



PHAARMASIA

Phaarmasia Ltd.

16, Phase III, IDA, Jeedimetla, Hyderabad - 500 055. INDIA.

Tel : 91-40-23095002 / 23095690, Fax : 91-40-23097323

E-mail : phaarmasia@gmail.com, www.phaarmasia.in

CIN : L24239TG1981PLC002915

Hyderabad, 05th September, 2022.

To
The General Manager - Operations,
BSE Limited,
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai – 400 001

Dear Sir/Ma'am,

Sub: Submission of 41st Annual Report of Phaarmasia Limited for the financial year 2021-22, along with the notice of Annual General Meeting.

Ref: Regulation 34 (1) of the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulation, 2015.

In Compliance with Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015, we submit herewith 41st Annual Report of the company for the Financial Year 2021-22 along with Notice of the Annual General Meeting scheduled on Tuesday 27th day of September, 2022 at 04:00 P.M through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM").

Kindly take the above information on records.

We shall be glad to furnish any further information/clarification in this regard.

Yours faithfully,
For Phaarmasia limited

Urvashi Bhatia
Company Secretary & Compliance Officer



PHAARMASIA

**41ST
ANNUAL REPORT
2021-2022**



PHAARMASIA LIMITED

Regd. Office : 16, Phase-III, I.D.A.
Jeedimetla, Hyderabad - 500 055.

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PHAARMASIA LIMITED

Board of Directors:

- | | |
|---------------------------------------|---------------------------|
| 1. Mr. Maneesh Ramakant Sapte | : Managing Director |
| 2. Mr. Yallapragada Naga Bhaskara Rao | : Whole-time Director |
| 3. Mr. Vinay Ramakant Sapte | : Director, Non-Executive |
| 4. Mrs. Rashmi Vinay Sapte | : Director, Non-Executive |
| 5. Mr. Pravin Mohandas Hegde | : Independent Director |
| 6. Mr. Ajit Gopal Jamkhandikar | : Independent Director |

Key Managerial Personnel (KMP)

- | | |
|--|---------------------------|
| 1. Mr. Maneesh Ramakant Sapte | : Managing Director |
| 2. Mr. Yallapragada Naga Bhaskara Rao | : Whole-time Director |
| 3. Mr. Eswara Vara Prasad Rao Nagineni | : Chief Financial Officer |
| 4. Ms. Urvashi Bhatia | : Company Secretary |

Corporate Identification Number: L24239TG1981PLC002915

Registered Office:

16, Phase-III, IDA, Jeedimetla,
Hyderabad, Telangana, India – 500055.

Statutory Auditors:

M/s. Sathuluri & Co., Chartered Accountants,
H. No. 3-4-529/6, Gopamma Nilayam,
Chitrapuri Colony, Narayanguda,
Hyderabad – 500 027.

Secretarial Auditors:

Shri N.V.S.S. Suryanarayana
Plot No 232B, Road No 6,
Samanthapuri Colony,
New Nagole, Hyderabad 500035.

Internal Auditors:

M/s. Oruganti & Associates
Chartered Accountants
H.No.3-5-943 To 948, Flat No.207 & 208, 2nd
Floor, Panchavati Mall, Narayanguda,
Hyderabad-500029, Telangana.

Registrar and Share Transfer Agent:

M/s. Venture Capital and Corporate Investments Private Limited
H. No. 12-10-167, Bharat Nagar, Hyderabad – 500 018
Tel No. 040-23818476 / 23818475; Fax No. 040-23868024
Email: info@vccilindia.com, info@vccipl.com
Website: www.vccilindia.com

NOTICE OF 41ST ANNUAL GENERAL MEETING

Notice is hereby given that the 41st Annual General Meeting of the members of Phaarmasia Limited will be held on **Tuesday, the 27th of September, 2022 at 04.00 P.M** through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) The venue of meeting shall be deemed to be the registered office of the Company at 16, Phase-III, IDA, Jeedimetla, Hyderabad, Telangana, India - 500055 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended 31st March, 2022, along with Notes, the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in place of Mrs. Rashmi Vinay Sapte (DIN: 00334247) who retires by rotation at this Annual General Meeting, and being eligible, offers herself for reappointment.
3. To reappoint M/s. Sathuluri & Co., Chartered Accountants (Firm Registration No. 006383S) as statutory auditors of the Company.

To consider and if thought, to pass with or without modifications the following resolution as an ordinary resolution.

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013, if any, read with Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), upon recommendation of the Audit Committee and the Board, consent of the members of the company be and is hereby accorded to appoint **M/s. Sathuluri & Co.,** Chartered Accountants (Firm Registration No.006383S), as the Statutory Auditors of the company for a period of five years to hold office from the conclusion of this Annual General Meeting until the conclusion of the sixth consecutive Annual General Meeting on such remuneration as may be determined by the board of directors of the company from time to time.”

SPECIAL BUSINESS

4. To re-appoint Mr. Maneesh Ramakant Sapte (DIN: 00020450) as the Managing Director of the Company for a period of 3 (Three) years

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of section 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 also read with Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014 (including any statutory modification[s] or re-enactments thereof, for the time being in force) and read with enabling regulations of the Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee and Board of Directors, consent of the Members of the Company be and is hereby accorded for the reappointment of Mr. Maneesh Ramakant Sapte (DIN: 00020450) as the Managing Director of the Company for a period of 3 (Three) years with effect from 28th February, 2023 entitled to such remuneration as prescribed by the Nomination and Remuneration Committee upon his re-appointment not exceeding the limits as prescribed under Companies Act 2013 and Rules made thereunder duly amended from time to time and the authorisation is provided to the Board of Directors to alter and vary the terms and conditions of the said appointment.”

“RESOLVED FURTHER THAT wherein, in any financial year during the tenure of service, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Maneesh Ramakant Sapte, Managing Director (DIN: 00020450), remuneration by way of salary and perquisites, not exceeding the limits specified in Schedule V of the Companies Act, 2013 and as decided by the Nomination and Remuneration Committee from time to time.”

“RESOLVED FURTHER THAT the Directors of the Company be and are hereby severally authorized to file necessary forms with the Ministry of Corporate Affairs and to do all such acts, deeds and things as may be deemed and expedient and necessary to give effect to this resolution”

5. To re-appoint Mr. Pravin Mohandas Hegde (DIN: 01404954) as the Independent Director of the Company for a period of 5 (Five) years

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, as recommended by the Nomination and Remuneration Committee and Board of Directors, consent of the members of the company be and is hereby accorded to re-appoint Mr. Pravin Mohandas Hegde (DIN: 01404954), as a non-executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for re-appointment, who shall hold office for five (5) consecutive years commencing from 14.02.2022, not liable to retire by rotation.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By order of the Board
for **Phaarmasia Limited**

Sd/-
Y.N. Bhaskar Rao
Whole-time Director
DIN: 00019052

Date: 12thAugust, 2022
Place: Hyderabad

RegisteredOffice:
16, Phase-III, IDA, Jeedimetla,
Hyderabad, Telangana, India – 500055.

NOTES:

1. Pursuant to the General Circular nos. 2/2022 dated May 05, 2022 and 19/2021 dated January 13, 2022 and other circulars issued by the Ministry of Corporate Affairs (MCA) from time to time and Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by the SEBI (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through Video Conferencing (“VC”) /Other Audio-Visual Means (“OAVM”).
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode shall be open 15 minutes before the time schedule i.e., 03:45 P.M on 27th September, 2022 by clicking on the link at <https://www.evotingindia.com/> under members login, where EVSN of the Company will be displayed by using the Remote E-voting Credentials and by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction of first come first served basis.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, January 13, 2021 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility

of casting votes by a member using remote e- voting system as well as venue voting on the date of the AGM will be provided by CDSL.

7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <http://phaarmasia.in/>. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
8. Shareholders who have queries may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at phaarmasia@gmail.com latest by 5.00 PM on Saturday, 17th September, 2022.
9. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
10. Members intending to seek clarification at the Annual General Meeting concerning the accounts and any aspect of operations of the company are requested to send their questions in writing to the Company so as to reach the company at least 10 (Ten) days in advance before the date of the Annual General Meeting, specifying the points.
11. Members holding shares in dematerialized form (electronic form) are requested to intimate any changes in their respective addresses, bank mandates etc., directly to their respective Depository Participants.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agent, Venture Capital & Corporate Investments Pvt. Ltd
13. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
14. Details under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting form an integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

15. Any director himself or any member intending to propose any person as a director other than a retiring director, has to give a notice as to his intention to propose him/her as a candidate for that office not less 14 (fourteen) days before the meeting along with deposit of such amount as mentioned in the Companies Act, 2013.
16. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the RTA by an email to info@vccilindia.com.
17. The Annual Report for the year ended 31st March, 2022 and Notice of the AGM inter alia indicating the manner and process of remote e-voting are being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members (Physical / Demat) who have not registered their email addresses with the company can get the same registered with the company by requesting in member updation form by sending an email to phaarmasia@gmail.com and info@vccilindia.com. Please submit duly filled and signed member updation form to the above-mentioned email. Upon verification of the Form the email will be registered with the Company till the date of AGM.
18. Members may also note that the Notice of the 41stAGM and the Annual Report for the financial year ending on 31st March, 2022 will also be available on the Company’s website <http://phaarmasia.in/> for download.
19. Considering the social distancing norm to be followed due to wide spreading COVID-19 Pandemic. All Documents referred to in the accompanying notice will be sent to the respective shareholder upon receiving a request at the e-mail id phaarmasia@gmail.com of the Company for inspection of the members of the Company.
20. SEBI has made it mandatory for every participant in the Securities/Capital Market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details of PAN and Bank Account along with a copy of the PAN card and original cancelled cheque leaf /attested bank passbook showing name of account holder to RTA.
21. SEBI made it mandatory for all the shareholders to hold the shares in Dematerialization form. Hence, all the shareholders holding shares in physical form are requested to convert their Physical shares in Demat form, so the liquidity of shares is not affected.
22. **THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

In accordance with the provision of section 108 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the shareholders may exercise their option to participate through electronic voting system and the company is providing the facility for voting by electronic means (remote e-voting) to all its members. The company has engaged the services of Central Depository Services Limited (CDSL) to provide remote e-

voting facilities and enabling the members to cast their vote in a secured manner. This facility will be available at the link <http://www.evotingindia.com> during the following voting period:

Commencement of remote e-voting : From 09.00 A.M on **September 24th, 2022**
End of remote e-voting : Up to 05.00 P.M on **September 26th, 2022**

Remote e-voting shall not be allowed beyond 05.00 P.M on **September 26th, 2022**. During the Remote e-voting period, the shareholders of the company, holding shares either in physical form or dematerialized form, as on the closing of business hours of the cut-off date, may cast their vote electronically. The cut-off date for eligibility for remote e-voting is **Tuesday, 20th Day of September, 2022**.

- a) The company has engaged the services of CDSL as the Authorized Agency to provide remote e-voting facilities.
- b) The company has appointed Mr. N.V.S.S. Suryanarayana, Practicing Company Secretary (M. No: 5868), as 'scrutinizer' for conducting and scrutinizing the remote e-voting process in a fair and transparent manner.
- c) "Voting by electronic means" or "electronic voting system" means a 'secured system' based process of display of electronic ballots, recording of votes of the members and the number of votes polled in favour or against, such that the entire voting exercise by way of electronic means gets registered and counted in an electronic registry in the centralized server with adequate 'cyber security'.

It also helps the shareholders to cast their vote from anywhere and at any time during Remote e-voting period.

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

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Saturday, 24th September, 2022 at 09.00 A.M. and ends on Monday, 26th September, 2022. During this period shareholders' of the Company,

holding shares either in physical form or in dematerialized form, as on the cut-off date Tuesday, 20th day of September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System

with CDSL Depository	<p>Myeasi.</p> <ol style="list-style-type: none"> 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have

	to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on "Shareholders" module.

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

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The

option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non-Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz;

phaarmasia@gmail.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **4 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **4 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through vc/OAVM facility, then the votes cast by such shareholders may be

considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

23. The Scrutinizer shall immediately after the conclusion of voting at the General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting and the e0-voting at the time of AGM within a period not exceeding two (2) working days from the conclusion of the meeting make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by the Chairman for counter signature.
24. The Results shall be declared either by the Chairman or by an authorized person of the Chairman and the resolution will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).

Immediately after declaration of results, the same shall be placed along with the Scrutinizer's Report on the Company's website and communicated to BSE Limited where the shares of the Company are listed for placing the same on their website.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item Nos. 4 to 5 of the accompanying Notice dated 12.08.2022.

ITEM NO. 4

It is to bring to the notice of the members of the Company that Mr. Maneesh R. Sapte was designated as the Managing Director of the Company in the Annual General Meeting of the Company held on 26th September, 2015 for a period of 3 years. Further the members of the Company at the Annual general meeting held on 22nd September, 2018 has re-appointed Mr. Maneesh R. Sapte, as Managing Director of the Company w.e.f 1st March, 2018 for a further period of 5 years. The term of Mr. Maneesh R. Sapte, as Managing Director of the Company will come to an end on 28th February, 2023.

As per the provision of Section 196 of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014, the Managing Director can be re-appointed one year before the expiry of his term.

Accordingly, The Board at its meeting held on 12.08.2022 and upon the recommendation of the Nomination and Remuneration Committee has proposed re-appointment of Mr. Maneesh R. Sapte, as the Managing Director of the Company for a further term of 3 years effective from 28.02.2023, based on the efforts put in by him during his tenure as the Managing Director of the Company.

Considering his experience and past performance, the Committee and Board felt the need for continuity of the services of Mr. Maneesh R. Sapte is important and would be beneficial to the company and hence his re-appointment was desirable in the best interest of the Company. The Board recommends the re-appointment of Mr. Maneesh R. Sapte to the members of the Company.

The Details of the Director seeking re-appointment is Enclosed in Annexure – A

In furtherance, the Board proposes the members to authorise Nomination and Remuneration committee to decide the remuneration to be paid to Mr. Maneesh R. Sapte, Managing Director of the Company post his re-appointment subject to the limits specified under the Companies Act, 2013.

The Board recommends the passing Item No. 4 as Special Resolution.

Except Mr. Maneesh R. Sapte and his relatives, None of the Directors and Key Managerial Personnel of the Company and their respective relatives, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

ITEM NO. 5

Mr. Pravin Mohandas Hegde (DIN: 01404954), a Qualified Chartered Accountant was appointed as an Independent Director of the Company by the Board of Directors of the Company at their meeting held on 14th February, 2017 and the members of the Company at the Annual General Meeting held on Friday, the 22nd day of September, 2017 has regularised the appointment of Mr. Pravin Mohandas Hegde, Independent Director of the Company for a term of 5 (five) years commencing from 14th February, 2017 ending on 13th February, 2022.

Board of Directors of the company upon recommendation of Nomination and Remuneration Committee in their meeting held on 10.02.2022 has re-appointed, Mr. Pravin Mohandas Hegde (DIN: 01404954), as an Independent Director for a further period of 5 years commencing from 14.02.2022 to 13.02.2027, which is subject to the approval of members of the company in the ensuing Annual General Meeting.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, an independent director will be eligible for re-appointment for second terms of five years by passing the special resolution of members of the company and shall not be liable to retire by rotation at every AGM.

Mr. Pravin Mohandas Hegde (DIN: 01404954), non-executive independent director of the Company, has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, Mr. Pravin Mohandas Hegde (DIN: 01404954), fulfil the conditions specified in the Act and the Rules framed thereunder for re-appointment as Independent Director and is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the re-appointment of Mr. Pravin Mohandas Hegde (DIN: 01404954), as Independent Director is now being placed before the Members for their approval. Mr. Pravin Mohandas Hegde (DIN: 01404954), being eligible and offering himself for re-appointment as Independent Director, is proposed to be re-appointed as Independent Director for five (5) consecutive years effective from 14.02.2022.

A brief profile of the Independent Directors to be appointed is given below:

Your Board recommends the resolution as set out at Item No. 5 for approval of the members as a Special resolution.

Except Mr. Pravin Mohandas Hegde, None of the Directors and Key Managerial Personnel of the Company and their respective relatives, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

**BY ORDER OF THE BOARD
FOR PHAARMASIA LIMITED**

**Sd/-
Y.N. BHASKAR RAO
WHOLE-TIME DIRECTOR
DIN: 00019052**

**Date: 12th August, 2022
Place: Hyderabad**

Registered Office:
16, Phase-III, IDA, Jeedimetla,
Hyderabad, Telangana, India - 500055

Annexure A

Details of the Directors seeking Appointment/Re-appointment at the forthcoming Annual General Meeting

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of Director	Mrs. Rashmi Vinay Sapte	Mr. Maneesh Ramakant Sapte	Mr. Pravin Mohandas Hegde
Director Identification Number	00334247	00020450	01404954
Date of Birth	09/02/1962	28/06/1971	04/04/1963
Nationality	Indian	Indian	Indian
Date of Appointment	14/02/2015	01/03/2006	14/02/2017
Qualifications	B.A with major History/Politics. Post-Graduation Certification in Office Automation	B.Sc Chemistry	Chartered Accountant
Expertise in specific functional areas	Experience in Pharmaceutical sector.	Experience in Pharmaceutical sector	Experience in Financial and Taxation matters
Chairmanships/ Directorships of other Companies (excluding Foreign Companies and Section 25 Companies) as on March 31, 2022	<ol style="list-style-type: none"> 1) Svizera Healthcare Private Limited 2) Svizera Labs Private Limited 3) Maneesh Pharmaceuticals Limited 4) Cardex Lifecare LLP 5) Mantech Counting and Systems LLP 	<ol style="list-style-type: none"> 1) Svizera Health Remedies LLP 2) Adhrit Education LLP 3) Maneesh Pharmaceuticals Limited 4) Pharmanova Specialties Private Limited 5) Svizera Pharma Private Limited 6) Svizera Labs Private Limited 7) Servac Pharma (I) Private Limited 8) Shanbag Storage and Services Private Limited 9) Pure Health Products Private Limited 	<ol style="list-style-type: none"> 1) Maneesh Pharmaceuticals Limited 2) Master Mind Property Private Limited
Chairmanships/ Memberships of	2	0	2

Committees of other Public Companies (includes only Audit Committee; Stakeholders Relationship Committee and Nomination and Remuneration Committee) as on March 31, 2022			
Equity Shares held in the Company as on 31.03.2022	Nil	Nil	Nil
Relationship between Directors inter-se	Ms. Rashmi Vinay Sapte is a relative of promoter Director	Mr. Maneesh is a relative of promoter Directors	Nil

**FORM FOR REGISTRATION OF EMAIL ADDRESS FOR RECEIVING DOCUMENTS /
NOTICES BY ELECTRONIC MODE**

To

M/s. Venture Capital and Corporate Investments Private Limited
H. No. 12-10-167, Bharat Nagar, Hyderabad – 500 018
Tel No. 040-23818476 / 23818475; Fax No. 040-23868024

Company: PhaarmasiaLimited

I agree to receive all documents / notices including the Annual Report from the Company in electronic mode. Please register my email address given below in your records for sending communication through email.

Name of Sole / First Holder	:	<hr/>
DP ID / Client ID / Regd. Folio No	:	<hr/>
PAN No.	:	<hr/>
E-Mail Address	:	<hr/>

Date:

Place:

(Signature of the member)

DIRECTORS' REPORT

Dear Members,

Your Directors present their 41st Annual Report on the business and operations of the Company and the accounts for the financial year ended March 31, 2022.

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The performance of the Company during the year ended 31st March 2022 has been as under:

(Amounts in Lakhs)

Particulars	2021-22	2020-21
Total Income	1768.55	2078.88
Less: Total Expenses	1924.76	2031.01
Net Profit/ (Loss) Before Tax	(156.22)	47.87
Provision for Current Tax	0	18.47
Deferred Tax for the Current Year	(1.50)	(1.80)
Net Profit/(Loss) After Tax	(154.72)	31.20

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

During the year under review, the gross revenue of the Company decreased to **Rs.1,721.58 Lakhs** as against the revenue of **Rs. 1,989.53 Lakhs** in the previous year. The Company has incurred a Loss after tax for the year of **Rs. (154.72) Lakhs** as against the Profit after Tax of **Rs. 31.20 Lakhs** in the previous year.

Phaarmasia Limited is manufacturing dedicated manufacturing facility of Hormonal (Oral contraceptive tablets) and Combipack with Iron Tablet.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business during the year

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments after the closure of the financial year, which will affect the financial position of the Company.

There are no material changes and commitments affecting the financial position of the company which occurred between the end of the financial year to which the financial statements relate and the date of the report.

DIVIDEND

The Board of Directors has not recommended any dividend for the current financial year.

TRANSFER TO RESERVE

The Company does not propose to transfer any amount to the general reserve for the financial year ended 31st March 2022.

SHARE CAPITAL

During the year the Company has not allotted any shares.

The authorised capital of the company stands unchanged from previous year at Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crores) equity shares of Rs. 10/- (Rupees Ten Only) each.

The Issued, Subscribed and Paid-up Capital of the Company as on March 31, 2022 is Rs.6,82,69,600/- (Rupees Six Crores Eighty-Two Lakhs Sixty-Nine Thousand and Six Hundred) divided into 68,26,960 (Sixty-Eight Lakhs Twenty-Six Thousand Nine Hundred and Sixty) equity shares of Rs.10/- (Rupees Ten) each.

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Companies Act, 2013 read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

During the period under review there was no Issue of shares (including sweat equity shares) to employees of the Company under any scheme including Employees' Stock Options Schemes.

DIRECTORS AND KEY MANAGERIAL PERSONNEL AS ON 31ST MARCH, 2022 AND DETAILS OF CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of your company is duly constituted. The Board consists of Six Directors comprising of Two Executive Directors, Two Non-Executive Director, and Two Independent Directors.

The Board is efficient and the directors have requisite knowledge and exposure to provide requisite insights and direction to the Management of the Company.

The Directions given to the management are actually implemented and executed through the Managing Director and Whole Time Director.

With this structure, the management has ensured that the board is independent of the management in decision making and provides the requisite insights of the various external factors which the internal employees do not have access to.

Your directors believe that the Board must consciously create a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests.

The company has maintained an optimum combination of Executive and Non-Executive Directors.

The composition of the Board, Category, DIN of Directors are as follows:

BOARD OF DIRECTORS:

S.No.	Name of the Director	Designation	DIN
1.	Mr. Maneesh Ramakant Sapte	Managing Director	00020450
2.	Mr. Yallapragada Naga Bhaskara Rao	Whole-time Director	00019052
3.	Mr. Vinay Ramakant Sapte	Director	00135085
4.	Mrs. Rashmi Vinay Sapte	Director	00334247
5.	Mr. Pravin M. Hegde	Independent Director	01404954
6.	Mr. Ajit Gopal Jamkhandikar	Independent Director	08196191

KEY MANAGERIAL PERSONNEL (KMP)

S. No.	Name of the KMP	Designation
1)	Mr. Maneesh Ramakant Sapte	Managing Director
2)	Mr. Yallapragada Naga Bhaskara Rao	Whole-time Director
3)	Mr. Eswara Vara Prasad Rao Nagineni	Chief Financial Officer
4)	Ms. Urvashi Bhatia	Company Secretary

CHANGE IN DIRECTOR / KEY MANAGERIAL PERSONNEL DURING THE YEAR

- The members of the Company at the Annual General meeting held on 23rd September, 2021 have re-appointed Mr. Vinay R. Sapte (DIN: 00135085) as Non-Executive Director of the company owing to his office liable to retire by rotation.
- The Board of Directors of the Company at their meeting held on 10.02.2022 has re-appointed Mr. Pravin M. Hegde, as Independent Director for a further period of five year effective from 14.02.2022, subject to approval of members in ensuing general meeting.

PROPOSED APPOINTMENTS / RE-APPOINTMENTS IN THE 41ST ANNUAL GENERAL MEETING

- Approval of the shareholders is being sought for the appointment of Mrs. Rashmi Vinay Sapte (DIN: 00334247) Non-Executive Director of the Company, who retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offer himself for re-appointment in accordance with the provisions of the Companies Act and pursuant to Articles of Association of the Company.
- Approval of the shareholders is being sought for the re-appointment of Mr. Maneesh Ramakant Sapte, as Managing Director of the company for a further period of 3 years effective from 28.02.2023.

- Approval of the shareholders is being sought for the re-appointment of Mr. Pravin M. Hegde, as Independent Director of the company for a further period of 5 years commencing from 14.02.2023.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134 (3) and (5) of the Companies Act 2013, with respect to Directors' Responsibility Statement, your board of directors to the best of their knowledge and ability confirm that:

- a) In preparation of the annual accounts, the applicable accounting standards have 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 have 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 have prepared the annual accounts on a going concern basis;
- e) The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively;
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and effective.

SELECTION OF INDEPENDENT DIRECTORS

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as an Independent Director on the Board. The Committee inter alia considers qualification, positive attributes, area of expertise and number of Directorship(s) and Membership(s) held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation and takes appropriate decision.

DECLARATION GIVEN BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013.

In the opinion of the Board all the Independent Directors possess integrity, expertise and experience (including the proficiency) to be act as independent Director.

PARTICULARS OF EMPLOYEES

Details in respect of remuneration paid to employees as required under Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, forms part of this report. In terms of Section 136 of the Companies Act, 2013 the same is open for inspection at the Registered Office of the Company.

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are enclosed in **Annexure - I** and forms part of this Report.

MEETINGS OF BOARD OF DIRECTORS

The Board of Directors duly met 5 (Five) times on 12.04.2021, 25.06.2021, 06.08.2021, 09.11.2021 and 10.02.2022 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

The intervening gap between the meetings was not more than 120 days as prescribed under the Companies Act, 2013.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Company has framed policy on Directors' appointment and remuneration and other matters as provided in section 178(3) of the Act and is referred to while taking decisions under its purview.

FORMAL BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc

The Board and the Nomination and Remuneration committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed,

meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

A separate meeting of independent Directors, performance of non-independent Directors, performance of the Board as a whole and performance of the chairman was evaluated, taking into account the views of Directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed. Performance evaluation of independent Directors was done by the entire board, excluding the independent Director being evaluated.

The overall performance of the Non-Executive Directors of the company is satisfactory. The review of performance was based on the criteria of performance, knowledge, analysis, quality of decision making etc.

AUDIT COMMITTEE

Audit Committee has acted in accordance with the terms of Section 177 of the Companies Act, 2013.

- (i) recommended for appointment, remuneration and terms of appointment of auditors of the company;
- (ii) reviewed and monitored the auditor's independence and performance, and effectiveness of audit process;
- (iii) examination of the financial statement and the auditors' report thereon;
- (iv) approval or any subsequent modification of transactions of the company with related parties;
- (v) scrutiny of inter-corporate loans and investments; if any
- (vi) valuation of undertakings or assets of the company, wherever it is necessary;
- (vii) evaluation of internal financial controls and risk management systems;
- (viii) monitoring the end use of funds raised through public offers and related matters.

The Audit Committee consists of a combination of Non-Executive Director and Non-Executive Independent Directors and assists the Board in fulfilling its overall responsibilities.

The Audit Committee of the Company is duly constituted as per Section 177 of the Companies Act, 2013. The members of Audit Committee are:

Directors	Chairman/Member	Category
Mr. Pravin Mohandas Hegde	Chairman	Independent Director
Mr. AjitJamkhandikar	Member	Independent Director
Mr. Y.N Bhaskar Rao	Member	Whole-time Director

Audit Committee Meetings

Sl. No.	Date of meeting	Total No of Members as on the date of meeting	Number of Members attended
1.	25.06.2021	03	03
2.	06.08.2021	03	03
3.	09.11.2021	03	03
4.	10.02.2022	03	03

NOMINATION AND REMUNERATION COMMITTEE

The Company had constituted the Nomination and Remuneration Committee under section 178 of the Companies Act, 2013.

The Company, vide a Circular Resolution dated 28.08.2020 reconstituted the Nomination and Remuneration Committee as follows:

Directors	Chairman/Member	Category
Mr. Pravin M. Hegde	Chairman	Independent Director
Mr. Ajit Jamkhedkar	Member	Independent Director
Mr. Vinay Ramakant Sapte	Member	Non-Independent & Non-Executive Director

NOMINATION AND REMUNERATION COMMITTEE MEETINGS

S. No.	Date of meeting	Total No of Members as on the date of meeting	Number of Members attended
1.	25.06.2021	03	03
2.	06.08.2021	03	03
3.	10.02.2022	03	03

The Nomination and Remuneration policy of the Company is provided below:

SELECTION AND EVALUATION OF DIRECTORS:

The Board has on the basis of the recommendations of the Nomination and Remuneration Committee, laid down following policies.

1. Policy for Determining qualifications, Positive Attributes and Independence of a Director.
2. Policy for Board & Independent Directors Evaluation

PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

The Company believes in a formal evaluation of the Board and of the individual Directors, on an annual basis, is a potentially effective way to respond to the demand for greater Board accountability and effectiveness. For the Company, evaluation provides an ongoing means for Directors to assess their individual and collective performance and effectiveness. In addition to greater Board accountability, evaluation of Board members helps in:

- a) More effective Board processes
- b) Better collaboration and communication
- c) Greater clarity with regard to members roles and responsibilities

The evaluation process covers the following aspects:

- Self-evaluation of Directors
- Evaluation of the performance and effectiveness of the Board
- Evaluation of the performance and effectiveness of the committees
- Feedback from the non-executive Directors to the Chairman
- Feedback on management support to the Board.

RISK MANAGEMENT POLICY

The Risk Management Policy in place in the Company enables the Company to proactively take care of the internal and external risks of the Company and ensures smooth business operations.

The Company's risk management policy ensures that all its material risk exposures are properly covered, all compliance risks are covered and the Company's business growth and financial stability are assured. The Board of Directors decide the policies and ensure their implementation to ensure protection of Company from any type of risks.

STATUTORY AUDITORS

M/s Sathuluri & Co., Chartered Accountants, were appointed as Statutory Auditors for 5 years at the 36th Annual General Meeting held on 22nd September, 2017 and shall hold office from the conclusion of the 36th Annual General Meeting till the conclusion of 41st Annual General Meeting.

Your Director's propose their re-appointment at the 41st Annual General Meeting of members.

However, Pursuant to notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending section 139 of the Companies Act, 2013 and the rules framed thereunder, the mandatory requirement for ratification of appointment of auditors by the members at every Annual General Meeting ("AGM") has been omitted, and hence the company is not proposing an item on ratification of appointment of Auditors at this AGM.

REPLIES TO AUDITORS' REPORT

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. AOC-2 as **Annexure -II** to this report

There were no material significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or the Senior Management which may have a potential conflict with the interest of the Company at large. None of the Directors had any pecuniary relationship or transactions with the Company.

SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Act and Rules made there under, Mr. N.V.S.S. Suryanarayana, Practicing Company Secretary (Membership No. A5868 and COP No.: 2886) has been appointed as Secretarial Auditor of the Company for the financial year under review.

Secretarial Audit Report as provided by Mr. N.V.S.S. Suryanarayana, Practicing Company Secretary is enclosed as **Annexure III** to this report.

Comment of Secretarial Auditor and Management response

Secretarial Auditor Comment

There was delay in filing the prior intimation under Regulation 29 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for approval of unaudited financial statements for the quarter ended 30th September, 2021.

Management Response

The delay in upload of intimation of Board Meeting held on 9th November, 2021, was due to technical issues with the BSE website. In spite of numerous attempts, Company did not receive OTPs on the phone or email due to which we could not log in. The Company has also made a waiver application with BSE Limited, however the same is not considered.

SECRETARIAL STANDARDS

The Company complies with all applicable secretarial standards.

COST AUDITORS

The provisions of Section 148 of the Companies Act, 2013 do not apply to the Company. Hence, the company has not appointed Cost Auditors for Financial Year 2021-22.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Directors' Report.

VIGIL MECHANISM

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism to report genuine concerns has been established. The mechanism provides for adequate safeguards.

PREVENTION OF INSIDER TRADING.

The company has adopted a code of conduct for prevention of insider trading with a view to regulate trading in securities by the directors and designated employees of the company. The code requires pre-clearance for dealing in the company's shares and prohibits the purchase or sale of company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the company and during the period when the trading window is closed. The 'Manager' is responsible for implementation of the code along with the management of the Company.

Members of the Board have confirmed compliance with the code.

INTERNAL FINANCIAL CONTROLS AND INTERNAL AUDIT

The Company has a proper and adequate system of internal control to ensure all the assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, regarded and reported correctly. The internal control is supplemented by an extensive program of internal audits, review by management and procedures. It is designed to ensure that the

financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of assets.

During the year, the Company has implemented the suggestions and recommendations of the internal auditor to improve the control environment. Their scope of work included review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations. In the Board meeting held on 25.06.2021, company has re-appointed M/s. Oruganti & Associates, Chartered Accountant, as Internal Auditor of the Company for the F.Y. 2021-22.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

Pursuant to the provisions of section 177 of the Companies Act, 2013 and the rules framed there under and pursuant to the applicable provisions of the SEBI (LODR) Regulations, 2015, the company has established a mechanism through which all stake holders can report the suspected frauds and genuine grievances to the appropriate authority. The Whistle blower policy which has been approved by the board of directors of the company has been hosted on the website of the company viz. <http://phaarmasia.in/>

ANNUAL RETURN

The Annual Return of the Company as on March 31, 2022 is available on the Company's website and can be accessed at <http://phaarmasia.in/>

SECRETARIAL STANDARDS

The Company complies with all applicable secretarial standards.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The company has not given loans, guarantees or made investments covered under the provisions of Section 186 of the Companies Act, 2013 during the reporting period.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations

SUBSIDIARY & ASSOCIATES / JOINT VENTURES

Company does not have any subsidiary and Joint Venture Company.

However, the following two companies holds more than 20% shareholding in our Company:

S. No.	Name of the company	CIN/FCRN	% of shares held
1.	Maneesh Pharmaceuticals Limited	U24230MH1985PLC036952	44.22
2.	Svizera Labs Private Limited	U74999MH1997PTC107389	29.30

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report, pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this report and same is attached as **Annexure IV**.

CORPORATE GOVERNANCE REPORT

As per Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements), 2015, provisions relating to corporate governance are not applicable to your company and therefore there is no separate report on corporate governance.

However, in pursuance of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a certificate from Mr. N.V.S.S. Suryanarayana, Practicing Company Secretary, in compliance with (i) of Point (10) of Para C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure-V** and forms part of this Report.

BUSINESS RESPONSIBILITY REPORT (BRR)

Securities Exchange Board of India (SEBI) by notification No. SEBI/LAD-NRO/GN/2019/45 dated 26.12.2019 (Securities and Exchange Board of India – Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2019 has mandated the inclusion of BRR as part of the Annual Report for the top 1000 listed entities based on their market capitalization on BSE Ltd and National Stock Exchange of India Ltd as at 31st March of every year. In view of the requirements specified, the company is not mandated for the providing the BRR and hence do not form part of this Report.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2021-22:

- No. of complaints received : NIL
- No. of complaints disposed off : NIL

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

(a) Conservation of energy: Due to the stoppage of production no energy conservation was considered during the year.

(b) Technology absorption: N.A

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is as follows:

Foreign Exchange Inflows: Nil

Foreign Exchange Outflows: Nil

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013, relating to Corporate Social Responsibility are not applicable to the Company for the time being.

DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review. As such no amount of principal or interest was outstanding on the date of the Balance Sheet.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUN

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

LISTING WITH STOCK EXCHANGES

The shares of the company are listed on The BSE Limited. All dues to the exchange have been paid in full.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

Your Company does not have any shares in the Demat suspense account or unclaimed suspense account and therefore no disclosure as per Point F of Schedule V of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 is required.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the period under review, there was no application made nor any proceeding initiated or pending under the Insolvency and Bankruptcy code, 2016.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the period under review, there was no one time settlement with Bank.

INDUSTRY RELATIONS

The company enjoyed cordial relations with its employees during the year under review and the Board appreciates the employees across the cadres for their dedicated service to the Company, and looks forward to their continued support and higher level of productivity for achieving the targets set for the future.

HUMAN RESOURCES

Your Company treats its “human resources” as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

ACKNOWLEDGEMENTS

Your directors wish to place on record their appreciation of the contribution made by the stakeholders, of the Company for their continued support.

By the order of the Board of Directors
for **Pharmasia Limited**

Date: 12th August, 2022
Place: Hyderabad

Sd/-
Maneesh Ramakant Sapte
Managing Director
DIN: 00020450

Sd/-
Y.N. Bhaskar Rao
Whole-time Director
DIN: 00019052

Annexure – I

Statement of particulars as per Rule 5 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014

Part- A

Information under Section 197 (12) of the Companies Act, 2013 read with the rule 5(1) Companies (Appointment and remuneration of managerial personnel) Rules, 2014 and forming part of Directors Report for the year ended March 31, 2022

- (i) **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:**

S. No	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	Mr. Maneesh Ramakant Sapte	NA
2.	Mr. Yallapragada Naga Bhaskar Rao	1 : 0.1785
3.	Mr. Vinay Ramakant Sapte	NA
4.	Mrs. Rashmi Vinay Sapte	NA
5.	Mr. Pravin M. Hegde	NA
6.	Mr. Ajit Gopal Jamkhandikar	NA

- (ii) **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year:**

S.No.	Name of the KMP	Percentage increase in remuneration
1.	Mr. Maneesh Ramakant Sapte	-
2.	Mr. Y.N. Bhaskar Rao	-
3.	Mr. Eswara Vara Prasad Rao Nagineeni	10%

- (iii) The percentage increase in the median remuneration of employees in the financial year is 10%
- (iv) The number of permanent employees on the rolls of Company as on 31st March, 2022: 13 employees.
- (v) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and whether there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentile increase in the salaries of the employees other than the managerial personnel in the financial year is Nil and there has been no increase in the managerial remuneration of Company Secretary during the financial year.

(vi) The Remuneration paid to Key Managerial Personnel is as per the Remuneration Policy of the Company.

Part-B

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: Not Applicable

**By the order of the Board of Directors
for Pharmaasia Limited**

**Date: 12th August, 2022
Place: Hyderabad**

**Sd/-
Maneesh Ramakant Sapte
Managing Director
DIN: 00020450**

**Sd/-
Y.N. Bhaskar Rao
Whole-time Director
DIN: 00019052**

Annexure-II
FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the companies Act, 2013 including certain arm's length transactions under third proviso thereto (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis

- a) Name(s) of the related party and nature of relationship - N.A
- b) Nature of contracts/arrangements/transactions - N.A
- c) Duration of the contracts/arrangements/transactions - N.A
- d) Salient terms of the contracts or arrangements or transactions including the value, if any - N.A
- e) Justification for entering into such contracts or arrangements or transactions - N.A
- f) Date(s) of approval by the Board - N.A
- g) Amount paid as advances, if any: - N.A
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 - N.A

2. Details of material contracts or arrangement or transactions at arm's length basis

2.1

- a) Name(s) of the related party and nature of relationship - Maneesh Pharmaceuticals Limited (Holding Company)
- b) Nature of contracts/arrangements/transactions - Sale / Purchase/ Services transactions
- c) Duration of the contracts/arrangements/transactions - FY 2021-22
- d) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - Goods Sold - Rs. 7,64,57,578 /-
 - Goods purchased / Services - Rs. 12,43,68,631 /-
- e) Date(s) of approval by the Board, if any: N.A
- f) Amount paid as advances, if any: Nil

2.2

- a) Name(s) of the related party and nature of relationship - Svizera Health Remedies LLP (Enterprises where Directors are interested)
- b) Nature of contracts/arrangements/transactions - Sale transactions
- c) Duration of the contracts/arrangements/transactions - FY 2021-22
- d) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - Goods Sold - Rs. 1,01,13,552/-
- e) Date(s) of approval by the Board, if any: N.A
- f) Amount paid as advances, if any: Nil

2.3

- a) Name(s) of the related party and nature of relationship - Shub Pharma Agency (Enterprises where Directors are interested)
- b) Nature of contracts/arrangements/transactions - Services transactions

- c) Duration of the contracts/arrangements/transactions – FY 2021-22
- d) Salient terms of the contracts or arrangements or transactions including the value, if any:
Services – Rs. 43,79,897 /-
- e) Date(s) of approval by the Board, if any: N.A
- f) Amount paid as advances, if any: Nil

By the order of the Board of Directors
for **Pharmasia Limited**

Date: 12th August, 2022
Place: Hyderabad

Sd/-
Maneesh Ramakant Sapte
Managing Director
DIN: 00020450

Sd/-
Y.N. Bhaskar Rao
Whole-time Director
DIN: 00019052

Annexure- III

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Phaarmasia Limited
16, Phase-III, IDA, Jeedimetla,
Hyderabad – 500055, Telangana.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Phaarmasia Limited**, (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2022, (“**Audit Period**”) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- I. The Companies Act, 2013 (the “**Act**”) and the rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 (“**SCRA**”) and the rules made there under
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (*Not Applicable to the Company during the year under review*)
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”);
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; *(Not Applicable to the Company during the year under review)*
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; *(Not Applicable to the Company during the year under review)*
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(Not Applicable to the Company during the year under review)*
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(Not Applicable to the Company during the year under review)* and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *(Not Applicable to the Company during the year under review)*
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (i) Other laws applicable to the Company

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

Secretarial Standard-1 and Secretarial Standard-2, with respect to Board and General Meetings respectively, issued by The Institute of Company Secretaries of India.

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

1. *There was delay in filing the prior intimation under Regulation 29 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for approval of unaudited financial statements for the quarter ended 30th September, 2021.*

I further report that:

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

Adequate notice is given to all Directors to schedule the Board Meetings and a system exists for seeking and *obtaining* further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

Sd/-

N. V. S. S. Suryanarayana

Practicing Company Secretary

Membership Number: A5868

Certificate of Practice Number:2886

Peer Review Certificate No. 1506/2021

UDIN: A005868D000764417

Hyderabad, 12th August, 2022

Note: This report is to be read with my letter of even date which is annexed as 'Annexure-A' and forms an integral part of this report.

Annexure-A

To
The Members,
Phaarmasia Limited
16, Phase-III, IDA, Jeedimetla,
Hyderabad – 500055, Telangana

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

- a. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- b. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
- c. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- d. Where ever required, I have obtained Management Representation about the compliance, laws, rules and regulations and happening of events etc.
- e. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-
N.V.S.S.Suryanarayana
Practicing Company Secretary
Membership Number: A5868
Certificate of Practice Number:2886
Peer Review Certificate No. 1506/2021

UDIN: A005868D000764417

Hyderabad, 12th August, 2022

CERTIFICATE OF THE MD /CFO

To
The Board of Directors,
Phaarmasia Limited

I, Mr. EswaraVara Prasad Rao Nagineni, Chief Financial Officer of Phaarmasia Limited, to the best of my knowledge and belief, certify that:

1. We have reviewed the Balance Sheet as at March 31, 2022, Statement of Profit and Loss, the Statement of changes in equity and Statement of Cash flows for the year ended and a summary of the significant accounting policies and other explanatory information of the company and the Board's report for the year ended March 31, 2022.
2. These statements do not contain any material untrue statement or omit any material fact nor do they contain statements that might be misleading.
3. The financial statement, and other financial information included in this report, present in all material respects a true and fair view of the company's affairs, the financial condition, results of operations and cash flows of the Company as at and for the periods presented in this report, and are in compliance with the existing accounting standards, applicable laws and regulations.
4. There are no transactions entered into by the company during the year that are fraudulent, illegal or violative of the company's code of conduct and Ethics.
5. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
6. We have indicated to the Auditors and the Audit Committee that:
 - i. there are no significant changes in internal control over financial reporting during the year;
 - ii. there are no significant changes in accounting policies during the year; and
 - iii. there are no instances of significant fraud of which we have become aware.

**By order of the Board
for PHAARMASIA LIMITED**

**Sd/-
Eswara Vara Prasad Rao Nagineni
Chief Financial Officer**

**Place: Hyderabad
Date: 12th August, 2022.**

ANNEXURE - IV

MANAGEMENT DISCUSSION & ANALYSIS REPORT

INTRODUCTION

India is the largest provider of generic drugs globally. Indian pharmaceutical sector supplies over 50% of global demand for various vaccines, 40% of generic demand in the US and 25% of all medicine in the UK. Globally, India ranks 3rd in terms of pharmaceutical production by volume and 14th by value. The domestic pharmaceutical industry includes a network of 3,000 drug companies and ~10,500 manufacturing units. India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers with a potential to steer the industry ahead to greater heights. Presently, over 80% of the antiretroviral drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms.

COMPANY PERSPECTIVE

Phaarmasia is committed to creating a better tomorrow. Phaarmasia believes in innovation. It provides state-of-the art prepositions to advance the company's relevance and foster a spirit of experimentation. Phaarmasia takes measurable risks in exploring new avenues of approach to business, applications and customer needs. During past a few decades, Phaarmasia has mastered and manufactured wide range of Pharmaceutical Formulations at a WHO-GMP certified and ISO 9001-certified manufacturing facility. Pharmaceutical products of Phaarmasia are consistent in term of quality and reliability.

Phaarmasia is committed to creating a better tomorrow. Maintaining a core competency in Hormonal and steroidal products, allows us to maintain the right quality. We strive to manage this business in an ethical and transparent manner.

In the never-ending quest for quality and better healthcare, we dedicate ourselves to exceed expectations of our customer and all our stakeholders as it provides us with the Competitive Edge.

Our motto is to deliver to Our Customers with best quality products. "QUALITY" is the hallmark of Phaarmasia. We Commit ourselves as a Company and as Individuals to 'DO IT RIGHT FIRST TIME, EVERY TIME' and to achieve this we have an environment that encourages our people, since 'People makes the Difference'.

Maintaining a high level of respect within the industry and amongst professionals is important to us as this helps us in giving high quality products and services back to the society.

The growth of Phaarmasia as an organization is the cumulative product of individual growth of our employees. It's the constant effort of all our employees working as a wonderful team as well as motivated individuals that drives Phaarmasia to achieve bigger & better goals.

Our intention is to aim at the development of innovative formulations and products. With the help of our dedicated team of researchers, we have produced various new innovative products with unmatched quality and are religious to continue our quest for the development of innovative dosage formulation.

M/s Phaarmasia Limited (unit-I) is the part of the Maneesh Pharmaceutical limited, with its headquarters and marketing office in Mumbai. M/s Phaarmasia Limited Unit-II was established in 1993-94. Phaarmasia Limited is engaged in manufacturing and marketing of Oral contraceptive tablets" with various therapeutic dosage combinations along with iron tablets for Ministry of Health & Family Welfare and for Exports.

The plant is situated in a hygienic environment; free from dust, smoke, chemical & biological emission. Phaarmasia Ltd. Is an independent State-of-the-art-manufacturing unit having manufacturing facility of international standards with manufacturing capacity of more than 30 million units per annum.

ROAD AHEAD

Medicine spending in India is projected to grow 9-12% over the next five years, leading India to become one of the top 10 countries in terms of medicine spending. Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as such as cardiovascular, anti-diabetes, anti-depressants and anti-cancers, which are on the rise. The Indian Government has taken many steps to reduce costs and bring down healthcare expenses. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies. In addition, the thrust on rural health programmes, lifesaving drugs and preventive vaccines also augurs well for the pharmaceutical companies.

Phaarmasia is trying its best to move ahead in planned manner to achieve the higher growth.

FINANCIAL PERFORMANCE:

Revenues

Company has recorded the revenue of Rs. 1721.58 Lakhs during 2021-22 as compared to Rs. 1989.53 Lakhs in 2020-21.

Other Incomes

The Other incomes for 2021-22 of Rs. 46.97 Lakhs has decreased, compared to Rs. 89.35 Lakhs in 2020-21.

Expenditure

The expenses for 2021-22 of Rs. 1924.76 Lakhs has reduced, compared to Rs. 2031.01 Lakhs in 2020-21.

Profit Before Tax

There is Loss Before Tax for 2021-22 of Rs. 156.22 Lakhs compared to Profit Before Tax of Rs. 47.87 Lakhs in 2020-21.

Profits after Tax

The Loss After Tax for 2021-22 of Rs. 159.36 Lakhs as against Profit After Tax of Rs. 24.42 Lakhs in the previous year 2020-21.

Earnings Per Share

The EPS for 2021-22 decreased to Rs. (2.27) as compared to Rs. 0.46 in Previous Year.

RISK MANAGEMENT

Risks are inherent to our business as our operating environment is complex, highly regulated, and dynamic. To attain our strategic growth objectives, protect the interests of all our stakeholders and meeting legal requirements we have an established process of identifying, analyzing, and responding appropriately to all business risks. We have a well-embedded Risk Management Framework to ensure that we are well-placed to manage any adverse effect posed by financial, operational, strategic or regulatory related risks.

Our framework adopts appropriate risk mitigation measures for identified risks across functions. The process ensures that new risks, which might arise, or the impact of existing risks which might have increased, are identified and a strategy is put in place for mitigating such risks. The major risks identified by the management are regulatory, competition, supply chain disruption, cyber and data security.

INTERNAL CONTROLS AND ADEQUACY

Your Company has a robust and reliable system of internal controls commensurate with the nature of the business, and the scale and complexity of operations. The Company has adopted policies and procedures covering all financial, operating and compliance functions. These controls have been designed to provide a reasonable assurance over:

1. Effectiveness and efficiency of operations
2. Safeguarding of assets from unauthorised use or losses
3. Compliance with applicable laws and regulations
4. Prevention and detection of frauds and errors
5. Accuracy and completeness of the accounting records
6. Timely preparation of reliable financial information

The current system of Internal Financial Controls (IFC) is aligned with the requirement of the Companies Act 2013, The Internal Audit (IA) function of the Company functionally reports to the Chairperson of the Audit Committee, thereby maintaining its objectivity.

FORWARD-LOOKING STATEMENTS

Your Directors is focusing to strengths its Domestic Market through expansion of its activities and will make the necessary investment when attractive opportunities arise.

OPPORTUNITIES & THREATS:

The pace at which the pharmaceutical sector in India is growing has increased the Opportunities for the company which can lead to healthy growth of the Company. The pharmaceutical sector is also exposed to various kinds of risks related to change in government policies, pricing of products, intense competition due to growth etc. The Company is well equipped to tackle the risks related to the business of the Company.

OUTLOOK:

Your company has been following the philosophy of providing the highest quality products and services at the lowest possible prices. Your Company's philosophy to provide high class quality products i.e. full value for money, to consumers would greatly benefit in the long run. Your company will continue to follow this philosophy in the new operations that it is likely to undertake.

HUMAN RESOURCES:

Phaarmasia Limited believes in creating an environment, wherein human resources derive a sense of purpose, passion and personal growth at work, leading to organizational performance. Towards realizing this, the company relies on the four pillars, namely, performance management, talent engagement, Capability development and maintaining cordial industrial relations. It also believes in review of its HR processes and systems on an ongoing basis to optimize costs, time and labour.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objective, projections, estimates, expectations may be forward-looking statements. Actual results may differ materially from those expressed or implied due to various risks and uncertainties. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, finished goods prices, changes in government regulations and policies, tax regimes, economic conditions within India and the countries within which the Company conducts business and other such factors. The Company does not undertake to update these statements.

Annexure – V

CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE

[Pursuant to clause (i) of Point (10) of Para C of Schedule V of Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015]

I have examined the following documents:

- i. Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
- ii. Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents'),

As submitted by the Directors of Phaarmasia Limited ('the Company') bearing CIN: L24239TG1981PLC002915 and having its registered office at '16, Phase-III, IDA, Jeedimetla, Hyderabad -500055, Telangana, India, to the Board of Directors of the Company ('the Board') for the Financial Year 2021-22. We have considered non-disqualification to include non-debarment by Regulatory / Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Based on our examination of relevant documents made available to us by the Company and such other verifications carried out by us as deemed necessary and to the extent possible, in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, we certify that as on date of this Certificate, none of the Directors on the Board of the Company, as listed hereunder, have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Sr. No	Name of Director	Director Identification Number (DIN)
1.	Mr. Naga Bhaskar RaoYallapragada	00019052
2.	Mr. Maneesh Ramakant Sapte	00020450
3.	Mr. Vinay Ramakant Sapte	00135085
4.	Ms. Rashmi Vinay Sapte	00334247
5.	Mr. Pravin Mohandas Hegde	01404954
6.	Mr. Ajit Gopal Jamkhandikar	08196191

This Certificate has been issued at the request of the Company to make disclosure in its Directors' Report for the Financial Year ended 31st March, 2022.

Sd/-

N.V.S.S. SURYANARAYANA RAO

Practicing Company Secretary

Membership Number: 5868

Certificate of Practice Number: 2886

Peer Review Certificate No. 1506/2021

UDIN: A005868D000764626

Hyderabad, 12th August, 2022

INDEPENDENT AUDITOR’S REPORT

To
The Members of
M/s. PHAARMASIA LIMITED, Hyderabad.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of PHAARMASIA LIMITED (“the Company”), which comprise the balance sheet as at 31st March 2022, and the statement of profit and loss (including Other Comprehensive Income), the cash flow Statement and the statement of changes in equity and for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matters

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

“We have determined that there are no key audit matters to communicate in our report.”

Other Information

The Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, for example, Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the standalone financial statements and our auditor’s report thereon. The other information as stated above is expected to be made available to us after the date of this auditor’s report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information as stated above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.

Management’s Responsibility for the Standalone Financial Statements

The Company’s Board of Directors are 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in

India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be

thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure-B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 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 Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified

opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of the section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements.
 - ii. The Company has made provision, as required under the applicable laws or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

UDIN: 22202710AJSPYG6683
For Sathuluri & Co.,
Chartered Accountants
Firm Regn No: 006383S

Sd/-
(S.S. Prakash)
Partner
Membership No.202710
Place : Hyderabad
Date :27-05-2022

Annexure - A to the Independent Auditors' Report

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

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of PHAARMASIA Limited ("the Company") as of 31st March, 2022 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

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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

UDIN: 22202710AJSPYG6683

**For Sathuluri & Co.,
Chartered Accountants
Firm Regn No: 006383S**

**Sd/-
(S.S. Prakash)
Partner
Membership No.202710**

Place : Hyderabad

Date :27-05-2022

Annexure – B to the Independent Auditors’ Report

The Annexure referred to in our Independent Auditors’ Report to the members of the **PHAARMASIA Limited** on the Standalone Financial Statements for the period ended 31st March 2022, we report that:

1.1 In respect of its Fixed Assets:

a. The company has maintained proper records showing full particulars, including quantitative details and situations of Fixed Assets.

b. As per the information and explanation given to us, the Fixed Assets of the company have been physically verified by the management according to the phased programme, which is designed to cover all the Fixed Assets, at reasonable intervals and the said programme is considered reasonable, and no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company. The Company has taken 1233.14 Square Meters of land on lease for its unit II from Divya Lakshmi Engineering for a period of 80 years.

2.1 In respect of its Inventories:

a. As explained to us, inventories have been physically verified by the management at regular intervals during the year.

b. In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

c. The company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

3.1 The Company has not granted any loans, secured or unsecured during the period. Thus, paragraphs 3 (iii) of the order is not applicable to the company.

- 4.1 In our opinion and according to the information and explanations given to us, the Company has not given any loans, made investments or provided securities to companies and other parties listed under section 185 and 186 of the Act.
- 5.1 The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and rules framed there under.
- 6.1 The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- 7.1 According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, Goods and Services Tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable to the appropriate authorities have generally been regularly deposited during the year by the Company with the appropriate authorities.
- 7.2 According to the information and explanations given to us, there are no material dues of income tax or sales tax or service tax or Goods and Services Tax or duty of customs or duty of excise or value added tax which have not been deposited by the company on account of dispute.
- 8.1 According to the information, the company doesn't have any undisclosed or Un-recorded income during the year.
- 9.1 According to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks.

- 10.1 In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the term loans have been used by the Company during the year for the purpose for which they were raised.
- 11.1 To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 12.1 In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- 13.1 According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- 14.1 In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- 15.1 According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the company.
- 16.1 According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- 17.1 The company has incurred the cash loss in the current financial year to the tune of Rs. 1,26,96,688/-

18.1 During the year, there was no resignation of the statutory auditors

19.1 There is no material uncertainty on the date of audit report, hence this clause is not applicable

20.1 The provisions of CSR is not applicable to the company, hence this clause is not applicable

UDIN: 22202710AJSPYG6683
For Sathuluri & Co.,
Chartered Accountants
Firm Regn No: 006383S

Sd/-
(S.S. Prakash)
Partner
Membership No.202710

Place : Hyderabad

Date :27-05-2022

Phaarmasia Limited			
BALANCE SHEET AS AT 31st March 2022			
(Rupees)			
Particulars	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2(a)	127,311,150	130,236,148
Other Intangible Assets	2(b)	335,000	335,000
Financial Assets;			
- Investments	3	-	-
Other non-current assets	4	1,402,416	2,628,186
Current Assets			
Inventories	5	42,436,473	26,348,856
Financial Assets:			
- Investments	3	-	-
- Trade Receivables	6	31,925,050	42,655,778
- Cash and cash Equivalents	7	842,142	2,574,286
- Bank balances other than cash and cash equivalents	8	1,309,314	1,251,022
Current Tax Assets (Net)		-	-
Other current assets	4	6,512,380	13,105,757
TOTAL ASSETS		212,073,925	219,135,033
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	SOCE	68,269,600	68,269,600
Other Equity	SOCE	52,321,987	68,257,565
Total Equity		120,591,587	136,527,165
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
- Borrowings	9	228,775	294,361
Provisions	10	1,541,119	2,246,392
Deferred Tax Liabilities (Net)	11	1,087,245	1,389,039
Current Liabilities			
Financial Liabilities			
- Borrowings	9	62,503	208,118
- Trade Payables			
(A) total outstanding dues of micro enterprises and small enterprises; and	12	2,669,454	258,040
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	12	78,673,604	66,282,571
- Other Financial Liabilities	13	624,896	656,690
Other Current Liabilities	14	2,180,957	5,333,077
Provisions	10	4,413,785	5,939,580
Current Tax Liabilities (Net)		-	-
Total Liabilities		91,482,338	82,607,868
TOTAL EQUITY AND LIABILITIES		212,073,925	219,135,033
Significant Accounting Policies			
The Notes are an integral part of these financial statements			
This is the Balance Sheet referred to in our report of even date			
As per our report of even date			
For and on behalf of the Board			
For Sathuluri & Co.			
Chartered Accountants	Sd/-	Sd/-	
Firm Reg No. 006383S	Maneesh R Sapte	Y N Bhaskar Rao	
	Managing Director	Whole Time Director	
	DIN : 00020450	DIN 00019052	
Sd/-			
(S.S.PRAKASH)			
Partner			
Membership No.202710			
UDIN: 22202710AJSPYG6683	Sd/-	Sd/-	
	Urvasi Bhatia	N E V Prasad Rao	
Place: Hyderabad	Company Secretary	C F O	
Date: 27-05-2022	Reg. 46877		

Phaarmasia Limited
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March 2022

(Rupees)

	Particulars	Note	Year Ended 31st March 2022	Year Ended 31st March 2021
I	INCOME			
	Revenue From Operations	15	172,157,740	198,952,651
	Other Income	16	4,696,843	8,935,440
	TOTAL INCOME		176,854,583	207,888,091
II	EXPENSES			
	Cost of materials consumed	17	143,478,595	124,894,252
	Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	18	-4,908,307	20,889,020
	Employee Benefits expense	19	13,795,000	14,951,622
	Finance Costs	20	43,000	116,822
	Depreciation and Amortisation expense	21	2,924,998	3,412,482
	Other Expenses	22	37,142,983	38,836,783
	TOTAL EXPENSES		192,476,269	203,100,981
III	PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS		-15,621,686	4,787,110
IV	EXCEPTIONAL ITEMS	23	-	-
V	PROFIT BEFORE TAX		-15,621,686	4,787,110
VI	TAX EXPENSE			
	Current Tax		-	1,847,467
	Provision of taxes for earlier years		-	-
	Deferred Tax		-150,108	-180,220
	Earlier year Adjustments		-	-
	TOTAL TAX EXPENSE		-150,108	1,667,247
V	PROFIT FOR THE YEAR		-15,471,578	3,119,863
VI	OTHER COMPREHENSIVE INCOME			
	Items that will not be reclassified to Profit or Loss			
	Remeasurements of Defined benefit plans		-620,000	-905,517
	Income Tax relating to items that will not be reclassified to Profit or Loss			227,919
	Items that may be reclassified to Profit or Loss		156,000	
	Designated Cash Flow Hedges			
	Income tax relating to items that may be reclassified to Profit or Loss			
	TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		-464,000	-677,598
VII	TOTAL COMPREHENSIVE INCOME FOR THE YEAR		-15,935,578	2,442,265
	EARNINGS PER EQUITY SHARE	28 (a)		
	Basic		-2.27	0.46
	Diluted		-2.27	0.46

Significant Accounting Policies

1

The Notes are an integral part of these financial statements

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

For and on behalf of the Board

For Sathuluri & Co.

Chartered Accountants

Firm Reg No. 006383S

Sd/-

(S.S.PRAKASH)

Partner

Membership No.202710

UDIN: 22202710AJSPYG6683

Place: Hyderabad

Date: 27-05-2022

Sd/-

Maneesh R Sapte

Managing Director

DIN : 00020450

.

Sd/-

Urvasi Bhatia

Company Secretary

Reg. 46877

Sd/-

Y N Bhaskar Rao

Whole Time Director

DIN 00019052

Sd/-

N E V Prasad Rao

C F O

Phaarmasia Limited		
Cash Flow Statement For The Year Ended 31 March 2022		
	(Rupees)	
PARTICULARS	Year ended Mar 31, 2022	Year ended Mar 31, 2021
	Audited	Audited
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit as per Profit & Loss A/c	-15,621,686	4,787,110
Adjustment for :		
Depreciation	2,924,998	3,412,482
other comprehensive income	-464,000	-905,517
Net Operating Profit Before Working Capital	-13,160,688	7,294,075
Changes		
Adjustment for :		
Trade & Other Receivables	10,730,728	80,539,158
Changes in inventory	-16,087,617	34,498,144
Other Current Assets	6,593,377	706,243
Other non current asset	1,225,770	-
Trade Payables	14,802,447	-116,041,171
Other Financial liabilities	-242,995	-95,192
Other current liabilities	-3,152,120	-2,493,956
Provisions	-717,258	510,027
Direct taxes paid	-1,666,600	-2,418,027
Net Cash from Operating Activities	-1,674,956	2,499,301
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	-
Sale of Fixed Assets	-	-
Interest received	-	-
Changes in other financial assets (non-current)	-	-
Net Cash from Investing Activities	-	-
C) CASH FLOW FROM FINANCING ACTIVITIES		
From Bank Borrowings		
Interest Paid	-	-
Unsecured Loans	-	-
Proceeds from long term borrowings	1,104	-207,112
Net Cash from Financing Activities	1,104	-207,112
Net Increase in Cash & Cash Equivalents	-1,673,852	2,292,189
Add : Opening Cash & Cash Equivalents	3,825,308	1,533,118
Cash and Cash equivalents at the end of the year	2,151,456	3,825,308
Notes to Cash Flow Statement:		
1. The above cash flow statement has been prepared under the Indirect Method		
2. Reconciliation of Financing Liabilities		
Particulars	Year ended Mar 31, 2022	Year ended Mar 31, 2021
Opening Balance	3,825,308	1,533,118
Cash Inflow/(Outflow) of non-current Borrowings	-	-
Cash Inflow/(Outflow) of current Borrowings	1,104	-207,112
Closing Balance	3,826,412	1,326,006
1) Cash and Cash equivalents includes:		
Particulars	Year ended Mar 31, 2022	Year ended Mar 31, 2021
Cash on hand	3,585	5,034
Cash Equivalents		
Current Accounts	838,557	2,569,252
Deposits against BG	1,309,314	1,251,022
Total	2,151,456	3,825,308
<div> For Sathuluri & Co. Chartered Accountants Firm Reg No. 006383S Sd/- (S.S.PRAKASH) Partner Membership No.202710 UDIN: 22202710AJSPYG6683 Place: Hyderabad Date: 27-05-2022 </div> <div> For and on behalf of the Board Sd/- Maneesh R Sapte Managing Director DIN : 00020450 Sd/- Urvasi Bhatia Company Secretary Reg. 46877 </div> <div> Sd/- Y N Bhaskar Rao Whole Time Director DIN 00019052 Sd/- N E V Prasad Rao C F O </div>		

PHAARMASIA LIMITED

1. NOTES TO STANDALONE FINANCIAL STATEMENTS

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

1.1 General Information

Phaarmasia Limited (“the Company”) is a Public Limited Company incorporated in India, having its registered office at Hyderabad, India. The Company is primarily engaged mainly in the manufacturing and sale of Oral Contraceptive Pills (OCP’s). The Company is listed in the Bombay Stock Exchange (BSE). The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated

1.2 Basis of preparation and presentation of Financial Statements

The financial statements of Phaarmasia Limited (“the Company”) have been prepared and presented in accordance with the Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules 2015, as amended and as per other relevant provisions of the Act. The presentation of financial statements is based upon Ind AS Schedule III of Companies Act, 2013.

1.3 Basis of Measurement

These financial statements have been prepared on historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- a. Certain financial assets are measured either at fair value or at amortized cost depending on the classification;
 - b. Employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation, and
 - c. Long-term borrowings are measured at amortized cost using the effective interest rate method.
- In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:
- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
 - Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
 - Level 3 inputs are unobservable inputs for the asset or liability

All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realization/settlement within twelve months period from the balance sheet date.

1.4 Use of estimates and judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgment are:

a. Depreciation and amortization

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.

b. Employee Benefits

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) includes the discount rate, wage escalation and employee attrition. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

c. Provision and contingencies

Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

d. Fair valuation

Fair value is the market based measurement of observable market transaction or available market information. All financial instruments are measured at fair value as at the balance sheet date, as provided in Ind AS 109 and 113. Being a critical estimate, judgment is exercised to determine the carrying values. The fair value of financial instruments that are unlisted and not traded in an active market is determined at fair values assessed based on recent transactions entered into with third parties, based on valuation done by external appraisers etc.

e. Provision for expected credit losses of trade receivables

While calculating the expected credit loss for the receivables, the company uses historical observed default rates. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

f. Deferred taxes

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

1.5 Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest rupees.

1.6 Current and non-current classification

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

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and IND AS 1, presentation of financial statements.

Assets: An asset is classified as current when it satisfies any of the following criteria:

- a. It is expected to be realized in, or is intended for sale or consumption in the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is expected to be realized within twelve months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities: A liability is classified as current when it satisfies any of the following criteria:

- a. It is expected to be settled in the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is due, to be settled within twelve months after the reporting date; or
- d. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

Current assets/ liabilities include the current portion of noncurrent assets/ liabilities respectively. All other assets/ liabilities are classified as noncurrent. Deferred tax assets and liabilities are always disclosed as non-current.

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

1.7 Property Plant & Equipment

Recognition and measurement

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The Cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Directly attributable costs include:

- a. Cost of Employee Benefits arising directly from Construction or acquisition of PPE.
- b. Cost of Site Preparation.
- c. Initial Delivery & Handling costs.
- d. Professional Fees and
- e. Costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling any item produced while bringing the asset to that location and condition (such as samples produced when testing equipment).

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

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within the statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part will be derecognized. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

Depreciation

Depreciation is recognized in the statement of profit and loss on Written Down Value Method based on the Companies Act, 2013 ("Schedule II"), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed off during the year, depreciation is provided on pro rata basis. Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

The estimated useful lives are as follows:

Type of Asset	Estimated useful life in years
Buildings	
i) Main Plant Building	25
ii) Other Building	20
Plant & Machinery	20
Vehicles	8
Computers	3
Office Equipment	5
Furniture & Fixtures	10

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other noncurrent assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress. Assets not ready for use are not depreciated.

The Company assesses at each balance sheet date, whether there is objective evidence that an asset or a group of assets is impaired. 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. Recoverable amount is higher of the value in use or fair value less cost to sell.

1.8 Intangible assets

The Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization

Amortization is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefit are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use. The estimated useful lives are as follows:

The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at each reporting date.

1.90 Financial Instruments

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

a. Financial assets

Initial recognition and measurement

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

Impairment of trade receivables

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. Expected credit loss model takes into consideration the present value of all the cash shortfalls over the expected life of a financial instrument. In simple terms, it is weighted average of credit losses with the respective risks of default occurring as weights.

The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate. The Standard presumes that entities would suffer credit loss even if the entity expects to be paid in full but later than when contractually due. In other words, it simply focuses on DELAYS in collection of receivables.

For the purpose of identifying the days of delay, the Company took into consideration the weighted average number of delays taking into consideration the date of billing, the credit period and the collection days.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value i.e., loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Fair value measurement

Fair value of financial assets and liabilities is normally determined by references to the transaction price or market price. If the fair value is not reliably determinable, the Company determines the fair value using valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

1.10 Inventories

Inventories are valued at the lower of cost and net realisable value. Inventories consist of Raw materials, Stores and Spares, Work-in-progress and Finished Goods are measured at the lower of cost and net realizable value.

The cost of all categories of inventories is based on the weighted average method.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognized as property, plant and equipment, consists of packing materials, engineering spares (such as machinery spare parts) and consumables which are used in operating machines or consumed as indirect materials in the manufacturing process.

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

1.11 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at March 31.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflow of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

1.12 Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, demand deposit, short-term deposits, Margin Money deposits and unclaimed dividend accounts. For this purpose, “short-term” means investments having maturity of three months or less from the date of investment. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. The Margin money deposits, balance in dividend accounts which are not due and unclaimed dividend balances shall be disclosed as restricted cash balances.

1.13 Employee Benefits

a. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b. Defined Contribution Plan

The Company’s contributions to defined contribution plans are charged to the statement of profit and loss as and when the services are received from the employees.

c. Defined Benefit Plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates based on prevailing market yields of Indian Government Bonds and that have terms to maturity approximating to the terms of the related defined benefit obligation. The current service cost of the defined benefit plan, recognized in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. 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. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

d. Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

e. Other long-term employee benefits

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

1.14 Provisions, contingent liabilities and contingent assets

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

1.15 Revenue Recognition

Revenue from contracts with customers

Revenue is recognized when the Company substantially satisfied its performance obligation while transferring a promised good or service to its customers. The company considers the terms of the contract and its customary business practices to determine the transaction price. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives / discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Other Income

Interest Income

Interest Income mainly comprises of interest on Margin money deposit with banks relating to bank guarantee. Interest income should be recorded using the effective interest rate (EIR). However, the amount of margin money deposits relating to bank guarantee are purely current in nature, hence effective interest rate has not been applied. Interest is recognized using the time-proportion method, based on rates implicit in the transactions.

Other Income consists of C&F Commission Income, miscellaneous income and is recognised when it is probable that economic benefits will flow to the company and amount of income can be measured reliably.

1.16 Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing cost also include Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

1.17 Tax Expenses

Tax expense consists of current and deferred tax.

Income Tax

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit;
- Taxable temporary differences arising upon the initial recognition of goodwill.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

Accruals for uncertain tax positions require management to make judgments of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the tax positions will probably be accepted by the tax authorities. This is based upon management's interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

1.18 Earnings Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

1.19 Trade Receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment, if any.

1.20 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

1.21 Determination of fair values

The Company's accounting policies and disclosures require the determination of fair value, for certain financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

(i) Property, plant and equipment

Property, plant and equipment, if acquired in a business combination or through an exchange of non-monetary assets, is measured at fair value on the acquisition date. For this purpose, fair value is based on appraised market values and replacement cost.

(ii) Intangible assets

The fair value of brands, technology related intangibles, and patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of these brands, technology related intangibles, patents or trademarks being owned (the "relief of royalty method"). The fair value of customer related, product related and other intangibles acquired in a business combination has been determined using the multi-period excess earnings method after deduction of a fair return on other assets that are part of creating the related cash flows.

(iii) Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

(iv) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements. In respect of the Company's borrowings that have floating rates of interest, their fair value approximates carrying value.

1.22 Note on "Code on Security, 2020"

The Indian Parliament has approved the Code on Social Security, 2020 ("the Code") which would impact the contributions by the company towards Provident Fund and Gratuity. The purpose of the Code on Social Security, 2020 is to amend and consolidate the laws relating to social security with the goal to extend social security to all employees and workers either in the organized or unorganized or any other sectors and for matters connected therewith or incidental thereto. The Code was passed by the Lok Sabha on September 22, 2020 and subsequently, by the Rajya Sabha on September 23, 2020 with a view to amalgamate, simplify and rationalize the relevant provisions of the nine central labour enactments relating to social security. The Code is yet to receive assent of the President of India. The Code shall come into force on such date as the Central Government may, by notification appoint and different dates may be appointed for different provisions of the SS Code. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules

to determine the financial impact are published.

1.23 Impact of uncertainties in preparation of financial statements

The Company has considered the possible effects that may result from the pandemic relating to Covid-19 and other geo-political situations in Russia and Ukraine in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of Covid-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

1.24 New Accounting pronouncements

The Ministry of Corporate Affairs (MCA) vide notification dated 23 March 2022 issued the Companies (Indian Accounting Standards) Amendment Rules, 2022. These rules notify certain amendments to Indian Accounting Standards (Ind AS). These amendments are effective from 1 April 2022.

Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

As per Ind AS 37, a contract is 'onerous' when the unavoidable costs of meeting the contractual obligations (i.e. the lower of the costs of fulfilling the contract and the costs of terminating it) outweigh the economic benefits. Ind AS 37 did not define what the costs of fulfilling a contract are.

The amendments have clarified the types of costs a company can include as the 'costs of fulfilling a contract' while assessing whether a contract is onerous as under:

- (a) The incremental costs of fulfilling that contract—for example, direct labour and materials; and
- (b) An allocation of other costs that relate directly to fulfilling contracts—for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others.

The amendments apply for annual reporting periods beginning on or after 1 April 2022 to contracts existing at the date when the amendments are first applied. At the date of initial application, the cumulative effect of initially applying the amendments is recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not required to be restated.

Ind AS 16, Property, Plant and Equipment

Amendments to Ind AS 16 have clarified the accounting treatment for sale proceeds of items produced by PPE while preparing it for its intended use.

These amendments have clarified that excess of net sale proceeds of items produced over the cost of testing, if any, would not be recognised in the statement of profit or loss, but deducted from the directly attributable costs considered as part of cost of an item of PPE.

The amendments are effective for annual reporting periods beginning on or after 1st April, 2022.

SHARE CAPITAL	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2020
	Number	Amount	Number	Amount	Number	Amount
Authorised Share Capital						
10000000 Equity Shares of Rs. 10/- each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Preference Share Capital	-	-	-	-	-	-
Issued Equity Share Capital	68,26,960	6,82,69,600	68,26,960	6,82,69,600	68,26,960	6,82,69,600
Subscribed Equity Share Capital	68,26,960	6,82,69,600	68,26,960	6,82,69,600	68,26,960	6,82,69,600
Fully Paid-up Equity Share Capital	68,26,960	6,82,69,600	68,26,960	6,82,69,600	68,26,960	6,82,69,600
Balance at the beginning of the year	68,26,960	6,82,69,600	68,26,960	6,82,69,600	68,26,960	6,82,69,600
Changes in equity share capital during the year:	-	-	-	-	-	-
Balance at the end of the reporting year	68,26,960	6,82,69,600	68,26,960	6,82,69,600	68,26,960	6,82,69,600

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The Company has one class of shares

(a) equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amount, in proportion of their shareholding.

Shares in the Company held by each shareholder holding more than five per cent shares	As at 31 March 2022		As at 31 March 2021	
	No.	%	No.	%
Svizera labs Private Limited	20,00,000	29.30%	20,00,000	29.30%
Maneesh Pharmaceuticals Limited	30,14,232	44.15%	30,14,232	44.15%

OTHER EQUITY	Reserves and Surplus					Other Comprehensive Income(OCI)	TOTAL
	Securities Premium	Revaluation Reserve	Capital Reserve	Other Reserve	Retained Earnings	Remeasurements of Defined Benefit Plans	
Balance at the beginning of the comparative reporting Year - 1st April, 2017	-	4,24,05,571	96,87,063	-	-37,86,391	-	4,83,06,243
Gain on One Time Settlement		-	-				-
Profit for the Comparative Year ending 31st March 2018					57,28,374		57,28,374
Other Comprehensive Income for the Comparative Year ending 31st March 2018						-20,79,506	-20,79,506
Total Comprehensive Income for the Comparative Year	-		-	-	57,28,374	-20,79,506	36,48,868
Total Comprehensive Income for the year	-	-	-	-	57,28,374	-20,79,506	36,48,868
Transactions with owners in their capacity as owners:							
Dividends and Dividend Distribution Tax;							-
- Final Dividend (Rs.0.50 per share)				-	-		-
- Dividend Distribution Tax				-	-		-
Transfer to General Reserve				-			-
Transfer from / (to) Debenture Redemption Reserve			-	-			-
Balance at the end of the Comparative reporting year ending 31st March 2018	-	4,24,05,571	96,87,063	-	19,41,983	-20,79,506	5,19,55,111
Profit for the Reporting Year ending 31st March 2019					77,74,955		77,74,955
Other Comprehensive Income for the Reporting Year ending 31st March 2019						1,65,033	1,65,033
Total Comprehensive Income for the Reporting Year	-	-	-	-	77,74,955	1,65,033	79,39,988
Transfer on account of Demerger (Refer Note 28 j)				-			-
Balance at the end of the Reporting year ending 31st March 2019	-	4,24,05,571	96,87,063	-	97,16,938	-19,14,473	5,98,95,099
Profit for the Reporting Year ending 31st March 2020					53,97,892	5,22,309	59,20,201
Other Comprehensive Income for the Reporting Year ending 31st March 2020					53,97,892	5,22,309	59,20,201
Total Comprehensive Income for the Reporting Year							
Balance at the end of the Reporting year ending 31st March 2020		4,24,05,571	96,87,063		1,51,14,830	-13,92,163	6,58,15,301
Profit for the Reporting Year ending 31st March 2021					31,19,863	-6,77,598	24,42,265
Other Comprehensive Income for the Reporting Year ending 31st March 2021							
Total Comprehensive Income for the Reporting Year					31,19,863	-6,77,598	24,42,265
Balance at the end of the Reporting year ending 31st March 2021		4,24,05,571	96,87,063		1,82,34,693	-20,69,762	6,82,57,565
Profit for the Reporting Year ending 31st March 2022					-1,54,71,578	-4,64,000	-1,59,35,578
Other Comprehensive Income for the Reporting Year ending 31st March 2022					-1,54,71,578	-4,64,000	-1,59,35,578
Total Comprehensive Income for the Reporting Year							
Balance at the end of the Reporting year ending 31st March 2022		4,24,05,571	96,87,063		27,63,115	-25,33,762	5,23,21,987

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

As per our report of even date

For and on behalf of the Board

For Sathuluri & Co.
Chartered Accountants
Firm Reg No. 0063835

Sd/-
Maneesh R Sapte
Managing Director
DIN : 00020450

Sd/-
Y.N.Bhaskar Rao
Whole Time Director
DIN:00019052

Sd/-
(S.S.PRAKASH)
Partner
Membership No.202710
UDIN:

Sd/-
Urvasi Bhatia
Company Secretary
Reg. 46877

Sd/-
N.E.V.Prasad Rao
C F O

PHAARMASIA LIMITED																			
NOTES TO THE FINANCIAL STATEMENTS AS AT 31st MARCH 2022																			
Note 2 (a) Property, Plant and Equipment																		Note 2 (b) Intangibles	
Particulars	Land	Buildings	Computers	Plant & Machinery	Tanks & Vessels	Pumps & Motors	Packing Equipment	Service Equipment	Weighing Machine	Lab Equipment	Air Conditioners	Electrical Installations	Office Equipment	Furniture & Fittings	Vehicles	Total		Good Will	Total
Gross Block																			
At cost as at 31 March 2020	10,66,39,720	1,98,49,971	21,788	31,76,763	57,01,104	2,76,227	19,53,128	86,20,719	1,26,994	14,67,138	6,88,260	5,36,071	26,223	6,50,129	11,62,216	15,08,96,451		3,35,000	3,35,000
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on account of Demerger (Refer note 28 j)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals /adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At cost as at 31 March 2021	10,66,39,720	1,98,49,971	21,788	31,76,763	57,01,104	2,76,227	19,53,128	86,20,719	1,26,994	14,67,138	6,88,260	5,36,071	26,223	6,50,129	11,62,216	15,08,96,451		3,35,000	3,35,000
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on account of Demerger (Refer note 28 j)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals /adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At cost as at 31 March 2022	10,66,39,720	1,98,49,971	21,788	31,76,763	57,01,104	2,76,227	19,53,128	86,20,719	1,26,994	14,67,138	6,88,260	5,36,071	26,223	6,50,129	11,62,216	15,08,96,451		3,35,000	3,35,000
Depreciation Block																			
Accumulated depreciation / amortisation as at 31 March 2019	-	65,49,886	21,477	19,42,331	19,02,351	1,41,771	8,82,170	32,34,932	57,359	7,97,542	3,08,708	3,74,982	23,565	4,29,599	5,81,150	1,72,47,823		-	-
Depreciation / Amortisation for the year	-																	-	-
Disposals /adjustments (Reversal of Impairment)																		-	-
Accumulated depreciation / Amortisation as at the 31 March 2020	-	65,49,886	21,477	19,42,331	19,02,351	1,41,771	8,82,170	32,34,932	57,359	7,97,542	3,08,708	3,74,982	23,565	4,29,599	5,81,150	1,72,47,823		-	-
Depreciation / Amortisation for the year	-	12,66,970	197	2,24,044	5,29,854	24,403	1,49,378	7,51,215	9,713	1,21,529	52,940	41,820	1,201	57,252	1,81,964	29,46,061		-	-
Transfer on account of Demerger (Refer note 28 j)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Disposals /adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Accumulated depreciation / Amortisation as at the 31 March 2021	-	78,16,856	21,674	21,66,375	24,32,205	1,66,174	10,31,548	39,86,147	67,072	9,19,071	3,61,648	4,16,802	24,766	4,86,851	7,63,114	2,06,60,303		-	-
Depreciation / Amortisation for the year	-	11,43,148	72	1,82,881	4,54,703	19,920	1,28,191	6,44,670	8,333	99,200	45,431	30,879	658	42,273	1,24,639	29,24,998		-	-
Transfer on account of Demerger (Refer note 28 j)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Disposals /adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Accumulated depreciation / Amortisation as at the 31 March 2022	-	89,60,004	21,746	23,49,256	28,86,908	1,86,094	11,59,739	46,30,817	75,405	10,18,271	4,07,079	4,47,681	25,424	5,29,124	8,87,753	2,35,85,301		-	-
Net Block																			
As at 31 March 2020	10,66,39,720	1,33,00,085	311	12,34,432	37,98,753	1,34,456	10,70,958	53,85,787	69,635	6,69,596	3,79,552	1,61,089	2,658	2,20,530	5,81,066	13,36,48,628		3,35,000	3,35,000
As at 31 March 2021	10,66,39,720	1,20,33,115	114	10,10,388	32,68,899	1,10,053	9,21,580	46,34,572	59,922	5,48,067	3,26,612	1,19,269	1,457	1,63,278	3,99,102	13,02,36,148		3,35,000	3,35,000
As at 31 March 2022	10,66,39,720	1,08,89,967	42	8,27,507	28,14,196	90,133	7,93,389	39,89,902	51,589	4,48,867	2,81,181	88,390	799	1,21,005	2,74,463	12,73,11,150		3,35,000	3,35,000

Note 3**Investments****(Rupees)**

Particulars			No of Units/Shares		No of Units/Shares
	Face Value Rs/		As at 31st March 2022		As at 31st March 2021
Non Current Investments			-		-

Note 4**Other Assets****(Rupees)**

Particulars	Non-Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Capital Advances		-		-
Sub Total	-	-	-	-
Bank deposits with more than 12 months maturity				
Others;				
Electricity and Other Security Deposits	-	14,02,983	14,02,416	
Deposits with CMSS	-	12,25,203	-	
Total	-	26,28,186	14,02,416	-
Others				
Advance to Staff		-	42,935	11,262
Prepaid Expenses			1,57,190	1,52,766
TDS receivables			98,552	3,86,802
TCS Receivables			30,917	65,773
Advance to others			20,00,000	-
Advance to suppliers			6,31,556	5,68,675
GST Input Receivable			35,51,230	1,19,20,480
Sub Total		-	65,12,380	1,31,05,757
Total	-	26,28,186	65,12,380	1,31,05,757

Note 5**Inventories (Valued at Lower of Cost and Net Realisable Value)****(Rupees)**

Particulars	As at 31st March 2022		As at 31st March 2021
Raw Materials	2,48,36,933		1,08,04,103
Packing Material	85,07,184		1,13,60,704
Work-in-progress	90,92,356		37,71,830
Finished goods	-		4,12,219
Total	4,24,36,473		2,63,48,856

Note 6**Trade Receivables****(Rupees)**

Particulars	Current	
	As at 31st March 2022	As at 31st March 2021
Trade Receivables		
Unsecured, considered good	3,19,25,050	4,26,55,778
Unsecured considered as Doubtful		
Less: Impairment provision on Expected Credit Loss Model	-	-
Total	3,19,25,050	4,26,55,778

Note 7**Cash and Cash Equivalents****(Rupees)**

Particulars	As at 31st March 2022	As at 31st March 2021
Balances with Banks (of the nature of cash and cash equivalents)	8,38,557	25,69,252
Cash on hand	3,585	5,034
Total	8,42,142	25,74,286

Note 8**Bank Balances other than Cash and Cash Equivalents****(Rupees)**

Particulars	As at 31st March 2022	As at 31st March 2021
Fixed Deposits against Bank Guarantee	13,09,314	12,51,022
Total	13,09,314	12,51,022

Note 9**Borrowings****(Rupees)**

Particulars	As at 31st March 2022	As at 31st March 2021
NON CURRENT		
HDFC Car Loan	62,503	2,08,118
Sub - Total	62,503	2,08,118
CURRENT		
Unsecured		
Loans repayable on demand		
HDFC Bank car loan	2,28,775	2,94,361
Sub - Total	2,28,775	2,94,361
Total	2,91,278	5,02,479

Note 10

Provisions

(Rupees)

Particulars	Non Current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Provision for employee benefits (Refer Note 28(f))				
Gratuity	15,41,119	22,46,392	47,43,554	43,20,050
Provision for tax	-	-	-3,29,769	16,19,530
Total	15,41,119	22,46,392	44,13,785	59,39,580

Note 11

Deferred Tax Liabilities - (Net)

(Rupees)

Particulars	As at 31st March 2022	As at 31st March 2021
Deferred Tax Liabilities (Net); Opening	13,89,039	15,68,746
Add on account of Difference in net Block of Assets	-3,01,794	-1,79,707
Add: on account of differement of Processing Charges	-	-
Total	10,87,245	13,89,039

Note 12

Trade Payables

(Rupees)

Particulars	As at 31st March 2022	As at 31st March 2021
Outstanding due of Micro and Small Enterprises (Refer Note 28(d))	26,69,454	2,58,040
Outstanding due of Creditors other than Micro and Small Enterprises	7,86,73,604	6,62,82,572
Total	8,13,43,058	6,65,40,612

Note 13

Other Financial Liabilities

(Rupees)

Particulars	Current	
	As at 31st March 2022	As at 31st March 2021
Other payables	6,24,896	6,56,690
Total	6,24,896	6,56,690

Note 14

Other Liabilities

(Rupees)

Particulars	Current	
	As at 31st March 2022	As at 31st March 2021
Salaries and employee benefits	7,28,066	14,59,348
Statutory Dues (duties & taxes)	5,37,767	35,28,134
Liabilities for expenses	2,86,576	3,45,595
Advance Recd from Fustomers	6,28,548	-
Total	21,80,957	53,33,077

Note 15

Revenue From Operations

(Rupees)

Particulars	Year Ended 31st March 2022	Year Ended 31st March 2021
Revenue From Operations		
OCP Sales (Govt. & Others)	11,76,60,324	16,25,54,174
Sales GST	4,70,00,618	3,20,36,857
P TO P GST	74,96,798	43,24,247
Others	-	37,373
Total	17,21,57,740	19,89,52,651

Revenue Recognised

Note 16

Other Income

(Rupees)

Particulars	Year Ended 31st March 2022	Year Ended 31st March 2021
Interest Earned	77,901	1,51,186
C & F Commission	45,38,122	36,22,139
Arrears refund from Central Excise	-	-
Profit on Sale of Car	-	-
Technical Consultancy Charges	-	50,00,000
Duty Draw Back	-	-
Miscellaneous Income	80,820	1,62,115
Total	46,96,843	89,35,440

Note 17

Cost of Materials consumed

(Rupees)

Particulars	Year Ended 31st March 2022	Year Ended 31st March 2021
Raw Material		
Purchases	12,44,22,082	8,48,67,803
Add: Opening Stock	1,08,04,103	2,71,48,136
	13,52,26,185	11,20,15,939
Less Closing Stock	2,48,36,933	1,08,04,103
	11,03,89,252	10,12,11,836
Packing Material		
Purchases	3,02,35,823	2,64,16,967
Add: Opening Stock	1,13,60,704	86,26,153
	4,15,96,527	3,50,43,120
Less Closing Stock	85,07,184	1,13,60,704
	3,30,89,343	2,36,82,416
Cost of Materials consumed	14,34,78,595	12,48,94,252

Note 18**Changes In Inventories Of Finished Goods And Work-In-Progress****(Rupees)**

Particulars	Year Ended 31st March 2022	Year Ended 31st March 2021
Closing Stock:		
Finished Goods	-	4,12,219
Work-in-Progress	90,92,356	37,71,830
	90,92,356	41,84,049
Less: Opening Stock:		
Finished Goods	4,12,219	1,05,429
Work-in-Progress	37,71,830	2,49,67,640
	41,84,049	2,50,73,069
Total	-49,08,307	2,08,89,020

Note 19**Employee Benefits Expense****(Rupees)**

Particulars	Year Ended 31st March 2022	Year Ended 31st March 2021
Salaries and Wages	1,11,47,555	98,73,627
Director Remuneration	20,90,880	22,38,960
Contribution to Provident fund, ESI, gratuity and other funds	7,81,806	33,45,194
Staff welfare expenses	3,94,867	3,99,358
Total	1,44,15,108	1,58,57,139

Note 20**Finance Costs****(Rupees)**

Particulars	Year Ended 31st March 2022	Year Ended 31st March 2021
Interest Expense	34,952	93,991
Other Financial Charges	3,626	25,618
Total	38,578	1,19,609

Note 21**Depreciation and Amortisation expense****(Rupees)**

Particulars	Year Ended 31st March 2022	Year Ended 31st March 2021
Depreciation on Property, Plant And Equipment	29,24,998	34,12,482
Amortisation on Intangible Assets		-
Total	29,24,998	34,12,482

NOTES TO THE FINANCIAL STATEMENT FOR THE QUARTER ENDED 31st Mar 2022

Note 22

Other Expenses

(Rupees)

Particulars	Year Ended 31st March 2022	Year Ended 31st March 2021
Laboratory chemicals & Analysis	3,54,627	4,48,501
Freight Outward & Cartage	2,26,227	3,12,502
Power & Fuel	48,28,332	53,95,700
Water Charges	4,45,471	3,86,980
Labour charges	1,21,09,044	1,52,67,899
Job Work Charges	39,21,287	24,97,152
Consumable Stores	9,55,664	11,21,691
Car Upkeep	3,52,988	4,33,947
Factory Maintenance	5,50,856	7,73,665
Laboratory Maintenance	9,19,935	14,96,664
Repairs & Maintenance - Electrical	2,13,556	91,771
Repairs & Maintenance- Buildings	1,26,461	-
Repairs & Maintenance- Machinery	4,83,459	11,92,918
Repairs & Maintenance- Airconditioners	421	9,321
Repairs & Maintenance (Others)	5,150	1,355
Repairs and Maintenance Computers	50,739	34,249
Insurance	3,14,564	3,13,616
Licence Fees, Rates & Taxes	10,38,331	5,00,004
Property Tax	2,75,188	10,58,608
Travelling Expenses	5,77,711	3,93,000
Consultancy Charges	3,95,838	4,53,883
Conveyance Expenses	10,37,064	10,34,686
Postage & Telephones	1,60,517	1,58,016
Rent	18,000	18,000
Subscriptions	15,175	43,355
Advertisement	69,308	76,736
Office Expenses	61,150	45,573
Audit Fees	1,00,000	1,00,000
Internal Audit Fee	9,000	9,000
Sitting Fee	1,40,000	1,76,000
Printing and stationery	1,61,040	2,24,129
Security Charges	-	7,12,995
AGM Expenses	33,000	33,000
Commission Expenses	38,16,218	34,07,656
Service Tax paid/ GST adjusted	33,76,662	6,14,211
Total	3,71,42,983	3,88,36,783

Note 23

Exceptional Items

Particulars	Year Ended 31st March 2022	Year Ended 31st March 2021
On Account of one time settlement with Banks		
Gain on sale of subsidiary	-	-
Total	-	-

24 Auditors Remuneration

Particulars	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
a) Audit fees	1,00,000	1,00,000
b) Internal Auditors	9,000	9,000
c) Other charges	-	-
Taxation matters	-	-
Certification fee	-	-
d) Reimbursement of out of pocket expenses	-	-
TOTAL	1,09,000	1,09,000

25 Earnings per Share

Particulars	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
Earnings		
Profit/(Loss) attributable to equity holders	-1,54,71,578	31,19,863
Shares		
Number of shares at the beginning of the year	68,26,960	68,26,960
Add: Equity shares issued	0	-
Less: Buy back of equity shares	0	-
Total number of equity shares outstanding at the end of the year	68,26,960	68,26,960
Weighted average number of equity shares outstanding during the year – Basic	68,26,960	68,26,960
Weighted average number of equity shares outstanding during the year – Diluted	68,26,960	68,26,960
Earnings per share of par value `10/- -Basic	(2.27)	0.46
Earnings per share of par value `10/- – Diluted	(2.27)	0.46

26 Related Parties

In accordance with the provisions of Ind AS 24 “Related Party Disclosures” and the Companies Act, 2013, Company’s Directors, members of the Company’s Management Council and Company Secretary are considered as Key Managerial Personnel.

List of Key Managerial Personnel of the Company are given below:

- Maneesh Pharmaceuticals Limited, Holding Company
- Svizera Health Remedies LLP, Enterprises where Directors are interested
- Shubh Pharma Agency , Enterprises where Directors are interested
- Mr. Maneesh R.Sapte, Managing Director
- Mr.Y.N.Bhaskara Rao, Whole Time Director
- Mr. Vinay Ramakanth Sapte , Non Executive Director
- Mrs. Rashmi Vinay Sapte, Non Executive Director
- Mrs. Uravasi Bhatia , Company Secretary
- Mr. N E V Prasad Rao , Chief Financial Officer

The following is a summary of significant related party transactions:

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
i) Holding company / Promoters Group		
Sales and Purchases :		
Maneesh Pharmaceuticals Ltd.,		
Purchase / Services	12,43,68,631	7,24,06,446
Sales	7,64,57,578	6,29,86,331
Enterprise where directors are interested :		
Svizera Health Remedies LLP		
Purchases	-	-
Sales	1,01,13,552	4,854,043
Shub Pharma Agency		
Services	43,79,897	38,91,274
a) Key managerial personnel		
Remuneration & Commission :		
Mr. Y.N.Bhaskara Rao	26,41,177	26,41,177
Mr. N. E. V. Prasad Rao	14,30,790	12,75,000
Mrs. Urvasi Bhatia	3,00,000	2,73,000
Total(a)	43,71,967	41,89,177
b) Sitting Fee		
Mr. Vinay R Sapte	40,000	52,000
Mrs. Rashmi Vinay Sapte	20,000	20,000
Total(b)	60,000	72,000
c) Balances with the Related Parties	Outstanding Payable / Receivable as at 31-March -2022	Outstanding Payable/ /Receivable as at 31-March -2021
Receivables		
Maneesh Pharmaceuticals Ltd	1,47,34,750	2,30,58,291
Svizera Health Remedies LLP	40,51,071	17,90,004
Payables		
Maneesh Pharmaceuticals Ltd	5,97,30,316	4,27,21,521
Shub Pharma Agency	2,63,759	5,36,388

27. Earnings/expenditure in foreign currency: NIL

28. Segment Reporting:

The Company concluded that there is only one operating segment i.e, manufacturing and sale of OCP's. Hence, the same becomes the reportable segment for the Company. Accordingly, the Company has only one operating and reportable segment, the disclosure requirements specified in paragraphs 22 to 30 are not applicable. Accordingly, the Company shall present entity-wide disclosures enumerated in paragraphs 32, 33 and 34 of Ind AS 108.

29. Employee benefits:

Gratuity benefits

In accordance with applicable laws, the Company has a defined benefit plan which provides for gratuity payments (the "Gratuity Plan") and covers certain categories of employees in India. The Gratuity Plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amount of the payment is based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan are determined by an actuarial valuation.

The components of gratuity cost recognized in the statement of profit and loss for the years ended 31st March

2022 and 2021 consist of the following:

Particulars	For the Years ended 31 st March	
	2022	2021
Current service cost	1,47,849	2,27,707
Interest on net defined benefit liability/(asset)	3,57,747	3,57,747
Gratuity cost recognized in statement of profit and loss	-	-
Expenses Recognised in the Income Statement	5,54,718	5,85,454

Other Comprehensive Income

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Actuarial (gains) /losses		
-change in Financial assumptions	(91,145)	48,388
-Experience variance (i.e.Actual experience vs assumptions)	(5,28,945)	8,57,129
Components of defined benefit costs recognised in other comprehensive income	(6,20,090)	9,05,517

Details of the employee benefits obligations and plan assets are provided below:

Particulars	As of 31 st March	
	2022	2021
Present value of funded obligations	62,84,673	65,66,442
Fair value of plan assets	-	-
Net defined benefit liability / (asset) recognized	62,84,673	65,66,442

Details of changes in the present value of defined benefit obligations are as follows:

Particulars	As of 31 st March	
	2022	2021
Defined benefit obligations at the beginning of the year	65,66,442	56,67,667
Current service cost	1,47,849	2,27,707
Interest on defined obligations	4,06,869	3,57,747
Re-measurements due to:		
Actuarial loss/(gain) due to change in financial assumptions	(91,145)	48,388
Actuarial loss/(gain) due to demographic assumptions	-	-
Actuarial loss/(gain) due to experience changes	(5,28,945)	8,57,129
Benefits paid	(2,16,397)	(5,92,195)
Other (Employee Contribution, Taxes, Expenses, adj to Opening Balance)	-	-
Defined benefit obligations at the end of the year	62,84,673	65,66,443

Details of changes in the fair value of plan assets are as follows:

Particulars	As of 31 st March	
	2022	2021
Fair value of plan assets at the beginning of the year		-
Employer contributions	(2,16,397)	(5,92,195)
Actuarial loss/(gain) on plan assets		-
Re-measurements due to:		
Return on plan assets excluding interest on plan assets		-
Benefits paid	(2,16,397)	(5,92,195)
Other (Employee Contribution, Taxes, Expenses, adj to Opening Balance)	-	-
Plan assets at the end of the year	-	-

Summary of Actuarial Assumptions

The actuarial assumptions used in accounting for the Gratuity Plan are as follows:

The assumptions used to determine benefit obligations:

Particulars	As of 31 st March	
	2022	2021
Discount rate	6.96%	6.30%
Rate of compensation increase	6%-10%	6%-10%

Leave Encashment

The Company provides for accumulation of compensated absences by certain categories of its employees. These employees can carry forward a portion of the unutilized compensated absences and utilize them in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a liability for compensated absences in the period in which the employee renders the services that increases this entitlement.

Contribution to Provident Fund

The employees of the Company receive benefits from a provident fund, a defined contribution plan. Both the employee and employer each make monthly contributions to a government administered fund equal to 12% of the covered employee's qualifying salary. The Company has no further obligations under the plan beyond its monthly contributions.

Contribution to Superannuation schemes

Certain categories of employees of the Company participate in superannuation; The Company makes annual contributions based on a specified percentage of each covered employee's salary. The Company has no further obligations under the plan beyond its annual contributions.

A. Income Taxes:

Income tax expense/ (benefit) recognized in the statement of profit and loss:

Income tax expense/ (benefit) recognized in the statement of profit and loss consists of the following:

Particulars	For the Year Ended 31 st March	
	2022	2021
Current taxes expense		
Domestic	-	18,47,467
Deferred taxes expense/(benefit)		
Domestic	(1,50,108)	(1,80,220)
Total income tax expense/(benefit) recognized in the statement of profit and loss	(1,50,108)	16,67,247

a) Reconciliation of Effective tax rates

Particulars	For the Year Ended 31 st March	
	2022	2021
Profit before income taxes	(1,56,22,108)	47,87,110
Enacted tax rate in India	25.17%	25.17%
Computed expected tax benefit/(expense)	-	12,04,916
Effect of Expenses deductible for Tax purposes	-	(8,20,079)
Effect of non-deductible expenses	-	12,34,712
Effect of Gratuity recognized in OCI	1,47,849	2,27,919

b) Deferred tax assets & Liabilities:

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	For the Year Ended 31 st March	
	2022	2021
Deferred tax assets/(liabilities):		
Property, plant and equipment	(10,82,854)	(13,89,039)
Others		
Net deferred tax assets/(liabilities)	(10,82,854)	(13,89,039)

B. Financial Risk Management:

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and Market risk. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors, risk management committee and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

a. 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 and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has the following categories of financial assets that are subject to credit risk evaluation:

Trade Receivables- The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company's credit period for customers generally ranges from 60-90 days. The ageing of trade receivables that are past due but not impaired is given below: (Rs.)

Particulars	As of 31 st March	
	2022	2021
Period (in days)		
1 – 90		-
90 – 180	3,19,25,050	4,26,55,778
More than 180		-
Total	3,19,25,050	4,26,55,778

b. Liquidity Risks:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31st March 2022:

Particulars	Less than One Year	1-2 Years	2-3 Years	More than 3 Years	Total
Trade payables	7,97,40,569	7,88,736	2,18,012	5,95,741	8, 13,43,058
Long term borrowings	-	2,28,775	-	-	2,28,775
short-term loans and borrowings*	62,503	-	-	-	62,503
Other liabilities	65,94,742	-	-	-	65,94,742

*Note: The Short Term Loans, Borrowings and other liabilities are payable on demand.

c. Market Risks

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Company's financial position. Market risk is attributable to all market risk sensitive financial instruments.

d. Interest rate risk

Interest rate risk refers to risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market interest rates.

C. Financial Instrument:

The carrying value and fair value of financial instruments as at 31 March 2022 and 31 March 2021 were as follows:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Total carrying value	Total fair value/ amortised cost	Total carrying value	Total fair value/ amortised cost
Financial assets				
Cash and cash equivalents	8,42,142	8,42,142	25,74,286	2,574,286
Other bank balances	13,09,314	13,09,314	12,51,022	12,51,022
Trade receivables	3,19,25,050	3,19,25,050	4,26,55,778	4,26,55,778
Other financial assets	14,02,416	14,02,416	26,28,186	26,28,186
Total	3,54,78,922	3,54,78,922	4,91,09,272	4,91,09,272
Financial Liabilities				
Trade payables	8,13,43,058	8,13,43,058	66,540,612	66,540,612
Short-term borrowings	62,503	62,503	2,08,118	2,08,118
Other financial liabilities	6,24,896	6,24,896	6,56,690	6,56,690
Total	8,20,30,457	8,20,30,457	6,74,05,420	6,74,05,420

a. Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through equity, borrowings and operating cash flows required.

The company's Debt Equity ratio is as follows:

Particulars	2022	2021
Total Debt	9,03,95,093	8,12,18,830
Total Equity	6,82,69,600	6,82,69,600
Debt Equity Ratio	1.32:1	1.19:1

b. Ratio analysis

Ratio	Numerator	Denominator	As at 31 Mar-22	As at 31 Mar-21
Current ratio	Current Assets	Current Liability	0.95	1.12
Debt- Equity Ratio	Total Debt	Shareholder's Equity	1.32	1.19
Debt Service Coverage ratio	Earnings for debt service	Debt service	-	-
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	-0.23	0.05
Inventory Turnover ratio	Cost of goods sold	Average Inventory	2.49	2.57
Trade Receivable Turnover Ratio	Revenue	Average Trade Receivable	4.62	2.40
Trade Payable Turnover Ratio	Net credit purchases	Average Trade Payables	1.90	1.67
Net Capital Turnover Ratio	Revenue	Working capital	-30.74	27.41
Net Profit ratio	Net Profit	Revenue	-0.09	0.02
Return on Capital Employed	Earnings before interest and taxes	Capital Employed	-0.13	0.03

29. Other statutory information:

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

- a. The Company does not have any transactions with struck off companies.
- b. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- c. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- d. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - e. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - f. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- g. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - h. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - i. Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- j. The Company has not entered in to any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- k. The Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- l. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- m. No scheme of arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the year
- n. The Company does not have any borrowings from banks or financial institutions against security of its current assets.

For Sathuluri & Co.

Chartered Accountants

Firm Reg No. 006383S

Sd/-

(S.S.PRAKASH)

Partner

Membership No.202710

UDIN: 22202710AJSPYG6683

Place: Hyderabad

Date: 27-05-2022

Sd/-

Maneesh R Sapte

Managing Director

DIN : 00020450

Sd/-

Urvashi Bhatia

Company Secretary

Reg. 46877

Sd/-

Y N Bhaskar Rao

Whole Time Director

DIN 00019052

Sd/-

N E V Prasad Rao

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