	-	-	-
Trade Receivables considered good - Unsecured	472.01	385.39	457.86
Trade Receivables which have significant increase in Credit Risk	-	-	-
Trade Receivables - Credit Impaired	-	-	-
<b>Total</b>	<b>472.01</b>	<b>385.39</b>	<b>457.86</b>
Less: Allowance for expected credit losses	(1.64)	(3.40)	(11.98)
<b>Total</b>	<b>470.37</b>	<b>381.99</b>	<b>445.88</b>

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward- looking estimates. At regular intervals, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

**Movement in the expected credit loss allowance**

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	3.40	11.98
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(1.76)	(8.58)
<b>Provision at the end of the year</b>	<b>1.64</b>	<b>3.40</b>

**Expected credit loss for trade receivables under simplified approach**

Ageing	As at 31 March 2021	Expected Credit loss	Net credit risk
Not due	429.98	0.01	429.97
0-30 days	23.57	0.13	23.43
31-60 days	13.97	0.26	13.71
61-90 days	2.78	0.11	2.67
91 - 120 days	0.21	0.04	0.17
121 - 180 days	0.46	0.10	0.36
181 - 240 days	0.02	0.01	0.01
241 - 360 days	0.11	0.10	0.01
greater than 360 days	0.92	0.87	0.04
<b>Total</b>	<b>472.01</b>	<b>1.63</b>	<b>470.38</b>

Ageing	As at 31 March 2020	Expected Credit loss	Net credit risk
Not due	330.44	0.03	330.41
0-30 days	41.48	0.22	41.27
31-60 days	5.52	0.10	5.42
61-90 days	1.10	0.04	1.06
91 - 120 days	0.83	0.16	0.67
121 - 180 days	2.42	0.52	1.90
181 - 240 days	1.83	0.64	1.19
241 - 360 days	0.11	0.10	0.01
greater than 360 days	1.66	1.58	0.08
<b>Total</b>	<b>385.39</b>	<b>3.39</b>	<b>382.00</b>

Ageing	As at 1 April 2019	Expected Credit loss	Net credit risk
Not due	378.32	0.02	378.30
0-30 days	41.32	0.22	41.10
31-60 days	13.30	0.25	13.05
61-90 days	7.04	0.28	6.76
91 - 120 days	3.90	0.77	3.13
121 - 180 days	2.52	0.54	1.98
181 - 240 days	1.67	0.58	1.09
241 - 360 days	2.32	2.21	0.11
greater than 360 days	7.46	7.10	0.36
<b>Total</b>	<b>457.85</b>	<b>11.98</b>	<b>445.88</b>

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**10 Cash and cash equivalents**

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	<b>As at 1 April 2019</b>
Cash on hand	0.13	0.10	0.10
Balances with banks			
- in current accounts	23.06	187.10	4.97
- in term deposit accounts with maturity period not more than three months	0.13	65.91	-
<b>Total</b>	<b>23.32</b>	<b>253.11</b>	<b>5.07</b>

*There are no restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior periods.*

**11 Bank balances other than cash and cash equivalents**

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	<b>As at 1 April 2019</b>
Balances in term deposit accounts with maturity period of more than three months and not more than twelve months*	8.13	9.41	4.37
<b>Total</b>	<b>8.13</b>	<b>9.41</b>	<b>4.37</b>

\* Held as margin money against Bank Guarantee & Borrowings

**12 Other Current Assets**

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	<b>As at 1 April 2019</b>
Advance to Suppliers for Goods & Services	97.19	47.50	32.40
Prepaid Expenses	9.85	3.60	1.39
Other Advances	0.01	0.03	0.01
Prepaid CSR expenses	33.12	0.00	0.00
Export Benefit Receivable	18.66	14.62	15.30
Advance with public bodies	0.68	0.76	2.06
	<b>159.51</b>	<b>66.52</b>	<b>51.16</b>
Less: Provision for doubtful advances with public bodies	(0.67)	-	-
<b>Total</b>	<b>158.84</b>	<b>66.52</b>	<b>51.16</b>

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**13 Share capital**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Authorised share capital</b>			
1,150,000 (31 March, 2020 and 1 April 2019 : 1,150,000) Class A and Class B Equity Shares of Rs. 10 each	11.50	11.50	11.50
	11.50	11.50	11.50
<b>Issued, subscribed and paid-up share capital</b>			
192,228 (31 March, 2020 : 200,241 and 1 April 2019: 192,228) Class A Equity Shares of Rs. 10 each	1.92	1.92	1.92
Nil (31 March, 2020 : 8,013 and 1 April 2019: Nil) Class B Equity Shares of Rs. 10 each	-	0.08	-
<b>Total [A]</b>	<b>1.92</b>	<b>2.00</b>	<b>1.92</b>

Number of shares have been disclosed in absolute terms.

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

Particulars	As at 31st March 2021		As at 31st March 2020		As at 1st April 2019	
	Number	Amount	Number	Amount	Number	Amount
<b>Equity shares</b>						
At the commencement of the year	200,241.00	2.00	192,228.00	1.92	192,228.00	1.92
Conversion of Compulsory Convertible Shares into equity shares	-	-	8,013.00	0.08	-	-
Shares bought back	(8,013.00)	(0.08)	-	-	-	-
	<b>192,228.00</b>	<b>1.92</b>	<b>200,241.00</b>	<b>2.00</b>	<b>192,228.00</b>	<b>1.92</b>

**(b) Rights, Preferences and Restrictions**

**Equity Shares**

The company has two class of equity shares having a par value of Rs.10 per share. Class A shareholder is eligible for one vote per share held and Class B shareholder is not eligible for vote. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

'Class B' equity shares are issued and allotted to Clear Vision Investment Holding Pte. Limited on 18th March, 2020 pursuant to conversion of 2,200,000 Compulsorily Convertible Debentures with the condition that if the Company fails to complete a buyback within 30 days of serving the exercise notice, Clear Vision Investment Holding Pte Limited shall be entitled to exercise its voting right on such shares. Class B equity shares have been bought back by the Company subsequent during the year ended March 31, 2021

**(c) Particulars of shareholders holding more than 5% shares of Class A Equity Shares**

Name of the shareholder	As at 31 March 2021		As at 31st March 2020		As at 1st April 2019	
	Number of shares held	% holding	Number of shares held	% holding	Number of shares held	% holding
Rohan Sehgal	41,936	21.82	41,936	21.82	41,936	21.82
Sanjive Sehgal	56,101	29.18	56,101	29.18	23,601	12.28
S.K. Sehgal & Sons HUF	-	-	-	-	32,500	16.91
Clear Vision Investment Holdings Pte Limited	94,191	49.00	94,191	49.00	94,191	49.00
	<b>192,228</b>	<b>100.00</b>	<b>192,228</b>	<b>100.00</b>	<b>192,228</b>	<b>100.00</b>

**Particulars of shareholders holding more than 5% shares of Class B Equity Shares**

Name of the shareholder	As at 31 March 2021		As at 31st March 2020		As at 1st April 2019	
	Number of shares held	% holding	Number of shares held	% holding	Number of shares held	% holding
Clear Vision Investment Holdings Pte Limited	-	-	8,013	100.00	-	-
	<b>-</b>	<b>-</b>	<b>8,013</b>	<b>100.00</b>	<b>-</b>	<b>-</b>

(d) No equity shares were allotted as fully paid up by way of bonus shares or pursuant to contract(s) without payment being received in cash during the last five years as at the date of balance sheet

(e) The Company has bought back 8,013 Class B equity shares during the year ended March 31, 2021.

**14 Other Equity**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Securities premium	(i) 17.40	237.39	17.48
Amalgamation Reserve	(ii) 5.86	5.86	5.86
Capital Redemption Reserve	(iii) 0.08	-	-
Retained earnings	(iv) 2,418.12	1,730.44	1,327.47
<b>Total other equity</b>	<b>2,441.46</b>	<b>1,973.69</b>	<b>1,350.81</b>

**(i) Securities premium**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Opening balance</b>	237.39	17.48	17.48
Add: On conversion of Compulsorily Convertible Debenture	-	219.91	-
Less: Used in buy back of Equity Shares	(219.91)	-	-
Less: Transferred to Capital Redemption Reserve	(0.08)	-	-
	<b>17.40</b>	<b>237.39</b>	<b>17.48</b>

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(ii) **Amalgamation Reserve**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Amalgamation Reserve	5.86	5.86	5.86
<b>Closing balance</b>	<b>5.86</b>	<b>5.86</b>	<b>5.86</b>

(iii) **Capital Redemption Reserve**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Opening balance	-	-	-
Add: On buy back of equity shares	0.08	-	-
<b>Closing balance</b>	<b>0.08</b>	<b>-</b>	<b>-</b>

(iv) **Retained earnings**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Opening balance</b>	<b>1,730.44</b>	<b>1,327.47</b>	<b>1,327.47</b>
Add: Profit during the year	688.70	405.31	-
Add: Actuarial loss on remeasurement of defined benefit liability (net of tax)	(1.02)	(2.34)	-
<b>Closing balance</b>	<b>2,418.12</b>	<b>1,730.44</b>	<b>1,327.47</b>
<b>Total other equity</b>	<b>2,441.46</b>	<b>1,973.69</b>	<b>1,350.81</b>

**Nature and purpose of reserves**

(i) **Securities premium:**

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

(ii) **Amalgamation Reserve:**

Amalgamation reserve has been recorded by the Company to give effect to the scheme of amalgamation approved by Hon'ble High Court of Calcutta for amalgamation of G.R.Packsys Private Limited (Transferor Company) with the Company (Transferee Company) with effect from 1st April, 2012.

(iii) **Capital Redemption Reserve:**

Capital Redemption Reserve has arisen on buy back of equity shares pursuant to the provisions of the Companies Act, 2013. The capital redemption reserve account may be applied by the company, in paying up unissued shares of the company to be issued to members of the company as fully paid bonus shares.

(iv) **Retained earnings:**

The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading "Retained Earnings". At the end of the year, the profit after tax and Other comprehensive income is transferred from the statement of profit and loss to retained earnings. Other comprehensive income comprises actuarial gains and losses on defined benefit obligation.

**15 Borrowings**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Non-Current</b>			
<b>Secured</b>			
<b>Term Loans from:</b>			
<b>Banks</b>			
Rupee Loan	104.26	94.56	283.34
Less: Current Maturities of Long Term Secured Debts	(71.03)	(34.88)	(94.42)
	<b>33.23</b>	<b>59.68</b>	<b>188.92</b>
Foreign Currency Loan	-	77.43	-
Less: Current Maturities of Long Term Secured Debts	-	(77.18)	-
	<b>-</b>	<b>0.25</b>	<b>0.00</b>
<b>Others</b>			
Rupee Loan	-	0.50	0.84
Less: Current Maturities of Long Term Secured Debts	-	(0.38)	(0.34)
	<b>-</b>	<b>0.12</b>	<b>0.50</b>
<b>Total</b>	<b>33.23</b>	<b>60.05</b>	<b>189.42</b>
Interest accrued	0.49	1.08	2.49
<b>Total</b>	<b>32.74</b>	<b>58.97</b>	<b>186.93</b>

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Current</b>			
<b>Secured</b>			
Cash Credit Loan	60.05	7.53	132.87
Working Capital Loans repayable on Demand	170.71	-	-
Foreign Currency Loan	-	157.98	-
<b>Unsecured</b>			
Compulsorily Convertible Debentures (Refer Note A below)	-	22.03	230.56
Payable to shareholder for fractional shares	0.01	0.01	-
<b>Total</b>	<b>230.77</b>	<b>187.55</b>	<b>363.43</b>

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**Note:**

**A Terms of conversion of Compulsorily Convertible Debentures**

The Company has issued 2,200,000 Compulsorily Convertible Debentures (CCDs) of Rs.100 each on 26th July 2018. These CCDs are convertible into equity shares on any date within 3 years from the date of allotment of CCDs. Conversion price shall be higher of Rs.13,733.69 or the fair market value at the time of conversion into equity shares. These CCDs carries an accrued interest payable from commencement date of issuance of CCDs until conversion date such that the CCD holder receives an IRR of 13.5% on purchase subscription price including annual interest of 7% per annum, payable on a half yearly basis. These CCDs carry certain options with regard to its conversion and consequent buy-back under the Options Agreement entered into between the Company, Promoters and Clear Vision Holding Pte. Ltd. on July 5, 2018.

The conversion options in the CCDs presents an anti-dilutive feature, which is an embedded derivative and qualifies for separate recognition. The value of such anti-dilutive feature is insignificant and hence not recorded separately in the financial statements.

The company has converted these CCDs into 8,013 equity shares of Rs. 10 each at a conversion price of Rs. 27,454 based on valuation report obtained from an independent firm of chartered accountants on 18th March, 2020. The shares were bought back during the year ended March 31, 2021

**B Net debt reconciliation**

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented:

Particulars	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Cash and cash equivalents	23.32	253.11	5.07
Current borrowings	(230.77)	(187.55)	(363.43)
Non-current borrowings	(104.26)	(172.48)	(284.18)
Lease liabilities	(0.47)	(0.29)	(0.28)
<b>Net debt</b>	<b>(312.18)</b>	<b>(107.20)</b>	<b>(642.83)</b>

  

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Non-current borrowings and Current borrowings	Lease liabilities	
<b>Net debt as at 01 April 2019</b>	5.07	(647.62)	(0.28)	(642.83)
Cash flows	250.00	90.15	0.02	340.17
Foreign exchange adjustments	(1.96)	(12.00)	-	(13.96)
Conversion of Compulsorily Convertible Debentures into equity shares	-	219.99	-	219.99
Interest expense	-	(58.72)	(0.03)	(58.75)
Interest paid	-	48.16	-	48.16
<b>Net debt as at 31 March 2020</b>	<b>253.11</b>	<b>(360.04)</b>	<b>(0.30)</b>	<b>(107.23)</b>
Cash flows	(229.79)	2.48	0.02	(227.28)
Foreign exchange adjustments	0.00	-	-	0.00
New leases	-	-	(0.17)	(0.17)
Interest expense	-	(27.19)	(0.03)	(27.22)
Interest paid	-	49.61	-	49.61
<b>Net debt as at 31 March 2021</b>	<b>23.31</b>	<b>(335.14)</b>	<b>(0.48)</b>	<b>(312.30)</b>

**C Repayment schedule of borrowings and assets pledged as security**

Name of Bank/ Financial Institution	Loan Amount	Repayment Schedule	No of Installments	Interest Rate	Installment Amount	Security
HDFC Bank - Term loan -2	Rs. 7.29 millions (31st March, 2020: Rs.11.46 millions, 1st April, 2019: Rs.15.62 millions)	Quarterly	Total - 24 (Outstanding 7)	1Y MCLR + 130bps	Equal amount of principal installments - Rs. 1.04 millions	Term loan from banks are secured by way of first pari passu hypothecation charge created over the:
HDFC Bank - Term loan -3	Rs. Nil (31st March, 2020: Rs.4.17 millions 1st April, 2019: Rs.9.72 millions )	Quarterly	Total - 18 (Outstanding Nil)	1Y MCLR + 130bps	(i) Equal amount of principal installments - Rs. 1.39 millions	
HDFC Bank - Term loan-4	Rs. 10.00 millions (31st March, 2020: Rs.15.00 millions, 1st April, 2019: Rs.20.00 millions )	Quarterly	Total - 20 (Outstanding 8)	1Y MCLR + 130bps	Equal amount of principal installments - Rs 1.25 millions	
HDFC Bank - Term loan -5	Rs. 7.96 millions (31st March, 2020: Rs.12.50 millions 1st April, 2019: Rs.17.05 millions)	Quarterly	Total - 22 (Outstanding 7)	1Y MCLR + 130bps	Equal amount of principal installments - Rs 1.14 millions	
HDFC Bank - Term loan-6	Rs. 16.00 millions (31st March, 2020: Rs.24.00 millions 1st April, 2019: Rs.32.00 millions )	Quarterly	Total - 20 (Outstanding 8)	1Y MCLR + 130bps	Equal amount of principal installments - Rs 2.00 millions	(i) Entire current assets and movable fixed assets of the Company, both present and future, except exclusively financed by other Banks/Financial Institutions.
HDFC Bank - Term loan-7	Rs. 4.00 millions (31st March, 2020: Rs.6.00 millions, 1st April, 2019: Rs.8.00 millions)	Quarterly	Total - 20 (Outstanding 8)	1Y MCLR + 130bps	Equal amount of principal installments - Rs 0.50 millions	(ii) Factory land and buildings at Domjur,



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HDFC Bank - Term loan-8	Rs. 4.00 millions (31st March, 2020: Rs. 6.00 millions, 1st April, 2019: Rs. 8.00 millions)	Quarterly	Total - 20 (Outstanding 8)	1Y MCLR + 130bps	Equal amount of principal installments - Rs 0.50 millions	Kasba, Sankrail and Office Building at Jasmine Tower, Kolkata.  Term loan from bank is also secured by way of lien over Fixed Deposits of Rs 2.0 million each with HDFC Bank and Axis Bank and personal guarantee of Mr. Sanjive Sehgal and Mr. Rohan Sehgal.
HDFC Bank - Term loan-9	Rs. 10.00 millions (31st March, 2020: Rs.15.00 millions, 1st April, 2019: Rs.20.00 millions )	Quarterly	Total - 20 (Outstanding 8)	1Y MCLR + 130bps	Equal amount of principal installments - Rs 1.25 millions	
*Axis Bank Foreign Currency Term Loan-1	Rs. Nil (31st March, 2020: Rs.76.55 millions, 1st April, 2019:Rs. Nil)	Quarterly	Total - 3 (Outstanding Nil)	6M LIBOR+344bps	(i) Equal amount of principal installments - USD 0.93 millions (ii) Last amount of principal installment USD 0.83 millions	
*Axis Bank Foreign Currency Term Loan-2	Rs. Nil (31st March, 2020: Rs.0.63 millions, 1st April, 2019: Rs.Nil)	Quarterly	Total - 1 (Outstanding Nil)	6M LIBOR+344bps	Last amount of principal installment - USD 0.01 millions	
Axis Bank Term Loan-3	Rs. 39.30 millions (31st March, 2020: Rs. Nil, 1st April, 2019: Rs. Nil)	Quarterly	Total - 7 (Outstanding 4)	1Y MCLR + .35%	(i) Equal amount of principal installments - Rs.6.72 millions, (ii) Last amount of principal installment Rs. 19.14 millions	
Toyoto Financial Services India Private Limited - Vehicle Loan	Rs. Nil (31st March, 2020: Rs.0.50 millions, 1st April 2019: Rs.0.84 millions)	Monthly	Total - 60 (Outstanding Nil)	9.29%	Equated Monthly Installments (EMI) - Rs 0.03 millions	Secured against hypothecation of vehicles.
HDFC Car Loan	Rs. 5.23 millions (31st March, 2020: Rs.Nil, 1st April, 2019: Rs.Nil)	Monthly	Total - 60 (Outstanding 54)	7.50%	Equated Monthly Installments (EMI) - Rs 0.11 millions	Secured against hypothecation of vehicles.

Cash Credit and Demand Loans facilities are secured by way of pari passu first hypothecation charge created over the:

(i) Entire current assets and movable fixed assets of the Company, both present and future, except exclusively financed by other Banks/Financial Institutions.

(ii) Factory land and buildings at Domjur, Kasba, Sankrail and Office Building at Jasmine Tower, Kolkata.

The above facilities are also secured by way of lien over Fixed Deposits of Rs 4,000,000 and personal guarantee of Mr. Sanjive Sehgal and Mr. Rohan Sehgal.

**16 Trade Payables**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Current</b>			
Total outstanding dues of micro enterprises and small enterprises*	3.33	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	56.42	59.05	20.19
<b>Total trade payables</b>	<b>59.75</b>	<b>59.05</b>	<b>20.19</b>

\*Refer Note 40

(i) There are no trade payable to related parties.

**17 Other Financial Liabilities**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Non-Current</b>			
Security deposit	0.53	0.53	0.63
<b>Total</b>	<b>0.53</b>	<b>0.53</b>	<b>0.63</b>
<b>Current</b>			
Current Maturities of Long Term Secured Debts	71.03	112.43	94.76
Capital creditors	4.09	3.36	1.45
Interest Accrued on Borrowings	0.49	1.08	2.49
Payable to employees	22.37	14.44	14.41
<b>Total</b>	<b>97.98</b>	<b>131.31</b>	<b>113.11</b>
<b>Total other financial liabilities</b>	<b>98.51</b>	<b>131.84</b>	<b>113.73</b>

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**  
**Notes to the Standalone standalone financial statements for the year ended 31st March, 2021**  
*(All amounts in Rupees millions, unless otherwise stated)*

**18 Deferred Tax Liabilities**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Deferred tax liabilities</b>			
Property plant & Equipment	36.16	33.99	42.15
Right of use asset	0.14	0.09	-
Borrowings	0.29	0.81	0.70
<b>Total deferred tax liabilities</b>	<b>36.59</b>	<b>34.89</b>	<b>42.85</b>
<b>Deferred tax assets</b>			
Lease liabilities	0.12	0.07	-
Trade Receivables	0.88	1.33	3.49
Provision for Gratuity	2.79	1.60	0.62
<b>Total deferred tax assets</b>	<b>3.79</b>	<b>3.00</b>	<b>4.11</b>
<b>Net deferred tax liabilities/ (Asset)</b>	<b>32.80</b>	<b>31.89</b>	<b>38.74</b>

**Deferred tax assets/liabilities:**

Movement of deferred tax assets / liabilities presented in the balance sheet

For the year ended 31 March 2021	As at April 1, 2020	Recognised in profit or loss	Recognised in OCI	As at 31 March 2021
<b>Deferred tax liability on:</b>				
Property plant & Equipment	33.99	2.17	-	36.16
Right of use asset	0.09	0.05	-	0.14
Borrowing	0.81	(0.52)	-	0.29
<b>Gross deferred tax liabilities</b>	<b>34.89</b>	<b>1.70</b>	<b>-</b>	<b>36.59</b>
<b>Deferred tax assets on:</b>				
Lease liabilities	0.07	0.05	-	0.12
Trade Receivables	1.33	(0.44)	-	0.88
Provision for Gratuity	1.60	1.18	0.34	2.79
<b>Gross deferred tax assets</b>	<b>3.00</b>	<b>0.79</b>	<b>0.34</b>	<b>3.79</b>
<b>Net deferred tax liabilities/ (assets)</b>	<b>31.89</b>	<b>0.91</b>	<b>(0.34)</b>	<b>32.80</b>

For the year ended 31 March 2020	As at 1 April 2019	Recognised in profit or loss	Recognised in OCI	As at 31 March 2020
<b>Deferred tax liability on:</b>				
Property plant & Equipment	42.15	(8.16)	-	33.99
Right of use asset	-	0.09	-	0.09
Borrowings	0.70	0.10	-	0.81
<b>Gross deferred tax liabilities</b>	<b>42.85</b>	<b>(7.97)</b>	<b>-</b>	<b>34.89</b>
<b>Deferred tax assets on:</b>				
Lease liabilities	-	0.07	-	0.07
Trade Receivables	3.49	(2.16)	-	1.33
Provision for Gratuity	0.62	0.98	0.79	1.60
<b>Gross deferred tax assets</b>	<b>4.11</b>	<b>(1.11)</b>	<b>0.79</b>	<b>3.00</b>
<b>Net deferred tax liabilities/ (assets)</b>	<b>38.74</b>	<b>(6.86)</b>	<b>(0.79)</b>	<b>31.89</b>

**19 Provisions**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Current</b>			
<b>Provision for employee benefits</b>			
Employee benefit obligation*	11.07	7.68	5.17
Provisions for compensated absences	4.24	3.46	2.96
<b>Total</b>	<b>15.31</b>	<b>11.14</b>	<b>8.13</b>

\*Refer Note 32

**20 Other Liabilities**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Non-Current</b>			
Deferred Government Grant	31.62	15.31	-
<b>Total</b>	<b>31.62</b>	<b>15.31</b>	<b>-</b>
<b>Current</b>			
Statutory Dues including Provident Fund and Tax Deducted	7.76	10.93	21.30
Advances from Customers (Contract liabilities)	2.46	3.34	0.60
Deferred Government Grant	3.93	1.06	-
<b>Total</b>	<b>14.15</b>	<b>15.33</b>	<b>21.90</b>
<b>Total other liabilities</b>	<b>45.77</b>	<b>30.64</b>	<b>21.90</b>

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Notes to the Standalone standalone financial statements for the year ended 31st March, 2021***(All amounts in Rupees millions, unless otherwise stated)***21 Current Tax Liabilities**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<i>Current</i>			
Provision for Income Tax [Net of Tax Deducted At Source and Advance Tax Rs. 24.39 millions (31st March 2020: Rs. 18.12 millions, April 1, 2019: Rs. 588.81 millions)]	-	-	13.51
<b>Total</b>	<b>-</b>	<b>-</b>	<b>13.51</b>

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Notes to the Standalone standalone financial statements for the year ended 31st March, 2021***(All amounts in Rupees millions, unless otherwise stated)***22 Revenue from operations**

Particulars	For the year ended	
	31st March, 2021	31st March, 2020
Sale of Products	2,279.09	1,749.80
<b>Other Operating Revenues:</b>		
Sale of Scrap	10.02	9.22
	<b>2,289.11</b>	<b>1,759.02</b>

**Particulars of sale of products**

Particulars	For the year ended	
	31st March, 2021	31st March, 2020
<b>Manufactured Goods</b>		
- Plastic Products	2,007.34	1,499.90
- Instruments & Equipments	78.15	49.27
	<b>2,085.49</b>	<b>1,549.17</b>
<b>Traded Goods</b>		
- Plastic Products	149.00	166.66
- Instruments & Equipments	44.59	33.98
	<b>193.59</b>	<b>200.64</b>
	<b>2,279.08</b>	<b>1,749.81</b>

**Notes:**

1. Refer Note 41 for disaggregation of revenue by geographical region.
2. The contract liabilities of Rs. 3.34 millions (31st March 2020: Rs. 0.60 millions) are recognised as revenue during the year.
3. Revenue recognised from sale of goods represents contract price with customer and did not include any adjustment to the contracted price.

**23 Other Income**

Particulars	For the year ended	
	31st March, 2021	31st March, 2020
Foreign Exchange Fluctuation (Net)	21.06	15.43
Interest Income on Financial Assets at Amortised Cost	2.92	4.05
Profit on Sale of Fixed Assets	1.02	0.20
Export Benefit Entitlements	24.06	20.59
Miscellaneous Income	4.74	1.25
	<b>53.80</b>	<b>41.52</b>

**24 Cost of Materials Consumed**

Particulars	For the year ended	
	31st March, 2021	31st March, 2020
<b>Plastic Granules</b>		
Inventories at the beginning of the year	113.57	106.33
Add: Purchases during the year	472.62	388.62
Less: Inventories at the end of the year	(137.40)	(113.57)
	<b>448.79</b>	<b>381.38</b>

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Notes to the Standalone standalone financial statements for the year ended 31st March, 2021***(All amounts in Rupees millions, unless otherwise stated)***25 Purchases of Stock in Trade**

Particulars	For the year ended	
	31st March, 2021	31st March, 2020
Plastic Products and Instruments	115.03	118.41
	<b>115.03</b>	<b>118.41</b>

**26 Changes in Inventories of Finished Goods, Work-in-Progress, Traded Goods and Scrap**

Particulars	For the year ended	
	31st March, 2021	31st March, 2020
Inventories at the Beginning of the Year		
Finished goods	283.18	274.60
Work-in-progress	4.54	1.78
Stock in Trade	73.67	71.95
Scrap	1.40	1.41
<b>Total (A)</b>	<b>362.79</b>	<b>349.74</b>
Inventories at the End of the Year		
Finished goods	217.73	283.18
[including Goods-in-transit of Rs.7.70 millions (March 31, 2020: Nil, April 1, 2019: Nil)]		
Work-in-progress	7.06	4.54
Stock in Trade	85.67	73.67
Scrap	1.10	1.40
<b>Total (B)</b>	<b>311.56</b>	<b>362.79</b>
<b>(Increase) / Decrease in Inventories (A-B)</b>	<b>51.23</b>	<b>(13.05)</b>

**27 Employee benefit expense**

Particulars	For the year ended	
	31st March, 2021	31st March, 2020
Salaries, Wages and Bonus etc.	229.15	188.75
Contribution to Provident and Other Funds	14.25	11.53
Staff Welfare Expenses	0.96	0.61
	<b>244.36</b>	<b>200.89</b>

**28 Finance costs**

Particulars	For the year ended	
	31st March, 2021	31st March, 2020
(a) Interest Expenses		
i) On Borrowings	26.92	57.50
ii) On Others	0.26	0.18
(b) Other Borrowing Costs	0.01	1.04
(c) Interest on lease liabilities	0.03	0.03
(d) Applicable net loss on foreign currency transactions and translation	-	2.28
	<b>27.22</b>	<b>61.03</b>

**29 Depreciation and amortisation expense**

Particulars	For the year ended	
	31st March, 2021	31st March, 2020
Depreciation on property, plant and equipment	135.97	141.13
Depreciation on Right-of-use assets	0.65	0.57
	<b>136.62</b>	<b>141.70</b>

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Notes to the Standalone standalone financial statements for the year ended 31st March, 2021***(All amounts in Rupees millions, unless otherwise stated)***30 Other expenses**

Particulars	For the year ended	
	31st March, 2021	31st March, 2020
Consumption of Packing Materials	112.19	92.03
Consumption of Consumable Stores	15.56	6.80
Assembly and Sterilisation Charges	29.67	27.15
Power and Fuel	73.11	60.86
Freight & Forwarding	40.12	38.48
Sales Promotion Expenses	20.70	40.43
Auditors' Remuneration [Refer Note 30(a)]	1.46	1.71
Insurance	9.44	9.51
Rent	1.79	2.25
Rates and Taxes	1.51	6.19
Repairs		
To Plant & Machinery	27.64	22.00
To Moulds	2.14	9.41
To Buildings	9.04	6.00
To Others	3.45	1.53
Travelling and Conveyance	6.19	26.01
Donation	1.08	0.62
Professional Fees	10.26	10.45
Provision for doubtful advances	0.67	-
Expenditure Towards CSR Activities (Refer Note 42)	9.78	8.76
Allowance for Expected Credit Loss (net)	(1.76)	(8.58)
Miscellaneous Expenses	21.28	17.24
	<b>395.32</b>	<b>378.85</b>

**30 (a) Remuneration to auditors**

	31st March, 2021	31st March, 2020
Statutory Audit Fees	1.40	1.20
Tax Audit Fees	-	-
Other Services	-	0.45
Out of Pocket Expenses	0.06	0.06
	<b>1.46</b>	<b>1.71</b>

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Notes to the Standalone standalone financial statements for the year ended 31st March, 2021***(All amounts in Rupees millions, unless otherwise stated)***31 Income tax expense****A. Income tax recognised in profit or loss statement**

Particulars	For the year ended	
	31st March, 2021	31st March, 2020
<b>Current tax</b>		
In respect of Current period	234.73	133.28
Add: Income Tax For earlier years	-	(0.40)
<b>Deferred tax</b>		
In respect of Current period	0.91	(6.86)
<b>Income tax expense reported in the statement of Profit and Loss</b>	<b>235.64</b>	<b>126.02</b>

**B. Income tax recognised in other comprehensive income**

Particulars	For the year ended	
	31st March, 2021	31st March, 2020
Income tax on remeasurement of the net defined benefit liability/asset	(0.34)	(0.79)
	<b>(0.34)</b>	<b>(0.79)</b>

**C. Reconciliation of effective tax rate**

Particulars	For the year ended	
	31st March, 2021	31st March, 2020
Profit before income tax expense	924.34	531.33
Tax at Indian tax rate of 25.168% (31 March 2020 : 25.168%)	232.64	133.73
Tax effects of amounts which are not deductible (taxable) in calculating taxable income:		
Others	2.80	1.20
Effect of change in rate in deferred tax	0.20	(2.87)
Adjustments for current tax of prior periods	-	(5.64)
Income tax expense	-	(0.40)
	<b>235.64</b>	<b>126.02</b>

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Notes to the Standalone standalone financial statements for the year ended 31st March, 2021***(All amounts in Rupees millions, unless otherwise stated)***32 Financial instruments - Fair values and risk management****A Accounting classifications and fair values**

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the

**As at 31 March 2021**

Particulars	Carrying value			Total carrying amount
	FVTPL	FVOCI	Amortised costs	
<b>Financial assets</b>				
Trade receivables	-	-	470.37	<b>470.37</b>
Cash and cash equivalents	-	-	23.32	<b>23.32</b>
Other bank balances	-	-	8.13	<b>8.13</b>
Other financial assets	-	-	30.97	<b>30.97</b>
	-	-	<b>532.80</b>	<b>532.80</b>
<b>Financial liabilities</b>				
Borrowings	-	-	264.00	<b>264.00</b>
Trade payables	-	-	59.75	<b>59.75</b>
Other financial liabilities	-	-	98.51	<b>98.51</b>
	-	-	<b>422.73</b>	<b>422.73</b>

**As at 31 March 2020**

Particulars	Carrying value			Total carrying amount
	FVTPL	FVOCI	Amortised costs	
<b>Financial assets</b>				
Trade receivables	-	-	381.99	<b>381.99</b>
Cash and cash equivalents	-	-	253.11	<b>253.11</b>
Other bank balances	-	-	9.41	<b>9.41</b>
Other financial assets	-	-	22.16	<b>22.16</b>
	-	-	<b>666.67</b>	<b>666.67</b>
<b>Financial liabilities</b>				
Borrowings	-	-	247.59	<b>247.59</b>
Trade payables	-	-	59.05	<b>59.05</b>
Other financial liabilities	-	-	131.84	<b>131.84</b>
	-	-	<b>438.77</b>	<b>438.77</b>



**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Notes to the Standalone standalone financial statements for the year ended 31st March, 2021***(All amounts in Rupees millions, unless otherwise stated)***As at 1 April 2019**

Particulars	Carrying value			Total carrying amount
	FVTPL	FVOCI	Amortised costs	
<b>Financial assets</b>				
Trade receivables	-	-	445.88	<b>445.88</b>
Cash and cash equivalents	-	-	5.07	<b>5.07</b>
Other bank balances	-	-	4.37	<b>4.37</b>
Other financial assets	-	-	24.83	<b>24.83</b>
	-	-	<b>480.15</b>	<b>480.15</b>
<b>Financial liabilities</b>				
Borrowings	-	-	552.85	<b>552.85</b>
Trade payables	-	-	20.19	<b>20.19</b>
Other financial liabilities	-	-	113.73	<b>113.73</b>
	-	-	<b>687.04</b>	<b>687.04</b>

The company has not separately disclosed the fair values for financial assets and liabilities because their carrying amounts are a reasonable approximation of the fair values.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as on 31st March 2021:

	Fair value			Total
	Level 1	Level 2	Level 3	
Borrowings	-	-	79.55	79.55
	-	-	79.55	79.55

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as on 31st March 2020:

	Fair value			Total
	Level 1	Level 2	Level 3	
Borrowings	-	-	131.85	131.85
	-	-	<b>131.85</b>	<b>131.85</b>

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as on 1st April 2019:

	Fair value			Total
	Level 1	Level 2	Level 3	
Borrowings	-	-	169.55	169.55
	-	-	<b>169.55</b>	<b>169.55</b>

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**

**Notes to the Standalone standalone financial statements for the year ended 31st March, 2021**

*(All amounts in Rupees millions, unless otherwise stated)*

**B Measurement of fair values**

Valuation technique used to determine fair values:

Discounted cash flow valuation technique has been used to value financial instruments.

**C Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk(C)(ii) ;
- Liquidity risk(C)(iii) ; and
- Market risk (C)(iv)

**i. Risk management framework**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors are in the process of establishing the risk management committee, which will be responsible for developing and monitoring the Company's risk management policies. The committee will report to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

**ii. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to customers, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

**Trade receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The Company assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due (refer Note 8).

None of the customer accounted for more than 10% of the receivable as at 31st March 2021, 31st March 2020 and 1st April 2019.

**Cash and cash equivalents and Security deposits**

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies. The Company periodically monitors the recoverability and credit risks of its other financial assets including security deposits. The Company evaluates 12-month expected credit losses for all the financial assets and the risk assessed is insignificant for the Company.

**32 Financial instruments – Fair values and risk management (continued)**

**iii. Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are cash and cash equivalents, and the cash flow that is generated from operations. The Company has managed its liquidity and working capital requirements through cash generated from operations and through intermittent short term and long term borrowings.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows.

<b>31 March 2021</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>More than 2 years</b>
Borrowings	308.87	31.44	3.43
Trade payables	59.74	-	-
Lease liabilities	0.03	0.03	23.53
Other financial liabilities	97.98	-	0.53
	<b>466.62</b>	<b>31.47</b>	<b>27.49</b>

<b>31 March 2020</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>More than 2 years</b>
Borrowings	303.70	35.75	30.14
Trade payables	59.05	-	-
Lease liabilities	0.02	0.03	23.56
Other financial liabilities	131.31	-	0.53
	<b>494.08</b>	<b>35.78</b>	<b>54.23</b>

<b>1st April 2019</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>More than 2 years</b>
Borrowings	491.55	81.82	146.34
Trade payables	34.61	-	-
Lease liabilities	0.02	0.02	23.59
Other financial liabilities	113.11	-	0.63
	<b>639.29</b>	<b>81.84</b>	<b>170.56</b>

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	<b>As at 1 April 2019</b>
-Expiring within one year (other facilities)	189.19	252.55	284.72
-Non fund based	9.20	9.70	9.70
-Expiring beyond one year (bank loans)	-	-	-

Borrowing facilities are renewable on year to year basis.

**iv. Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency risk. Financial instruments affected by market risk includes trade receivable/payable, other financial assets and liabilities. The Company is not exposed to any significant market risks.

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Notes to the Standalone standalone financial statements for the year ended 31st March, 2021***(All amounts in Rupees millions, unless otherwise stated)***Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of change in market interest rates relates primarily to its debt interest obligations. It's borrowings are at floating rates and its future cash flows will fluctuate because of changes in market interest rates.

**Interest Rate Risk Exposure**

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	As at	As at	As at
	31 March 2021	31 March 2020	1 April 2019
Variable rate borrowings	329.78	337.50	416.21

**Sensitivity****Analysis**

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates:

Particulars	For the year ended	
	31 March 2021	31 March 2020
Interest Rates - Increase by 50 basis points (50 bps) *	1.65	1.69
Interest Rates - Decrease by 50 basis points (50 bps) *	(1.65)	(1.69)

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Notes to the Standalone standalone financial statements for the year ended 31st March, 2021***(All amounts in Rupees millions, unless otherwise stated)***Currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company operates in international markets and therefore is exposed to foreign currency risk arising from foreign currency transactions. The exposure relates primarily to the Company's operating activities (when the revenue or expense is denominated in foreign currency) and borrowings in foreign currencies, if any. The foreign exchange loss is recognised in statement of profit and loss. The Company enters into various foreign exchange contracts to mitigate the risk arising out of foreign currency exchange rate movement in foreign currency contracts.

**The Company's exposure to foreign currency risk at the end of the reporting period:**

Particulars	As at 31 March 2021			As at 31 March 2020			As at 1 April 2019		
	INR Equivalent of			INR Equivalent of			INR Equivalent of		
	USD	EURO	CNY	USD	EURO	CNY	USD	EURO	CNY
Trade Receivables	139.38	34.02	-	64.32	24.94	-	100.41	38.83	-
Cash & Cash Equivalents	10.69	9.30	-	3.94	-	0.01	-	-	-
	<b>150.07</b>	<b>9.30</b>	<b>-</b>	<b>68.26</b>	<b>24.94</b>	<b>0.01</b>	<b>100.41</b>	<b>38.83</b>	<b>-</b>
Trade Payables	12.98	1.14	-	19.05	0.05	-	8.83	1.73	-
Borrowings	-	-	-	235.45	-	-	-	-	-
	<b>12.98</b>	<b>1.14</b>	<b>-</b>	<b>254.50</b>	<b>0.05</b>	<b>-</b>	<b>8.83</b>	<b>1.73</b>	<b>-</b>

**Sensitivity Analysis**

The sensitivity of profit or loss to changes in the exchange rates:

Particulars	For the year ended	
	31 March 2021	31 March 2020
<b>USD Sensitivity</b>		
INR/USD- Increase by 10%	13.71	(18.62)
INR/USD- Decrease by 10%	(13.71)	18.62
<b>EUR Sensitivity</b>		
INR/EUR- Increase by 10%	0.82	2.49
INR/EUR- Decrease by 10%	(0.82)	(2.49)

**v. Capital Management**

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following Net Debt-Equity ratio:

Net debt (total borrowings and lease liabilities net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

The Net Debt- Equity ratios were as follows:

Particulars	As at	As at	As at
	31 March 2021	31 March 2020	1 April 2019
<b>Equity</b>	2,443.38	1,975.69	1,352.73
<b>Net Debt (Refer Note 15)</b>	312.18	107.20	642.83
<b>Net Debt- Equity Ratio</b>	<b>0.13</b>	<b>0.05</b>	<b>0.48</b>

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**

**Notes to the Standalone standalone financial statements for the year ended 31st March, 2021**

(All amounts in Rupees millions, unless otherwise stated)

**33 Employee benefit obligations**

**(i) Post-employment obligations**

**Gratuity**

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per scheme, the Gratuity Trust fund managed by the Trust, makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary (half month's salary) depending upon the tenure of service subject to a revised maximum limit of amount payable under Payment of Gratuity Act. Liabilities with regard to the Gratuity plan are determined by actuarial valuation as set out in Note 2.13 based upon which, the Company makes contribution to the Gratuity fund.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Total
<b>Liability/(assets) as at 1 April 2019</b>	<b>18.22</b>	<b>13.04</b>	<b>5.17</b>
Current service cost	2.14	-	0.00
<b>Total service cost</b>	<b>2.14</b>	<b>-</b>	<b>0.00</b>
Interest expense on DBO	1.38	-	1.38
Interest income on plan assets	-	1.09	(1.09)
<b>Total net interest</b>	<b>1.38</b>	<b>1.09</b>	<b>0.29</b>
<b>Total amount recognised in profit or loss</b>	<b>3.52</b>	<b>1.09</b>	<b>0.29</b>
<b>Remeasurements</b>			
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	1.88	-	1.88
Experience (gains)/losses	1.15	-	1.15
Return on Plan Assets (Greater) / Less than Discount rate	-	(0.11)	0.11
<b>Total amount recognised in other comprehensive income</b>	<b>3.03</b>	<b>(0.11)</b>	<b>3.13</b>
Employer contribution	-	3.06	(3.06)
Benefit payouts from plan	(0.12)	(0.12)	-
<b>Liability/(assets) as at 31 March 2020</b>	<b>24.65</b>	<b>16.96</b>	<b>7.69</b>
Current service cost	2.87	0.00	2.87
<b>Total service cost</b>	<b>2.87</b>	<b>0.00</b>	<b>2.87</b>
Interest expense on DBO	1.64	-	1.64
Interest income on plan assets	-	1.17	(1.17)
<b>Total net interest</b>	<b>1.64</b>	<b>1.17</b>	<b>0.47</b>
<b>Total amount recognised in profit or loss</b>	<b>4.51</b>	<b>1.17</b>	<b>3.34</b>
<b>Remeasurements</b>			
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	1.23	-	1.23
Return on Plan Assets (Greater) / Less than Discount rate	-	(0.13)	0.13
<b>Total amount recognised in other comprehensive income</b>	<b>1.23</b>	<b>(0.13)</b>	<b>1.36</b>
Employer contribution	-	1.31	(1.31)
Benefit payouts from plan	(0.37)	(0.37)	-
<b>Liability/(assets) as at 31 March 2021</b>	<b>30.02</b>	<b>18.94</b>	<b>11.08</b>
	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Disclosed under Note 18: Provisions</b>	<b>11.08</b>	<b>7.69</b>	<b>5.17</b>

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Notes to the Standalone standalone financial statements for the year ended 31st March, 2021***(All amounts in Rupees millions, unless otherwise stated)*

The net liability presented above related to funded and unfunded plans are as follows:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Present value of funded obligations	30.02	24.65	18.22
Fair value of plan assets	18.94	16.96	13.04
<b>Net Defined Benefit Liability / (Asset)</b>	<b>11.08</b>	<b>7.69</b>	<b>5.17</b>

**Major categories of plan assets**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Pooled assets with an insurance company - conventional products	100%	100%	100%

**Significant actuarial assumptions**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Discount rate	6.70%	6.70%	7.60%
Salary escalation	8.00%	8.00%	8.00%
Withdrawal rate	5.00%	5.00%	5.00%
Weighted average duration of DBO	10 years	10 years	10 years
Mortality	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

**Notes:**

IALM represents Indian assured lives mortality

**Sensitivity analysis**

As at 31 March 2021	% impact on DBO	Increase/(Decrease) in DBO liability
Discount rate +100 basis points	-8.00%	(2.50)
Discount rate -100 basis points	10.00%	2.95
Salary escalation rate +100 basis points	9.00%	2.80
Salary escalation rate -100 basis points	-8.00%	(2.42)

As at 31 March 2020	% impact on DBO	Increase/(Decrease) in DBO liability
Discount rate +100 basis points	-8.00%	(2.07)
Discount rate -100 basis points	10.00%	2.45
Salary growth rate +100 basis points	9.00%	2.31
Salary growth rate -100 basis points	-8.00%	(1.99)

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.

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Notes to the Standalone standalone financial statements for the year ended 31st March, 2021***(All amounts in Rupees millions, unless otherwise stated)*

The following payments are expected contribution to the defined benefit plans in the future years:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Expected contribution for the next annual reporting period	5.02	4.41	3.34
Weighted average duration of defined benefit plan (years)	10.00	10.00	10.00

The expected maturity profile of undiscounted gratuity obligations:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Within 1 year	5.02	4.41	3.34
1-2 year	1.50	1.38	1.63
2-3 year	2.32	1.40	1.25
3-4 year	3.16	2.15	1.26
4-5 year	2.51	3.03	1.95
6-10 years	20.60	15.62	12.42

**Risk Exposure**

The Gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

**(i) Interest rate risk**

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**(ii) Salary inflation risk**

Higher than expected increases in salary will increase the defined benefit obligation.

**(iii) Demographic risk**

This is the risk of variability of returns due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

**(ii) Defined Contribution Plan**

The Company has certain Defined Contribution Plans viz. Provident Fund. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 8.65 millions (Previous year: Rs. 6.96 millions). The Company has also contributed Rs. 2.25 millions (Previous year: Rs. 2.13 millions) towards Employees' State Insurance Scheme which has been recognised as an expense and included under 'Contribution to provident and other fund' (Note 26).



**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**  
**Notes to the Standalone standalone financial statements for the year ended 31st March, 2021**  
*(All amounts in Rupees millions, unless otherwise stated)*

**34 Contingent liabilities and commitments**

**(i) Contingent Liabilities**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Claims against the Company not acknowledged as debts in respect of:</b>			
(i) Excise Duty & Service Tax matters under dispute	-	-	13.43

In respect of above, pending resolution of the proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any.  
The Company does not expect any reimbursement in respect of the above contingent liabilities

**(ii) Capital and other commitments**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances of Rs. 351.38 millions, 31st March 2020 : 135.13 millions, 1st April, 2019: Rs. 158.13 millions)	357.99	218.30	167.23

**35** The Hon'ble Supreme Court of India in its judgment in the matter of Vivekananda Vidyamandir & Others Vs The Regional Provident Fund Commissioner (II) West Bengal laid principles in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. Based on initial assessment performed by the company, the order did not result in any material impact on these standalone standalone financial statements. The management will continue to assess the impact of further developments relating to retrospective application of the Supreme Court's judgement taking into account the additional guidance as and when issued by the statutory authorities and deal with it accordingly.

**36 Earnings per share (EPS)**

The following table sets forth the computation of basic and diluted earnings per share:

Earnings	For the year ended 31 March, 2021	For the year ended 31 March, 2020
<b>Profit for the year attributable to equity shareholders for calculation of basic EPS</b>	688.70	405.31
Effect of dilutive potential equity shares	-	21.50
<b>Profit for the year attributable to equity shareholders for calculation of diluted EPS</b>	<b>688.70</b>	<b>426.81</b>
<b>Shares</b>		
<b>Weighted average number of equity shares outstanding during the year for calculation of basic EPS</b>	51.28	51.02
Effect of dilutive potential equity shares	-	4.08
<b>Weighted average number of equity shares for calculation of diluted EPS</b>	<b>51.28</b>	<b>55.10</b>
<b>Basic earnings per share</b>	<b>13.43</b>	<b>7.94</b>
<b>Diluted earnings per share</b>	<b>13.43</b>	<b>7.75</b>

**Notes**

All share data has been adjusted for bonus issue and sub-division of equity shares of the Company:

1. A bonus issue was made to the shareholders as of the record date June 25, 2021, in the ratio of 52:1, pursuant to our Board and Shareholders' resolutions passed on June 14, 2021 and June 16, 2021, respectively.

2. The equity shares of the Company were sub-divided from equity shares of face value of ₹ 10 each into equity shares of face value of ₹ 2 each, pursuant to our Board and Shareholders' resolutions passed on June 14, 2021 and June 16, 2021, respectively. The record date for the aforementioned subdivision was June 25, 2021.

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Notes to the Standalone standalone financial statements for the year ended 31st March, 2021***(All amounts in Rupees millions, unless otherwise stated)***37 Related party disclosures**

In accordance with the requirements of Ind AS 24, following are details of the transactions during the year with the related parties of the company.

**A Names of related parties and description of relationship****(i) Where control exist:****Subsidiary**

INLABPRO Pte. Ltd. (Singapore)

**(i) Other Related Parties with whom transactions have taken place during the year:****Key Management Personnel:**

Mr Sanjive Sehgal	Chairman and Managing Director
Mr Rohan Sehgal	Whole-time Director
Mr. Ashok Kumar Duggar	Non-Executive Director
Mr. Suresh Prabhala	Non-Executive Director
Mr. Gaurav Pawan Kumar Podar	Non-Executive Director (with effect from June 10, 2019)
Mr. Viresh Oberoi	Non-Executive Director

**Investors in respect of which the Company is a joint arrangement (with effect from 5 July, 2018):**

Clear Vision Investment Holdings Pte Limited, Singapore

Mr. Sanjive Sehgal\*

Mr. Rohan Sehgal\*

\*Mr. Sanjive Sehgal and Mr. Rohan Sehgal have been identified as promoters of the Company in the Shareholders Agreement dated July 5, 2018

**Enterprise over which key management personnel exercise significant influence:**

M/s Ashok Kumar Duggar & Associates

M/s A.K.Duggar & Co

**B. The following transactions were carried out with the related parties in the ordinary course of business:**

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
<b>Key Management Personnel</b>		
Short-term employee benefits	59.40	57.60
Post employment benefits	0.01	0.07
Director Sitting Fees	0.30	0.30
Director Commission	0.50	0.50
Rent Paid	-	0.11
<b>Investors in respect of which the Company is a joint arrangement</b>		
Equity shares bought back	219.99	-
Issue of Equity shares on conversion of Compulsory Convertible Debenture	-	0.08
Securities Premium on conversion of Compulsory Convertible Debenture into equity shares	-	219.91
Interest on Compulsory Convertible Debenture	-	28.90
<b>Enterprise over which key management personnel exercise significant influence</b>		
Profession Service Charges	3.90	3.90

**C. Outstanding Balances (Receivable)/ Payable**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<b>Investors in respect of which the Company is a joint arrangement</b>			
Compulsory Convertible Debenture	-	-	220.00
Interest accrued on Compulsory Convertible Debenture	-	22.03	10.56
Payable to Shareholder for fractional shares	0.01	0.01	-

(i) All outstanding balances are unsecured and repayable in cash.

(ii) Refer Note 38 and Note 39 for investment in subsidiaries, receivable from subsidiaries and related impairment on the same.

(iii) All transactions were made at normal commercial terms and conditions and at market rates.

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Notes to the Standalone financial statements for the year ended 31st March, 2021***(All amounts in Rupees millions, unless otherwise stated)*

**38** The Company had an investment amounting to Rs. 45.05 millions in Tasrons Incorporation USA (a wholly owned subsidiary incorporated in USA). The Company also had trade receivable and loan receivables amounting to Rs. 2.72 millions and Rs. 27.50 millions respectively from the above subsidiary. The investment in subsidiary and above balances had been fully provided by the Company since the subsidiary got dissolved under the General Corporation Law of the State of Delaware in the financial year 2017-18. The dissolution of this subsidiary is yet to be reflected under Reserve Bank of India ("RBI") records due to formalities yet to be completed by the Company under the FEMA Rules. Consequent to transition to Ind AS with effect from April 1, 2019, the carrying value of investment in subsidiary and receivable balances is considered to be Nil and accordingly these balances have been derecognised under Ind AS and not disclosed as a separate line item in these standalone financial statements.

**39** The Company has formed a wholly owned subsidiary company named INLABPRO Pte. Ltd having paid-up capital of USD 1 in Singapore on July 20, 2020 as a private company limited by shares. However, the Company neither had transferred any money nor did any transaction with this subsidiary. The management of the Holding Company has decided to wind up this subsidiary in the near future after complying with applicable laws of India and Singapore.

**40 Dues to Micro and Small Enterprises**

The Ministry of Micro, Small and Medium Enterprises has issued on Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2021 has been made in the standalone financial statements based on information received and available with the company.

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	3.33	-	-
The amount of interest paid by the company along with the payment made to the supplier beyond the appointed day during the year	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest under this Act	-	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, till actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure.	-	-	-

**41 Segment reporting**

The company is primarily engaged in the business of manufacturing and selling of plastic laboratory products and certain scientific instruments, which represents a single business. The Company does not distinguish revenues, costs and expenses between segments in its internal reporting, and reports costs and expenses by nature as a whole. The Board of Directors of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM reviews the financial results when making decisions about allocating resources and assessing performance of the Company as a whole and hence, the Company has only one reportable segment. The Company operates and manages its business as a single segment. The Company sells its products in overseas markets however, in absence of any single significant market, CODM reviews geographical operations as "Within India" and "Outside India". The information in respect of which is given below:

The Company is domiciled in India. The amount of revenue from external customers broken down by the location of the customers is shown in the table below:

Particulars	For the year ended	
	31st March, 2021	31st March, 2020
India	1,523.18	1,277.04
Outside India	755.91	472.76
<b>Total</b>	<b>2,279.09</b>	<b>1,749.80</b>

The total non-current assets other than financial instruments broken down by location of assets is shown below

Particulars	For the year ended		
	31st March, 2021	31st March, 2020	1st April, 2019
India	1,776.51	1,248.47	1,113.36
Outside India	-	-	-
<b>Total</b>	<b>1,776.51</b>	<b>1,248.47</b>	<b>1,113.36</b>

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Notes to the Standalone standalone financial statements for the year ended 31st March, 2021***(All amounts in Rupees millions, unless otherwise stated)***42 Corporate Social Responsibility**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Expenditure Related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII there of:		
(a) Gross Amount Required to be Spent by the Company during the Year	9.78	8.28
(b) Amount Spent during the Year on:		
(i) Construction/ Acquisition of any Asset	-	-
(ii) On purposes other than (i) above		
- In Cash	9.78	8.76
- Yet to be paid in Cash	-	-

**Details of ongoing CSR projects under section 135 (6) of the Act**

Particulars	Year ended 31st March, 2021
<b>Balance as at 1st April 2020</b>	
With the Company	-
In separate CSR Unspent account	-
	-
<b>Amount required to be spent during the year</b>	<b>9.78</b>
<b>Amount spent during the year</b>	
From the Company's bank account	42.90
From separate CSR Unspent account	-
	<b>42.90</b>
<b>Balance as at 31st March 2021</b>	
With the Company	33.12
In separate CSR Unspent account	-
	<b>33.12</b>

**Details of CSR expenditure under section 135(5) of the Act in respect of other than ongoing projects**

Particulars	Year ended 31st March, 2021
Balance as at 1st April 2020	-
Amount deposited in a specified fund of Schedule VII of the Act within 6 months	-
Amount required to be spent during the year	-
Amount spent during the year	-
Balance unspent as at 31st March 2021	-

**Details of excess CSR expenditure under section 135(5) of the Act**

Particulars	Year ended 31st March, 2021
Balance excess spent as at 1st April 2020	-
Amount required to be spent during the year	9.78
Amount spent during the year	42.90
Balance excess spent as at 31st March 2021	33.12

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**
**Notes to the Standalone standalone financial statements for the year ended 31st March, 2021**
*(All amounts in Rupees millions, unless otherwise stated)*
**43 Leases**

The following is the movement of ROU assets for the year 31st March 2021:

Description	Gross Carrying amount				Accumulated depreciation			Carrying amount (net)	
	As at 1 April 2020	Additions	Deletions	As at 31 March 2021	As at 1 April 2020	For the Year	Deletion	As at 31 March 2021	As at 31 March 2021
Land	4.36	-	-	4.36	0.06	0.06	-	0.12	4.24
Building	40.14	24.38	-	64.52	0.51	0.59	-	1.10	63.42
<b>Total</b>	<b>44.50</b>	<b>24.38</b>	<b>-</b>	<b>68.88</b>	<b>0.57</b>	<b>0.65</b>	<b>-</b>	<b>1.22</b>	<b>67.66</b>

The following is the movement of ROU assets for the year 31st March 2020:

Description	Gross Carrying amount				Accumulated depreciation			Carrying amount (net)	
	As at 1 April 2019	Additions	Deletions	As at 31 March 2020	As at 1 April 2019	For the Year	Deletion	As at 31 March 2020	As at 31 March 2020
Land	4.36	-	-	4.36	-	0.06	-	0.06	4.30
Building	40.14	-	-	40.14	-	0.51	-	0.51	39.63
<b>Total</b>	<b>44.50</b>	<b>-</b>	<b>-</b>	<b>44.50</b>	<b>-</b>	<b>0.57</b>	<b>-</b>	<b>0.57</b>	<b>43.93</b>

The break-up of Current and non-Current lease liabilities is as follows :

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Non-Current	0.44	0.27	0.26
Current	0.03	0.02	0.02
	<b>0.47</b>	<b>0.29</b>	<b>0.28</b>

The following is the movement of lease liabilities:

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
<b>Balance at the beginning</b>	<b>0.28</b>	<b>0.27</b>
Additions	0.17	-
Finance cost accrued during the period	0.03	0.03
Payments of Lease liabilities	(0.02)	(0.02)
<b>Balance at the end</b>	<b>0.46</b>	<b>0.28</b>

**Amount recognised in statement of profit and loss**

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
(i) Depreciation expense on Right-of -use of Assets (Note 29)	0.65	0.57
(ii) Interest expense on lease liabilities (Note 28)	0.03	0.03
(iii) Expense relating to short term leases (Note 30)	1.79	2.25
(iv) Expense relating to low value leases	-	-

#### **44 First time adoption of Ind AS**

##### **Transition to Ind AS**

As stated in Note 2.1, these are the Company's first standalone standalone financial statements prepared in accordance with Ind AS. For the year ended 31 March 2020, the Company had prepared its standalone standalone financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 2 have been applied in preparing the standalone financial statements for the year ended 31 March 2021 including the comparative information for the year ended 31 March 2020 and the opening Ind AS balance sheet on the date of transition i.e. 1 April 2019.

In preparing its Ind AS balance sheet as at 1 April 2019 and in presenting the comparative information for the year ended 31 March 2020, the Company has adjusted amounts reported previously in standalone financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its standalone financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cashflows.

##### **Exemptions and exceptions availed**

In preparing these standalone financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

##### **A. Ind AS optional exemptions availed**

###### **1. Property, plant and equipment & Intangible assets**

As per Ind AS 101 an entity may elect to:

- (i) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date.
- (ii) use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to:
  - fair value;
  - or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.

The elections under (i) and (ii) above are also available for intangible assets that meets the recognition criteria in Ind AS 38, Intangible Assets, (including reliable measurement of original cost); and criteria in Ind AS 38 for revaluation (including the existence of an active market).

(iii) use carrying values of property, plant and equipment, intangible assets and investment properties as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) if there has been no change in its functional currency on the date of transition.

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment.

###### **2. Leases**

As per Ind AS 116, the standard is applicable from 1st April 2019. Accordingly, the company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases with modified retrospective approach, by calculating right-of-use assets and lease liabilities as at the beginning of the current period using guidance under Ind AS 116.

###### **3. Business combination**

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

##### **B. Ind AS mandatory exceptions**

###### **1. Estimates**

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS and at the end of the comparative period presented in the entity's first Ind AS standalone financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the standalone financial statements that were not required under the previous GAAP are listed below:

- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortised cost.

###### **2. Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition.

###### **3 Derecognition of financial assets and liabilities**

As per Ind AS 101, an entity should apply the derecognition requirement in Ind AS 109, Financial Instrument, prospectively for transition occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirement retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

Accordingly, the Company has opted to apply derecognition requirement prospectively for transaction occurring on or after the date of transition.

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**
**Notes to the Standalone standalone financial statements for the year ended 31st March, 2021**
*(All amounts in Rupees millions, unless otherwise stated)*
**44 First time adoption of Ind AS (Continued)**
**(i) Reconciliation of Equity:**

	As at 31 March 2020	As at 1 April 2019
<b>Equity under previous GAAP</b>	<b>1,975.67</b>	<b>1,371.07</b>
Adjustment related to revenue recognition and related costs - under previous GAAP - Net	-	(11.56)
<b>Total (A)</b>	<b>1,975.67</b>	<b>1,359.51</b>
Allowances for credit losses	(3.39)	(11.98)
Deferred tax related to allowance for credit losses	1.33	3.49
Reversal of upfront fees	3.78	2.41
Interest on EIR basis	(0.95)	0.00
Deferred tax impact on reversal of upfront fees and interest on EIR basis	(0.81)	(0.70)
Others	0.06	-
<b>Total (B)</b>	<b>0.02</b>	<b>(6.78)</b>
<b>Equity as per Ind AS</b>	<b>1,975.69</b>	<b>1,352.73</b>

**(ii) Total comprehensive income reconciliation**

Particulars	Refer Note below	For the year ended 31 March 2020
<b>Net income under previous GAAP</b>		<b>384.61</b>
Adjustment related to revenue recognition and related costs - under previous GAAP - Net	(iii)	11.56
<b>Total (A)</b>		<b>396.17</b>
Allowances for credit losses	(i)	8.58
Deferred tax related to allowance for credit losses	(i)	(2.16)
Reversal of upfront fees	(ii)	1.37
Interest on EIR basis	(ii)	(0.95)
Deferred tax impact on reversal of upfront fees and interest on EIR basis	(ii)	(0.10)
Others	(iii)	2.40
<b>Total (B)</b>		<b>9.14</b>
<b>Profit for the year under Ind AS</b>		<b>405.31</b>
<b>Other comprehensive income</b>		
Others	(iii)	(2.34)
<b>Other comprehensive income for the year under Ind AS</b>		<b>(2.34)</b>
<b>Net income under Ind AS</b>		<b>402.97</b>

**(iii) Impact of Ind AS adoption on the consolidated statements of cash flows for the year ended 31 March 2020**

	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	644.59	(2.44)	642.16
Net cash flow from investing activities	(258.59)	4.76	(253.83)
Net cash flow from financing activities	(138.29)	(0.04)	(138.33)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>247.71</b>	<b>2.29</b>	<b>250.00</b>
<b>Cash and cash equivalents as at 1 April 2019</b>	<b>5.07</b>	<b>-</b>	<b>5.07</b>
Effects of exchange rate changes on cash and cash equivalents	0.26	-2.22	(1.96)
<b>Cash and cash equivalents as at 31 March 2020</b>	<b>253.04</b>	<b>0.07</b>	<b>253.11</b>

**Notes to adjustment:**
**i. Allowances for credit losses**

Under previous GAAP, the Company provides for provision based on the pre-determined policy which was on the ageing of the debtors. Under Ind AS, the Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss.

**ii. Upfront fees**

Under previous GAAP, the Company provides for upfront fees on borrowings as and when incurred. Under Ind AS, the Company recognizes the upfront fees based on EIR basis.

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**

**Notes to the Standalone standalone financial statements for the year ended 31st March, 2021**

*(All amounts in Rupees millions, unless otherwise stated)*

**iii. Others**

**a. Leases**

Under previous GAAP, lease rentals were required to expenses in the year of accrual. On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments and the company has applied modified retrospective approach with ROU asset equal to lease liability.

On transition, the company recognised a lease liability measured at the present value of the remaining lease payments discounted using the lessee's incremental borrowing rate as at April 1, 2019. The company has applied modified retrospective approach with ROU asset equal to liability on transition date.

Accordingly, following adjustments are made :

- (i) ROU of INR 44.50 millions and lease liability of Rs. 0.27 millions has been recognised on leases as at 1st April, 2019. The principal portion of the lease payments have been disclosed under cash flow from financing activities.
- (ii) Depreciation on right of use asset of 0.56 million is accounted in Note 29 as Depreciation and amortisation for the year ended March 31, 2020.
- (iii) Reversal of depreciation on leasehold land and building accounted for under previous GAAP amounting to Rs 0.65 million for the year ended March 31, 2020.
- (iv) Interest on lease liability of 0.03 millions has been recorded in finance cost in Note 28 for the year ended March 31, 2020.
- (v) Reversal of rent expense of 0.02 millions has been recorded in other expenses for the year ended March 31, 2020.
- (vi) Deferred tax charge on above adjustments amounting to Rs 0.02 millions has been recognised during the year ended March 31, 2020

The Company has discounted lease payments using the applicable incremental borrowing rate as at the date of initial application, which is 10.10% for measuring the lease liability.



**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**

**Notes to the Standalone standalone financial statements for the year ended 31st March, 2021**

*(All amounts in Rupees millions, unless otherwise stated)*

In adopting Ind AS 116, the Company has applied the below practical expedients available in Ind AS 101:

- (i) Accounting for leases with a remaining lease term of less than 12 months as at April 1, 2019 as short term lease
- (ii) Using hindsight in determining the lease term where the contract contains option to extend or terminate the lease
- (iii) The Company has not re-assessed whether a contract is or contains a lease at the date of initial application.
- (iv) Initial direct costs are excluded from the measurement of right-of-use assets at the date of initial application

The principal portion of the lease payments have been disclosed under cash flow from financing activities.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the ROU and finance cost for interest accrued on lease liability.

**b. Remeasurement of defined benefit liability (asset)**

Under Ind AS, remeasurement of defined benefit liability (asset) are recognised in other comprehensive income. Under previous GAAP, the Company recognised such remeasurements in profit or loss. However, this has no impact on the total comprehensive income and total equity as on 1 April 2019 or as on 31 March 2020. The concept of other comprehensive income did not exist under previous GAAP

**c. Government Grant - EPCG schemes**

Ind AS 20 requires presentation of such benefits in balance sheet by setting up the grant as deferred income and adding it to the cost of Property, plant and equipments.

Deferred income will be recognised as income as and when the obligation under the scheme is fulfilled. Addition to property, plant and equipments is depreciated over the useful life of the asset."

Amortisation of Deferred government grant of 0.63 million is accounted in other income for the year ended March 31, 2020.

**d. Adjustment related to revenue recognition -under previous GAAP**

Under previous GAAP, revenue from sale of goods were recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract. Under Ind AS, the Company recognises revenue from the sale of goods at a point in time when control of the goods is transferred to the customer. The Company has recorded an adjustment on account of revenue recognition on transition to Ind AS amounting to Rs 11.56 millions as an adjustment to total equity as on April 1, 2019.

**TARSONS PRODUCTS LIMITED (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)****Notes to the Standalone financial statements for the year ended 31st March, 2021***(All amounts in Rupees millions, unless otherwise stated)*

**45** The Board of Directors of the Company, in its meeting held on 10th May, 2021, approved the resolution to initiate the conversion of the company from a private limited company to a public company in view of its plans to approach the capital markets and have its shares listed on the stock exchange. The requisite approvals have been obtained under the Companies Act, 2013 and the company has been converted to a public limited company on 14th June, 2021.

**46** The Board of Directors of the Company, in its meeting held on 14th June, 2021, have discussed the proposal of the Company for an initial public offering of its equity shares and listing of the shares on one or more of the stock exchanges in India. In pursuance of the Initial Public Offer, the Company has started taking initiatives towards various legal, statutory and procedural formalities including appointment of various intermediaries and filing the draft red herring prospectus

**47 Covid 19 - Pandemic**

The spread of COVID-19 has severely impacted businesses around the globe. In many countries, including India, there has been severe disruption to regular business operations due to lock-downs, disruption in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures.

The Company is engaged in manufacturing and selling of plastic laboratory products and certain scientific instruments. The business of the Company was determined to be operating in an essential industry, which allowed it to continue its operations even during the lock-downs/restrictions imposed by the Governments subject to certain adjustment in working patterns. The pandemic impacted end customer activity in scientists' community negatively for some duration, however demand for certain finished goods items increased due to their use in RT-PCR testing kits and research and studies conducted by pharmaceutical companies relating to COVID-19 which compensated reduced demand from the Company's conventional end customers. Further, the pandemic has resulted in an increase in demand for laboratory investigations, vaccine development activities and clinical trials which will result in increased expenditure on labware.

While the Company did not experience significant disruption in its ability to supply products to end customers, the movement restrictions in India and globally to curb the spread of the COVID-19 pandemic has impacted the Company's sales for a brief period in the financial year which resulted into decrease in Company's production and sales during this period. Though Company's sales got affected for some duration, however, with continuous production and sufficient inventories, management does not foresee any material impact on the operations and financial affairs of the Company.

The Company has made detailed assessment of its liquidity position/cash flows for the next one year and carrying values of its assets comprising property, plant and equipment, right-of-use assets, capital work-in-progress, trade receivables, inventories and other assets as at the balance sheet date and has concluded that there are no material adjustments required in the standalone financial statements. Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of the standalone financial statements, however, the impact of pandemic on economic outlook remains uncertain and may be different from that estimated as on the date of approval of these standalone financial statements.

**48** The Company has issued 2,200,000 Compulsorily Convertible Debentures (CCDs) of Rs.100 each on 26th July 2018. These CCDs have been converted into 8,013 Class B equity shares of Rs. 10 each at a conversion price of Rs. 27,454 during the year ended March 31, 2020. These converted equity shares have been recognised in the standalone financial statements as paid-up share capital and Securities Premium as on 31st March 2020. Subsequently the shares were bought back during the year ended March 31, 2021 therefore such shares have been deducted from the paid-up share capital and security premium has been utilised for buy back of such equity shares in the year ended March 31, 2021. The said treatment is in variance with Ind AS 32, as these would have been classified as financial liability as on March 31, 2020. The accounting done by the Company is in compliance with the requirement of the Companies Act, 2013. Further, this does not have any impact as on March 31, 2021, since these have already been bought back.

This is the Notes to Accounts referred to in our report of even date.

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration No. 012754N/N500016

Chartered Accountants

**AMIT PESWANI**  
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Partner

Membership No. 501213

Gurugram

6th August, 2021

**Sanjive Sehgal**  
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Sanjive Sehgal

Chairman &  
Managing Director

DIN: 00787232

Kolkata

6th August, 2021

**Rohan Sehgal**  
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Rohan Sehgal  
Director

DIN: 06963013

**SANTOSH KUMAR AGARWAL**  
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Santosh Kumar Agarwal  
Chief Financial Officer

**Piyush Khater**  
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Piyush Khater

Company Secretary