



GODAVARI DRUGS LIMITED

Regd. Off.: 'Mayfair', S.P. Road, Secunderabad - 500 003. TS, India.

Voice : +91-40-2784 9700 / 2784 2602 / 2784 4557

E-mail : info@godavaridrugs.com | Website : www.godavaridrugs.com

25.04.2022

To
Bombay Stock Exchange
Corporate Relationship Department,
1st Floor, New Trading Ring, Rotunda Building,
P.J. Towers,
Dalal Street, Fort, Mumbai - 400 001

BSE Code: 530317

Dear Sir/Madam,

Sub: Filing of 34th Annual Report of the Company for the financial year 2021-22 along with Notice to Shareholders for Annual General Meeting

We would like to inform that that 34th Annual General Meeting of the Company, is scheduled to be held on Monday, 16th May, 2022 at 03:30 P.M. through Video Conferencing (VC) or Other Audio Visual Means (OAVM), as per the framework issued by the Ministry of Corporate Affairs (MCA) vide General Circular No. 14 of 2020 dated April 08, 2020, Circular No. 17 of 2020 dated April 13, 2020, Circular No. 20 of 2020 dated May 05, 2020, and Circular no. 02/2021 dated January 13, 2021 and also SEBI Circular dated 12th May, 2020 and SEBI Circular dated January 15, 2021 (collectively referred to as "Circulars").

We would further like to inform that pursuant to requirement of Regulation 34 read with 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and any other applicable provisions if any, please find enclosed herewith 34th Annual Report (Integrated) of the Company for the financial year 2021-22, which includes Notice, Board's Report along with report on Corporate Governance, MDA, Audited Financial Statements and Auditors Reports thereon.

You are requested to kindly take note of the same and please also take suitable action for dissemination of this information through your website at the earliest. In case you need any other information, please let us inform.

Thanking You

Yours Faithfully

For Godavari Drugs Limited

SD/-

Rashmi Agarwal

Company Secretary & Compliance Officer



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Yours Faithfully

For Godavari Drugs Limited

Rashmi Agarwal
Company Secretary & Compliance Officer



GODAVARI DRUGS LIMITED

ANNUAL REPORT 2021-22

34 YEARS OF GODAVARI DRUGS



**Serving Global Health Care Needs With
INNOVATION & TECHNOLOGY**

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MESSAGE FROM CHAIRMAN

Dear Stakeholders,

It gives me immense pleasure to welcome you to the 34th Annual general meeting of your company. We are in the business of fulfilling one such necessity of humans. When we look back at our journey and thus look forward we have come a long way but there is definitely a lot to achieve by growing the company further.

As has been common with all, the COVID pandemic has generated an unparalleled crisis globally, impacted lives and businesses. I am happy to report that even in these difficult times, the Company maintained its performance throughout the year.

We endeavor to build a strong and innovative product line, increase our operating efficiencies and focus on growing our presence in both domestic and export markets.

The company firmly believes and has consistently practiced good corporate governance which is reflected by our values such as transparency, professionalism and accountability. We are committed to enhance our corporate value by ensuring that all of our business activities are so carried out that we continue to maintain our credibility across the globe.

We thank all our esteemed customers who helped us in achieving what we set out to achieve and look forward for their continued support.

We would also like to thank all our suppliers in supporting us as always.

We would like to thank all members of the Board for their continued contribution as well as the entire senior management and all members of staff who are working towards the goal of sustainable development- whether as part of their professional responsibilities or in their private lives - and urge them to continue these efforts.

BOARD OF DIRECTORS

COMPANY INFORMATION

Mr. Ghanshyam Jaju

CHAIRMAN

He is a Commerce Graduate with more than 40 years of experience in the business. He was earlier engaged in the family business of cotton ginning pressing industries and Oil Mills. He is the founder-director of GDL and is involved in the administration heading the board since its inception

Mr. Mukund Kakani

Managing Director

He is the promoter and Managing Director of the Company since its inception. He is a Chemical Engineer (B.Tech) from Osmania University and holds an experience of more than 35 years in the industry. He is overall in charge of operations and development of the company.

Mr. Kirti Kumar Jain

CFO & Wholetime Director

He is a commerce graduate and is the Executive Director & Promoter of the Company. He is heading the Accounts, Finance, and allied activities in the Company.

Mr. Mohit Jaju

Executive Director

He is an engineer (BE) by qualification with experience of 25 years and is overall responsible for all technical activities of the company including production, new product, and process developments, projects, marketing, business development, and all other activities related to the factory at Nanded.

Mr. Dilip Keshavlal Patel

Non-Executive Independent Director

He is a retired General Manager of (SICOM) Maharashtra. He Has been associated with and guiding the company since its inception in various capacities even during his tenure with SICOM. His academic qualification viz., Bachelors in Chemical Engineering from IIT (Kanpur) and MBA from JBIMS adds vast knowledge and expertise both in the field of Chemical Engineering and Finance.

Mr. Syed Anis Hussain

Non-Executive Independent Director

He is an independent director. He has held many prestigious positions previously and has retired as an executive director from the Reserve Bank of India. He is a person of very high integrity and values, who is also involved in many philanthropic organizations and is an active social worker.

Mr. Ramesh Babu Telugu

Non-Executive Independent Director

He is an independent director. He retired as General Manager and Chief Risk Officer in State Bank of Hyderabad. His academic qualifications viz., M.Sc (Ag), CAIIB bring a lot of valuable experience to the company areas such as banking, Credit, Forex, and International finance.

Mrs. Vimala Behram Madon

Non-Executive Independent Director

She is an independent director. She retired as General Manager in State Bank Group. Her academic qualifications are M.A. in English and Diploma in French. She was Deputed to State Bank of India, Paris, France as Manager of Accounts and NRI Services. Her experience in Banking is of immense help to the company.



COMPANY SECRETARY

Mrs. Rashmi Agarwal

CORPORATE IDENTIFICATION NUMBER

L24230TG1987PLC008016

REGISTERED OFFICE

1-8-303/34, Mayfair, S.P. Road,
Secunderabad, TG-500003

CORPORATE WEBSITE & E-MAIL

www.godavaridrugs.com;
info@godavaridrugs.com

EQUITY SHARES LISTED ON

Bombay Stock Exchange (BSE)

DEPOSITORIES

NSDL, CDSL

STATUTORY AUDITORS

M/s V. Sridhar & Co. 12-2-823/A/78,
Geetha Apartments, Santoshnagar Colony,
Mehandipatnam, Hyderabad-500028

SECRETARIAL AUDITORS

M/s Vss & Associates 4-1-917,
Lane opposite to Scientific World,
Radha Krishna, 1st Floor, Tilak Road,
Abids, Hyderabad-500001

BANKERS

Yes Bank limited

REGISTRAR & TRANSFER AGENTS

CIL Securities Ltd 214,
Raghava Ratna Towers, Chirag Ali Lane,
Abids, Hyderabad, Telangana, 500001

OUR MISSION

We constantly search for unmatched client experience, customer satisfaction, innovation, and process and product excellence.

We want to become the leader in the manufacturing of API and Pharmaceuticals with high standards of quality and technical services.

We want to provide reliable, superior quality, cost-effective products with best-in-class lead times.

We want to build long-term relationships with our customers and vendors alike.

OUR VISION

We envision to be a leading pharmaceutical company in India catering to clients and customers in India and the World by providing high quality and affordable products.

We commit to continuously improve and innovate.

We want to develop sustainable and environmentally friendly processes and systems.

We want to contribute the best to healthcare through constant and consistent innovation.



WELCOME TO OUR COMPANY

We, Godavari Drugs Limited were incorporated on Dec 2nd, 1987. Since then, we are in the business of manufacturing API and drug intermediates, which meet all the quality standards and requirements of the Global Life Science Industry.

Culture

We strive to achieve an engaging work culture that is perpetual in transforming diverse experiences into knowledge into best-in-class products and processes. We encourage innovative, out-of-the-box thought processes and innate curiosity to question and drive excellence among our employees.

With decades of experience, we have gathered an expertise in Contract Research and Loan License Manufacturing of API and Intermediates, to match our Partner's expectations. We offer state-of-the-art R & D, Pilot plant scale-up, and commercial manufacturing facilities in line with cGMP.

Loan License Manufacturing

Alliancing and Partnership

We believe in building partnerships based on hassle-free experience, technical competency, delightful customer experience, and trust. We are focused to understand and deliver our Partner's requirements punctually to the best-in-class standards and thus forge a mutually beneficial long-lasting relationship.

Given our diverse experience and knowledge gathered over time, we have the capability of manufacturing Narcotic Drugs. We also offer Loan License/ Contract manufacturing of Narcotic Products to Partners who have such requirements.

Narcotic Drugs

In more than three decades, we have grown to be an established, strong player with a focus on manufacturing and marketing our own products and having active Loan licenses and Contract Manufacturing tie-ups with reputed multinational companies for API and drug intermediates.

We combine our intrinsic strengths and capabilities in chemistry and engineering to take up a product and process development right from laboratory scale to pilot to the final manufacturing at the commercial scale in our manufacturing facilities, in line with cGMP requirements and accredited as per WHO GMP.

OUR PRODUCTS

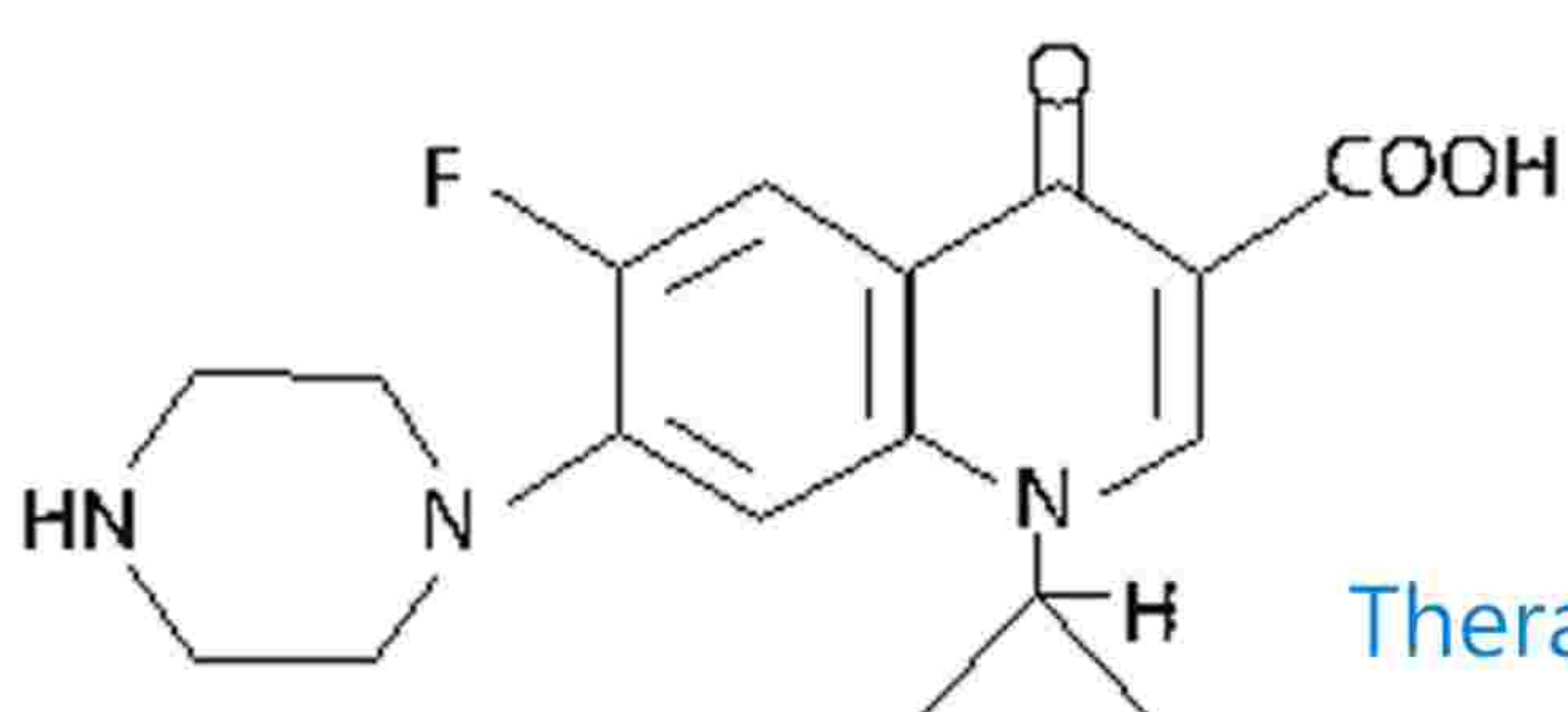
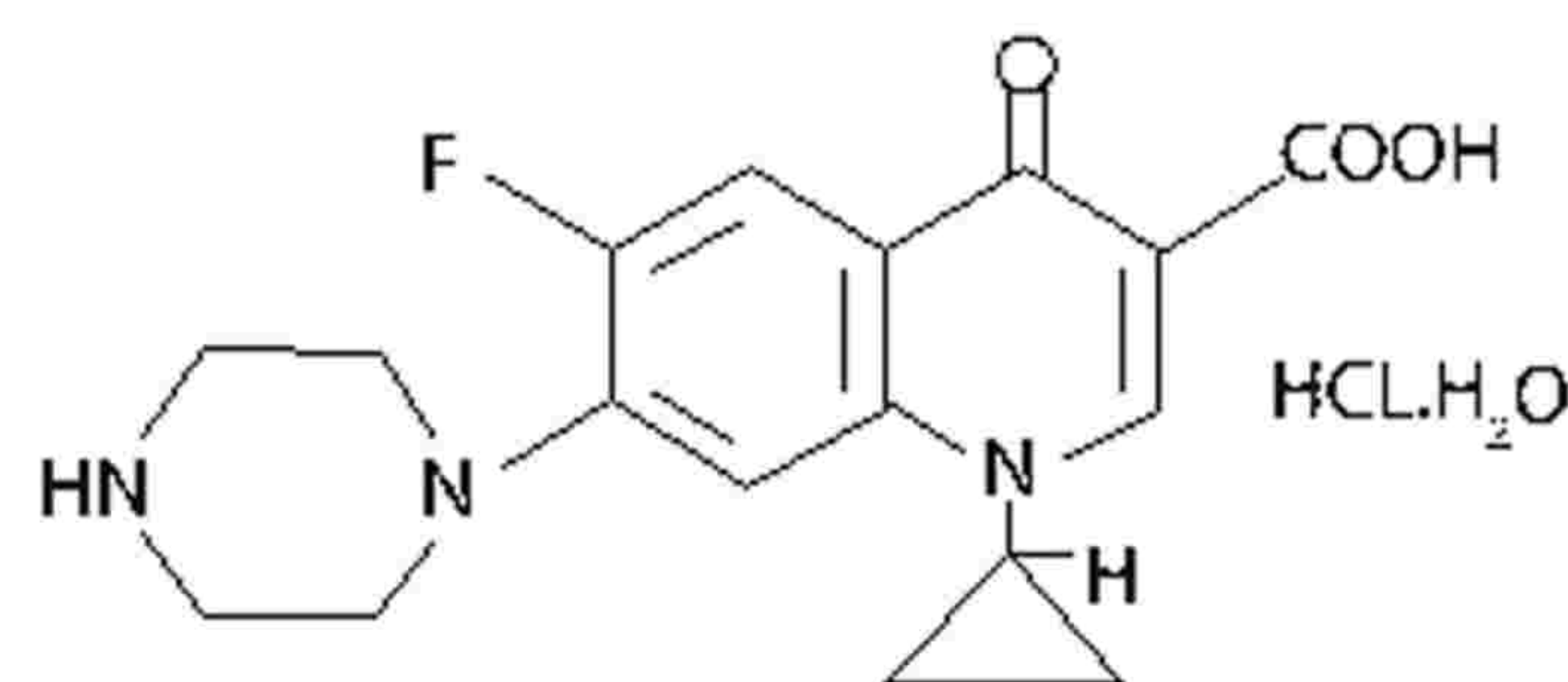
Existing and Under Development

CIPROFLOXACIN HYDROCHLORIDE

Chemical Name: Cyclopropyl-6-fluoro-1,4-dihydro-4-oxo-7-(1 piperazinyl)-3-quinolinecarboxylic acid, Monohydrochloride monohydrate

CAS No. For Registry: 86393-32-0

Therapeutic Category: For Human consumption as Quinoline antibacterial



CIPROFLOXACIN

Chemical Name: Cyclopropyl-6-fluoro-1,4-dihydro-4-oxo-7-(1 piperazinyl)-3-quinolinecarboxylic acid

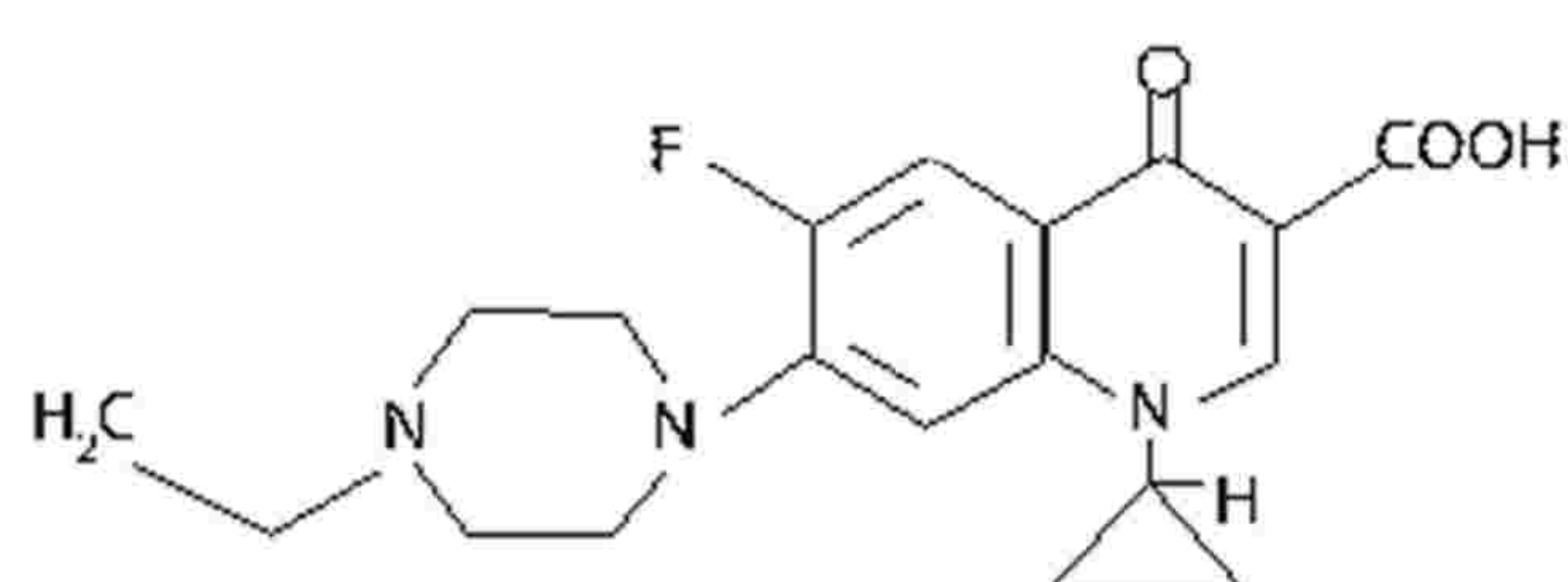
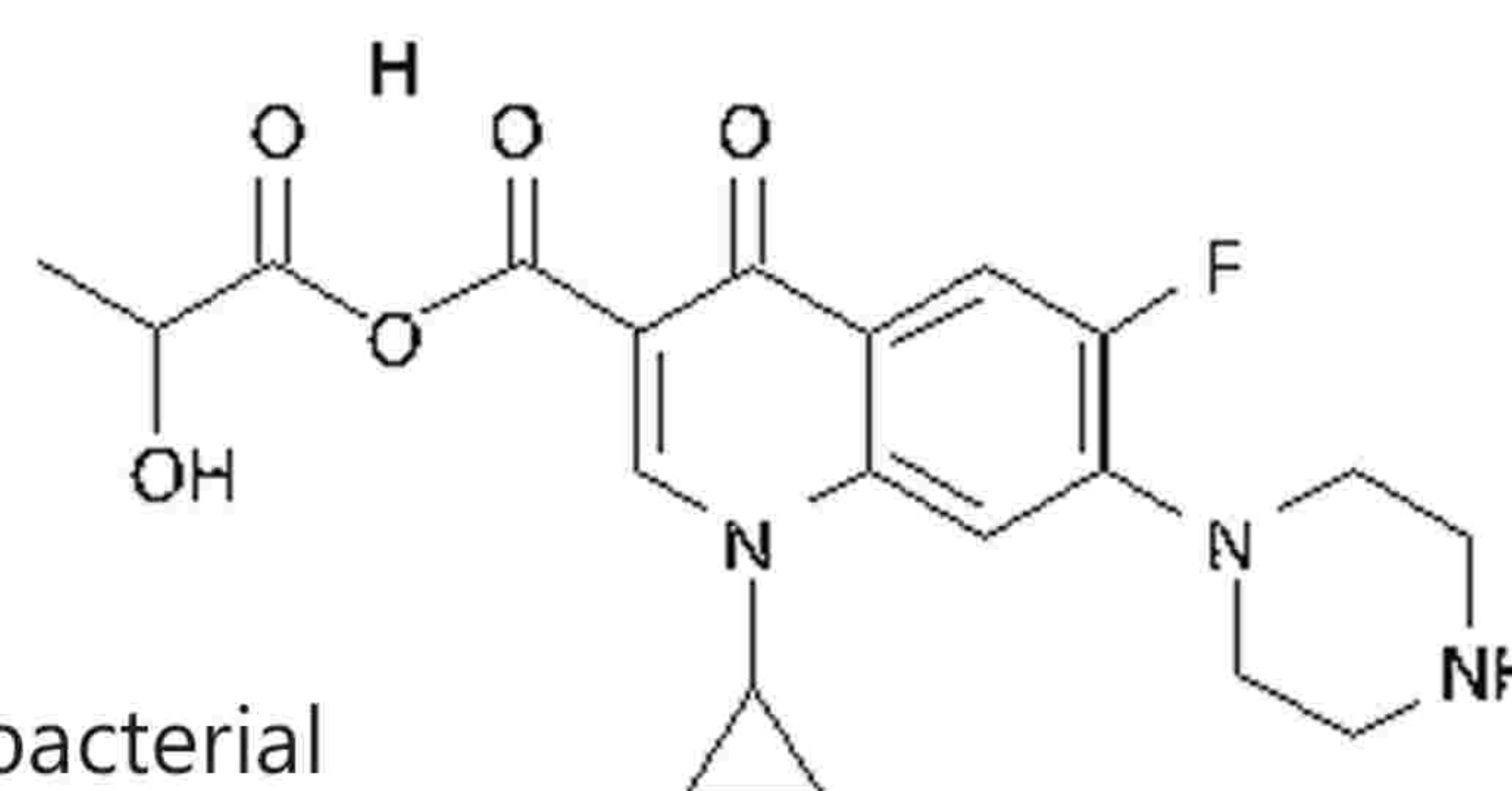
CAS No. For Registry: 85721-33-1

Therapeutic Category: For Human consumption as Quinoline antibacterial

CIPROFLOXACIN LACTATE

Chemical Name: 1-cyclopropyl-6-fluoro-4-oxo-7-piperazin-1-ylquinoline-3-carboxylic acid; 2-hydroxypropanoic acid monohydrate

Therapeutic Category: For Human consumption as Quinoline antibacterial



ENROFLOXACIN

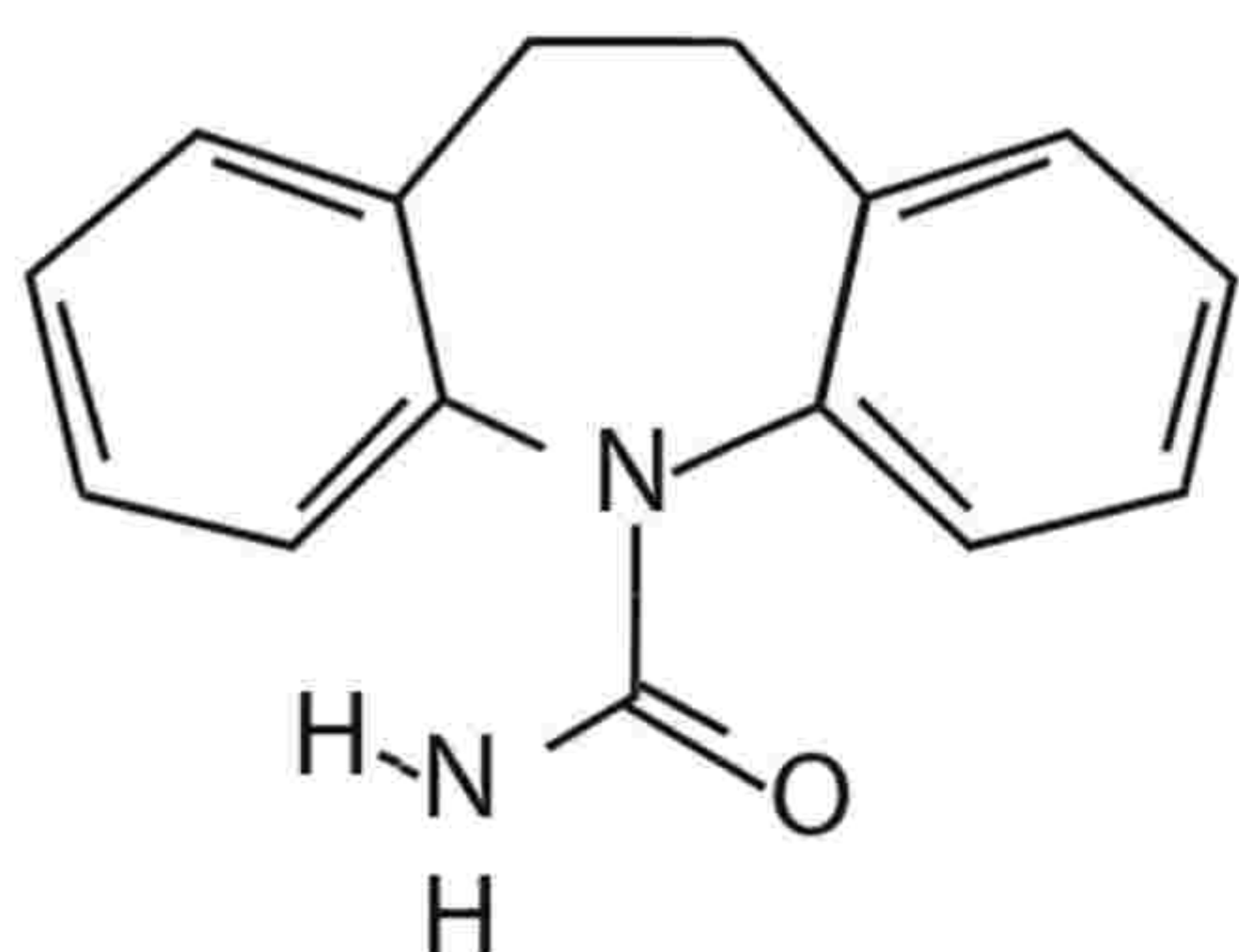
Chemical Name: 1-cyclopropyl-7-(4-ethylpiperazin-1-yl)-6-fluoro-4-oxoquinoline-3-carboxylic acid

CAS No. For Registry: 93106-60-6

Therapeutic Category: For Veterinary consumption as Quinoline antibacterial

OUR PRODUCTS

Existing and Under Development



CARBAMAZEPINE

Chemical Name: benzo[b][1]benzazepine-11-carboxamide

CAS No. For Registry: 298-46-4

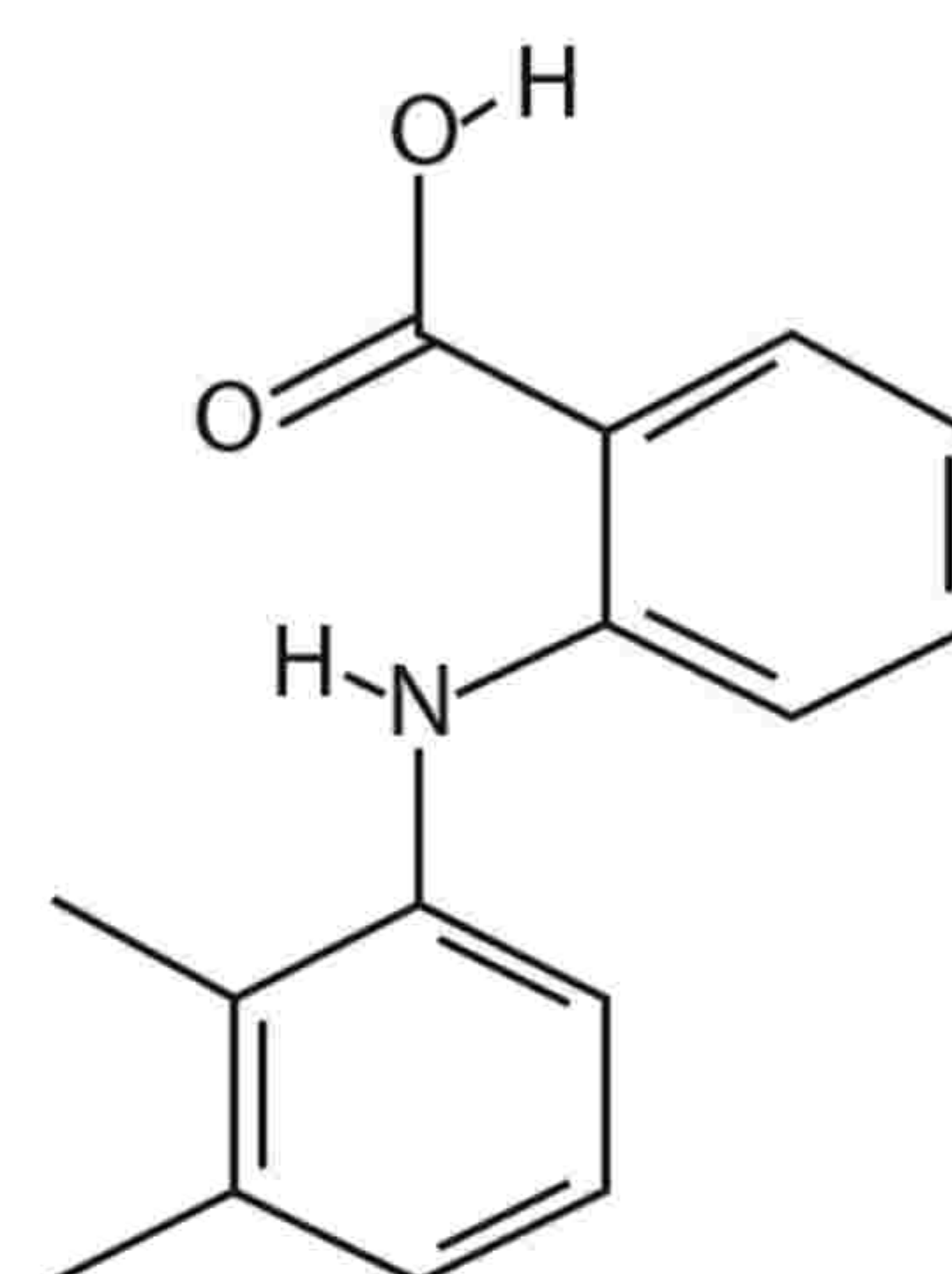
Therapeutic Category: Anticonvulsant

MEFENAMIC ACID

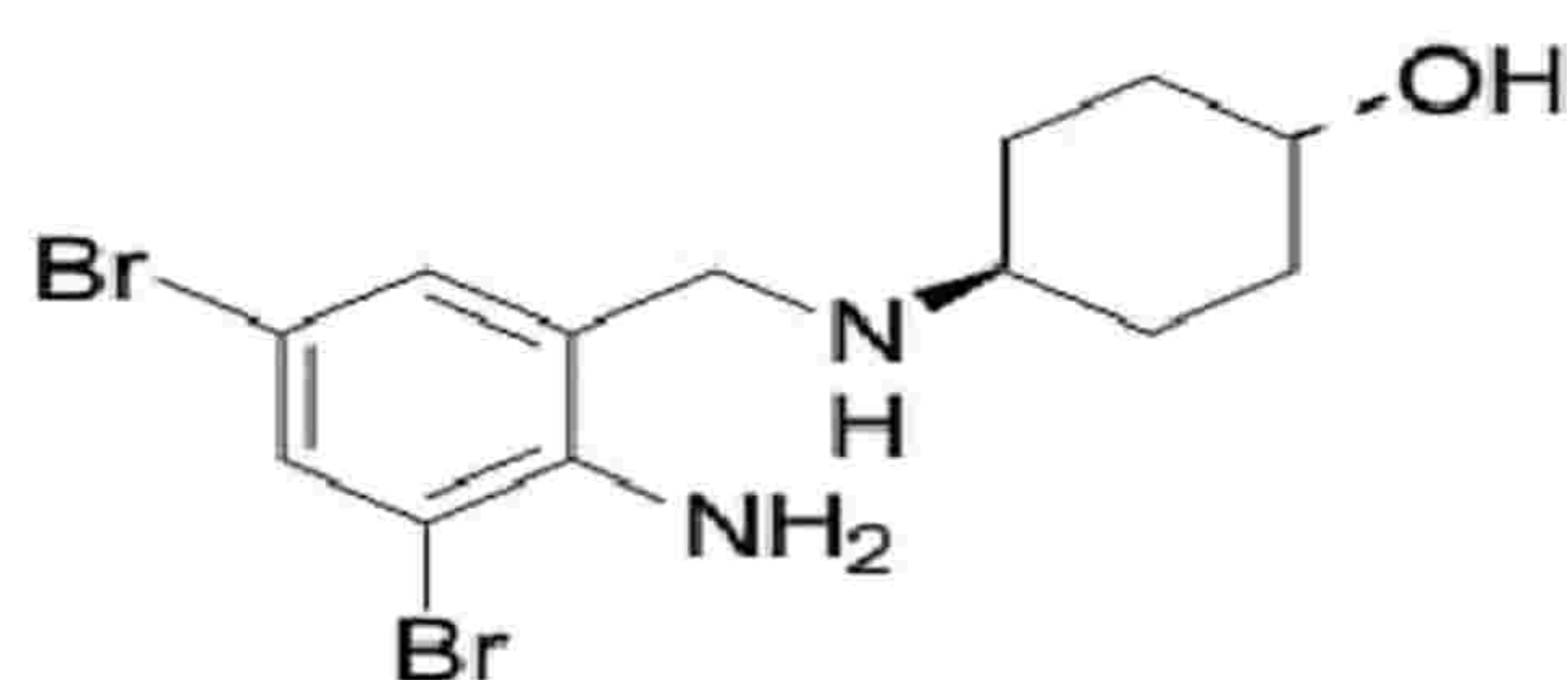
Chemical Name: 2-(2,3- dimethylanilino)benzoic acid

CAS No. For Registry: 61-68-7

Therapeutic Category: Non steroidal antiinflammatory



AMBROXOL HYDROCHLORIDE



Chemical Name: trans-4-(2-Amino-3,5-dibromobenzylamino)-cyclohexanol, HCl

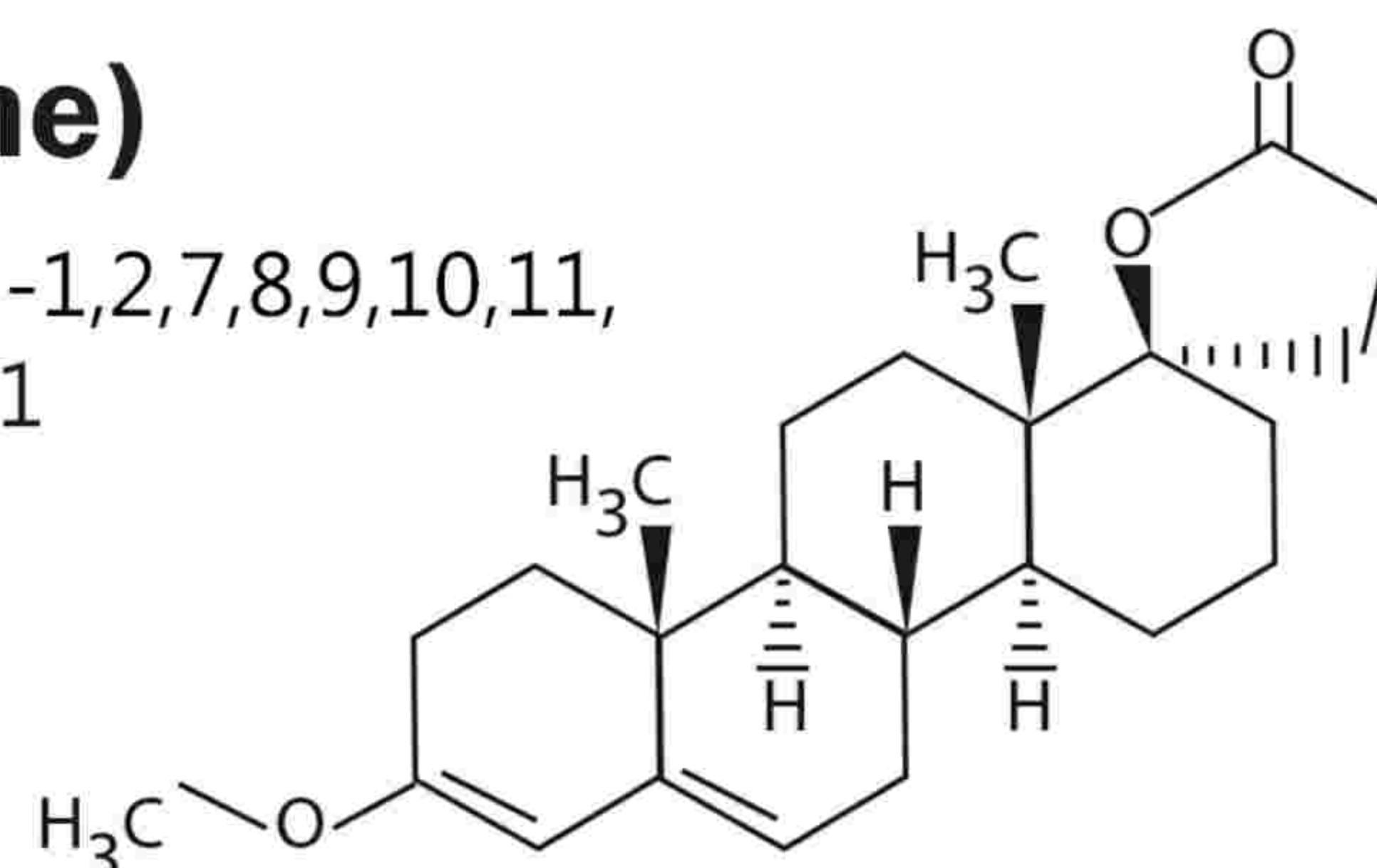
Therapeutic Category: used for the treatment of bronchitis, cough and asthma

AD LACTONE (Intermediate for Spironolactone)

Chemical Name: (2'R,8R,9S,10R,13S,14S)-3-Methoxy-10,13-dimethyl-1,2,7,8,9,10,11,2',13,14,15,16-dodecahydro-3'H-spiro[cyclopenta[a]phenanthrene -1,7,2'-furan]-5'(4'H)-one

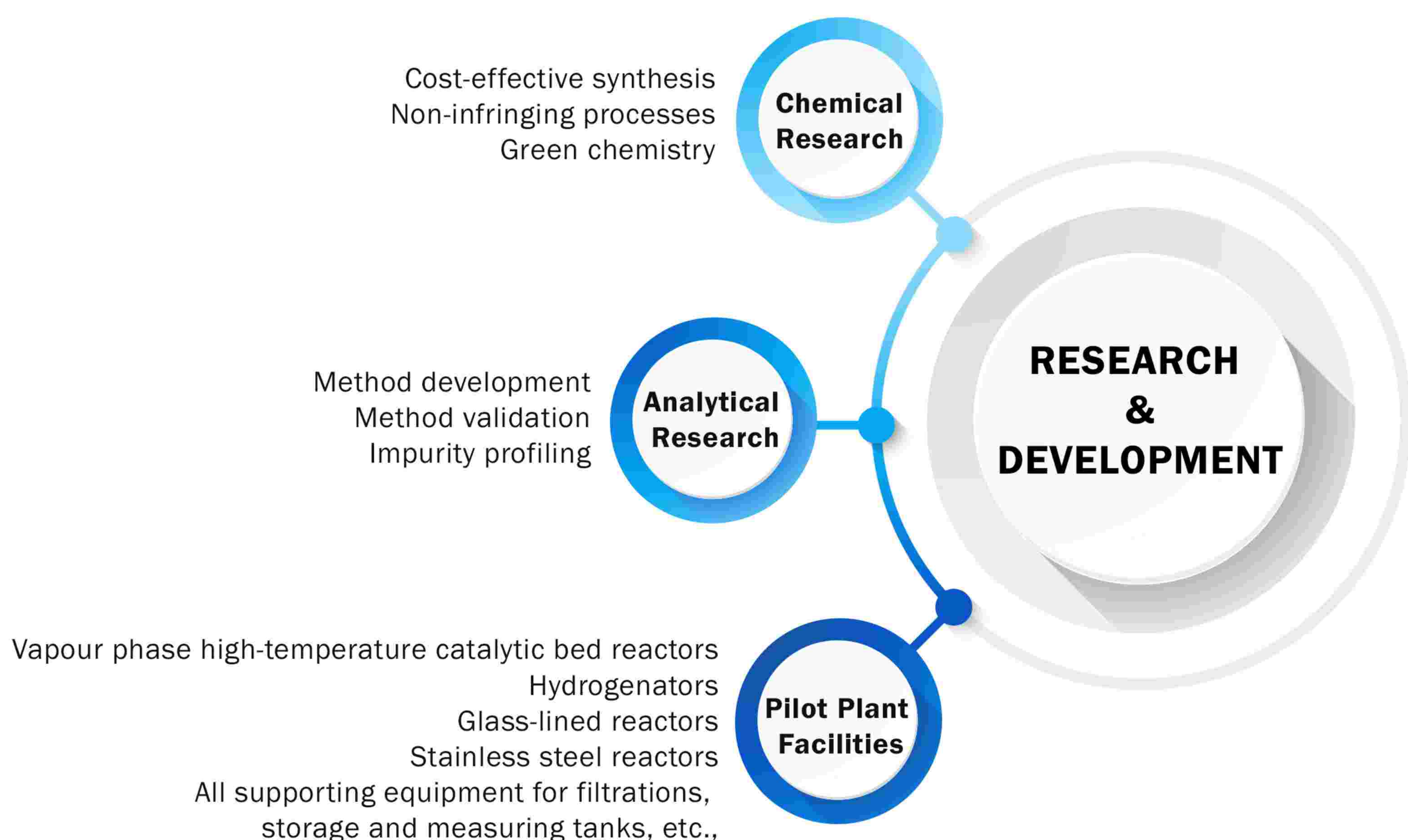
Intermediate for SPIRONOLACTONE

Therapeutic Category: Diuretics



RESEARCH & DEVELOPMENT LABS AND PILOT PLANT FACILITIES

The R & D department has a dynamic team of scientists. There are well-equipped laboratories with all the facilities for R & D work fully backed up by analytical support. There is also a smart Pilot Plant with all the required equipment and utilities for scale-up of processes from lab scale to Kilogram scale before commercialization. The pilot is also capable of being used as a production facility for low volume and high value products.



MANUFACTURING FACILITY

Our Manufacturing facilities are located in Maharashtra Industrial Development Corporation estate at Nanded, Maharashtra, India. The facility has multiple production blocks for APIs and drug intermediates in line with cGMP requirements. The production facilities are backed by separate dedicated quality control laboratories for raw materials and in-process analysis, finished products analysis, instrumentation, and stability studies. There are an adequate number of clean rooms designed as per the required class for the handling of various APIs being manufactured at the facility.

The manufacturing facilities are backed up by adequate utilities and other supportive infrastructure including a full-fledged effluent treatment plant within the premises making us a Zero Liquid Discharge facility.



- Bangladesh
- Burundi
- Congo
- Ecuador
- Egypt
- Ethiopia
- Ghana
- Iraq
- Israel
- Lebanon
- Liberia
- Macedonia
- Nepal
- Nigeria
- Pakistan
- Paraguay
- Sudan
- Turkey
- UAE

Countries of Presence

ENVIRONMENT, HEALTH & SAFETY

We at Godavari Drugs Limited, ensure that all the manufacturing activities are carried out considering appropriate environmental, health, and safety risk aspects and impacts.

We have a Zero Liquid Discharge facility for the treatment and reuse of all our liquid effluents.

We are committed to the health and safety of our employees. We ensure all health and safety protocols are followed which enables environment and health protection and prevention of accidents.

All the employees and the entire management have an obligation to ensure appropriate environmental, health, safety, and other aspects are considered and followed in all the manufacturing and related activities. By following this, we enable the safety and well-being of all the people within the premises of the company and the society at large.

EHS OBJECTIVES

- 01 To identify and update systems for the safety, health, and environmental hazards & risks associated with our manufacturing activities and products.
- 02 To minimize waste generation, promote recycling, and towards green chemistry.
- 03 To reduce energy consumption.
- 04 To reduce harmful solids, liquids, and gaseous emissions.
- 05 To create safety awareness among our vendors and customers.
- 06 To the best extent possible, to work with suppliers who themselves have sound safety, health, and environmental policies.
- 07 To implement and continually improve an Integrated Environmental, Health, and Safety Management compliant culture in all activities.

MANAGEMENT DISCUSSION AND ANALYSIS

Global Industrial Structure Overview

Global industries have spent the majority of the time scrambling to adapt and evolve in the new normal. Although the fight against the pandemic COVID - 19 is far from over, with few vaccines in circulation and better iterations in the trials, there is a silver lining in the darkest cloud we have seen in recent times.

Entire 2021-22 was the year of transition for almost all the players across all the industries in the global landscape. The focus for all the industries globally is on two fronts. Viz., address the sustainability concerns of investors, and focuses on providing an exceptional customer/client experience whose behaviors have changed significantly during the pandemic while balancing the profitability as well.

Pharmaceutical Industrial Structure Overview

Globally, the R&D and production of COVID-19 vaccines dominated the global pharmaceutical industry in 2021-22. More than 200 vaccines are currently under development for COVID-19 globally with various institutes and industries, with nearly 47 and 10 in clinical development and Phase III clinical trials respectively.

Apart from the vaccine R&D and manufacturing, digitization, growth, and improvements in biosimilar adoptions, more investments in the innovative breakthrough medications and therapies and continual demand to be under the global lens are the overall trends that the pharma industry and its contributors and participants are experiencing.

The scene in the Indian pharma industry is no different. We saw approx. 15% growth particularly driven by Covid-19 products' R&D and manufacturing as compared to approx. 3% in pre-COVID years. As we swiftly pass 2021-22 and are currently going through a more optimistic 2022, India shined bright in the limelight. It became the largest provider of generic drugs globally.

Indian pharmaceutical sector caters to an excess of 50% of the demands generated globally of which approx. 40% and 25% of generic demands are from US and UK respectively. India ranks 3rd and 14th in terms production of various pharma by volume and value respectively. A network of ~3k drug companies and ~10.5k manufacturing units are contributing to this growth and achievement.

Opportunities and Risks:

- 1** We are working towards increasing our customer base in the Quinolones segment.
- 2** We are looking to add products in the anti-inflammatory, neurology segments, and drugs used in the treatment of respiratory diseases. Business Development and R&D teams are proactively working to achieve these targets.

Financial Highlights are as under

(Rupees: In Lakhs)

Sales for the Year 2021-22	16110.62
Profit after Tax	524.53
Paid up Capital as on 31.03.2022	753.05
Finance Cost	284.93
Depreciation/Amortization	169.64
Employee Benefit Expense	495.65

Risks and Outlook

We have an integrated risk management approach through which we assess risks on a regular basis. Our robust system of risks controls and mitigation can be put in place immediately based on the assessment. This system is also periodically reviewed to ensure it is updated and ready to be deployed.

Internal Control Systems

We have designed the Internal Control Systems to ensure and enable reliability of financial reporting, timely feedback on various achievements both operational and strategic goals, compliance with policies, procedures, applicable laws, and regulations.

Under the watchful and guiding eyes, there have been no instances of fraudulent activities or behavior across the board viz, Partners, employees, vendors, and management. We accept the responsibility for establishing and maintaining internal controls for financial reporting.

We have set up mechanisms to audit our financial reporting process to identify the defects. And during such audits, if defects are observed, the auditors will disclose this to the committee which will take the necessary corrective and preventive actions.

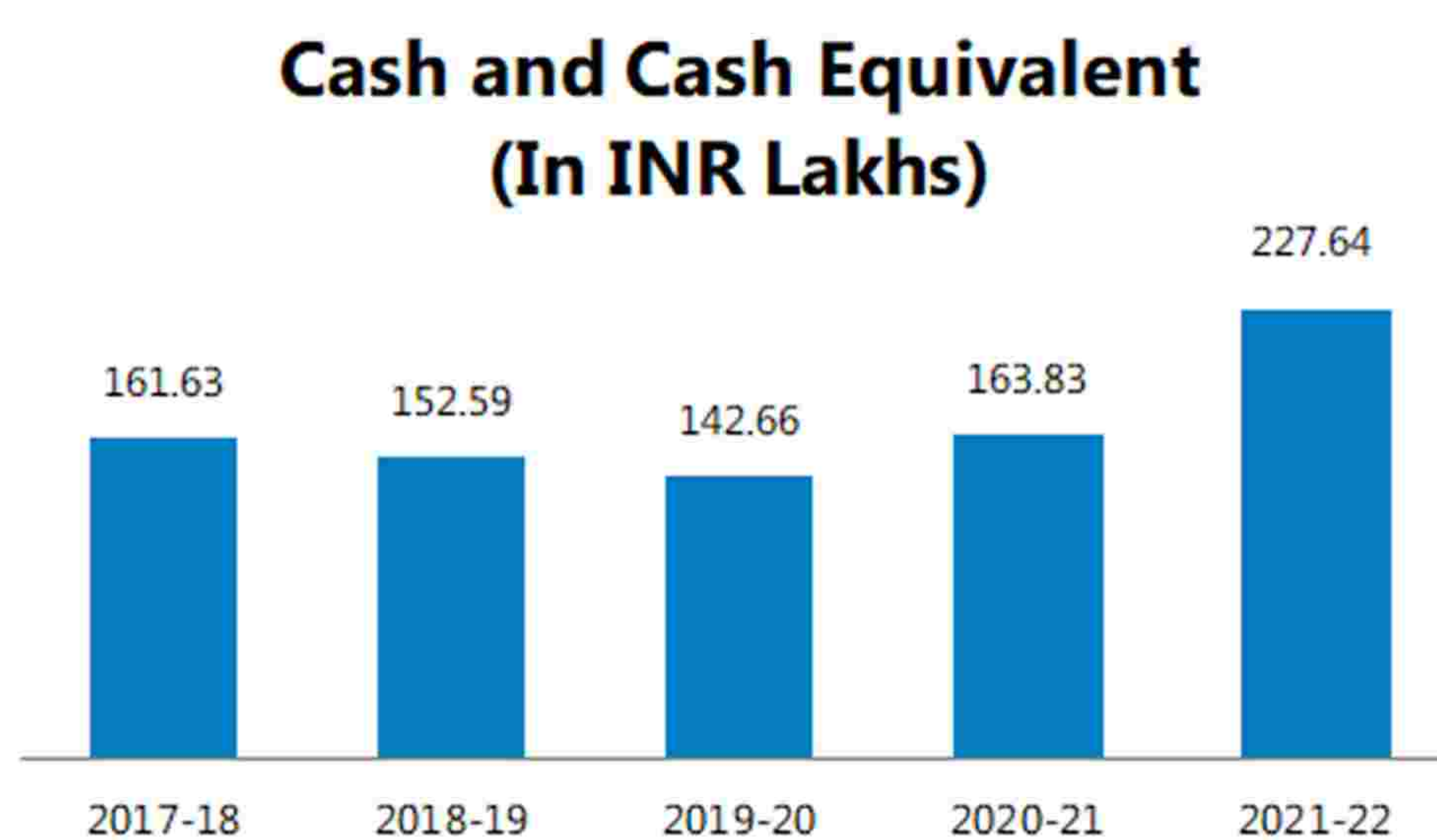
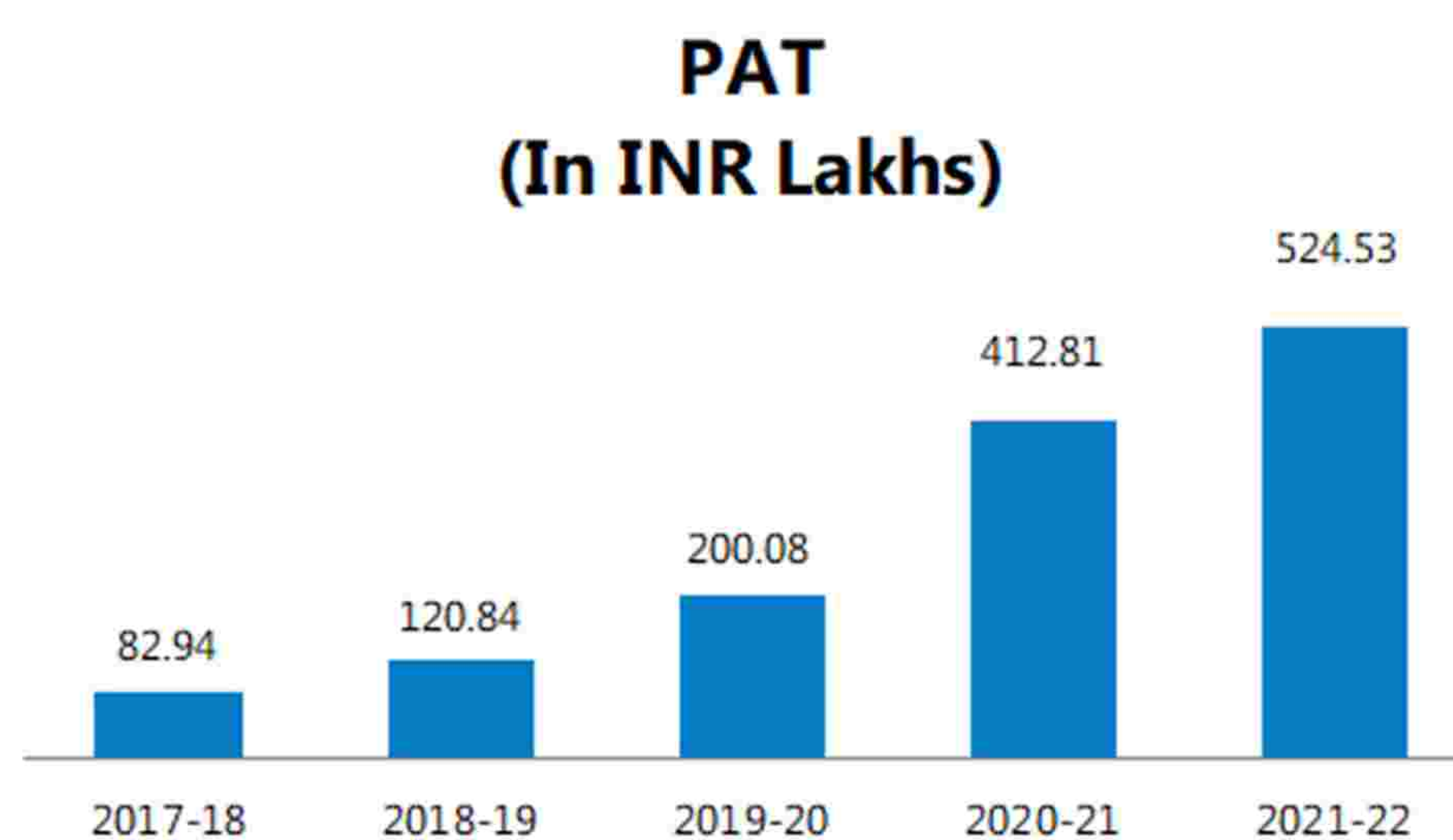
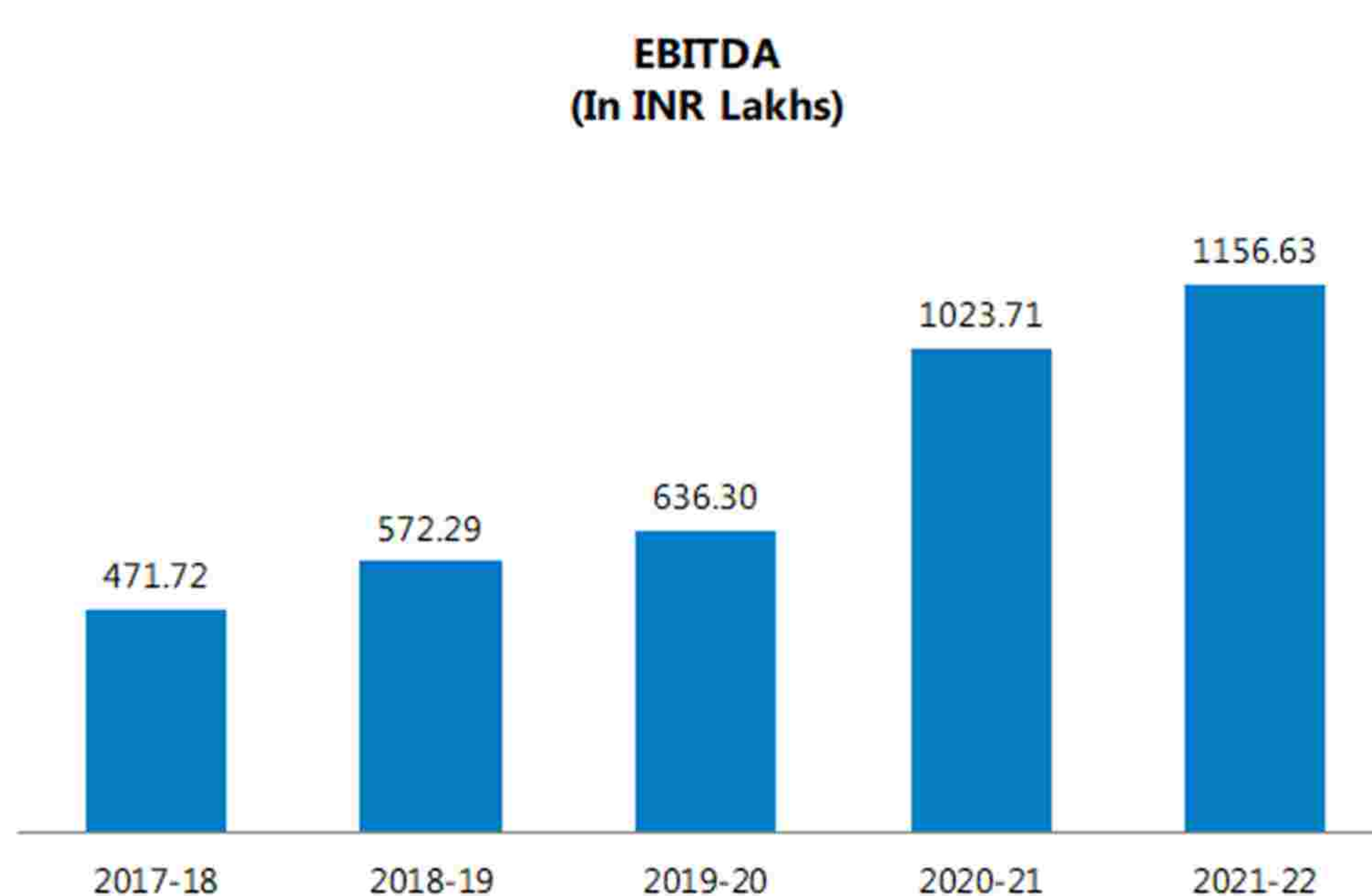
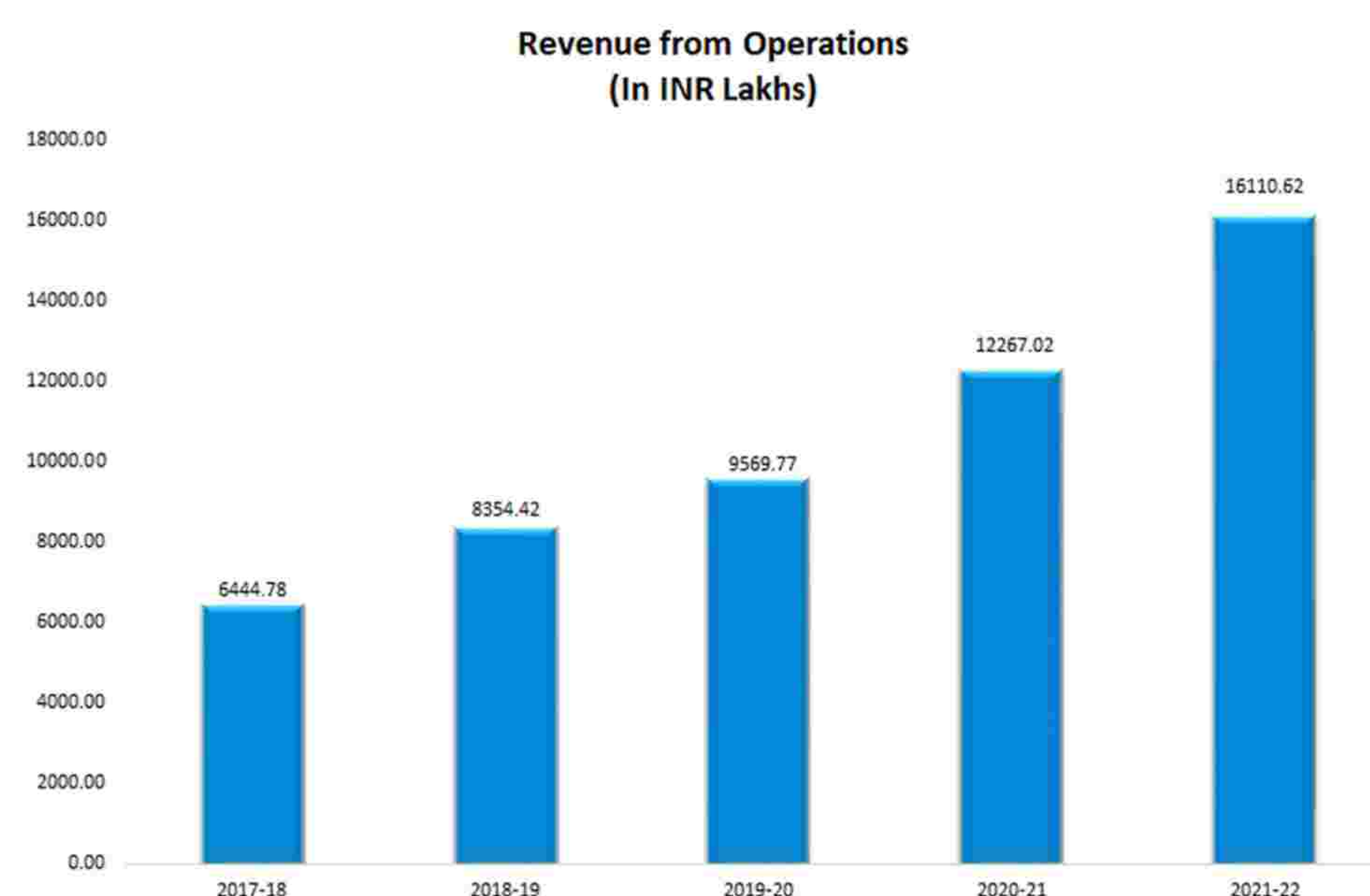
Human Resources

We continue to focus on Human resource development. We have a structured process to identify recruit, train and retain young talent. We also have programs specifically designed to nurture these young talents to take up senior and more responsible positions enabling them to take us through the evolving landscape and into the next phase. We firmly believe that our employees are the key to achieving all the outlined objectives and moving on the growth path.

Quality and Compliance

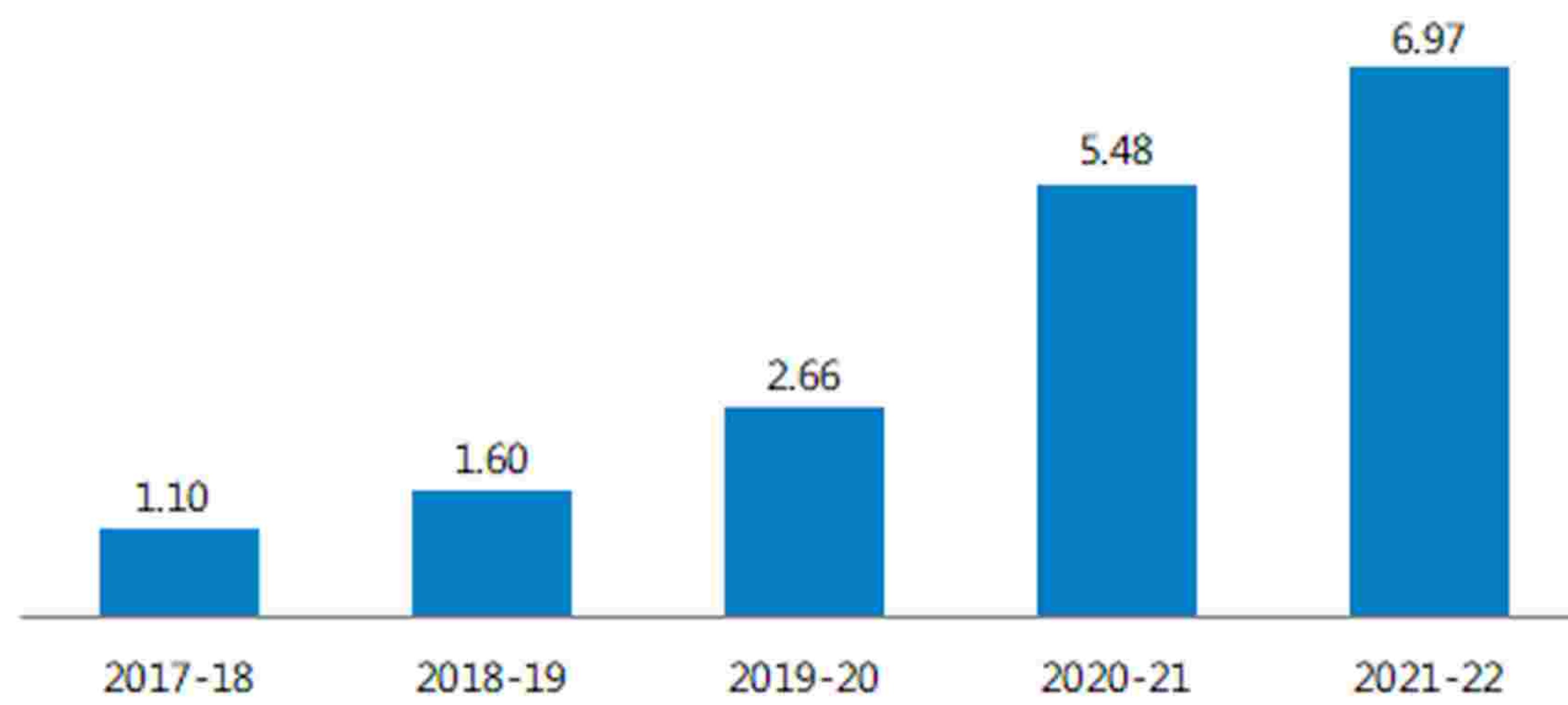
We have always believed in the quality of our products and patients' safety. We enable this by implementing the best quality systems. As we envision ourselves ahead of the curve. We continue to sustain a high level of transparency with our partners, customers, regulators, statutory bodies, and employees. As a proactive organization, we have started the implementation of aggressive plans for expanding our quality function to include investments in laboratories, newer analytical capabilities, and technologies to make us future-ready.

Tracking Our Finances

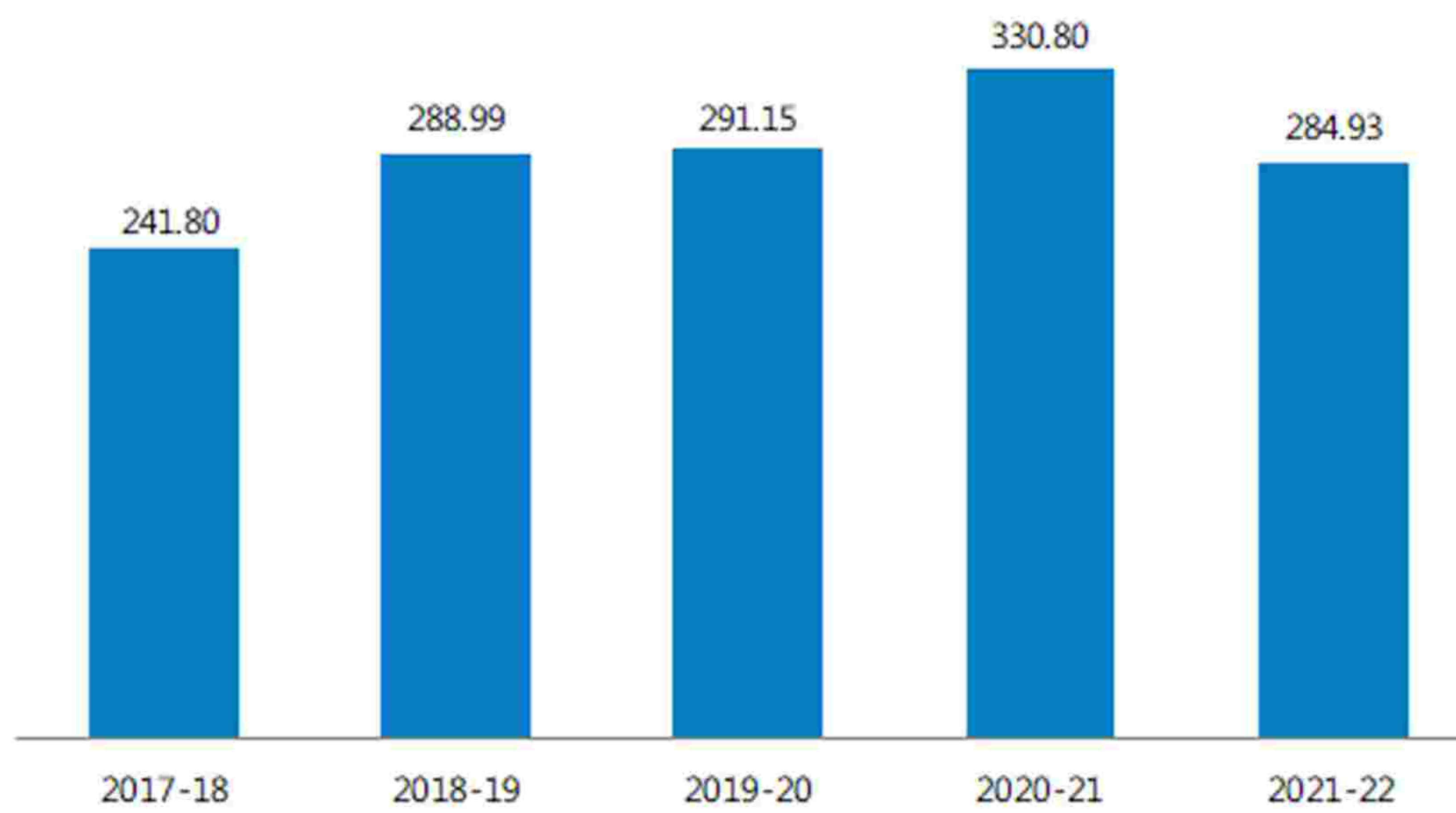


Tracking Our Finances

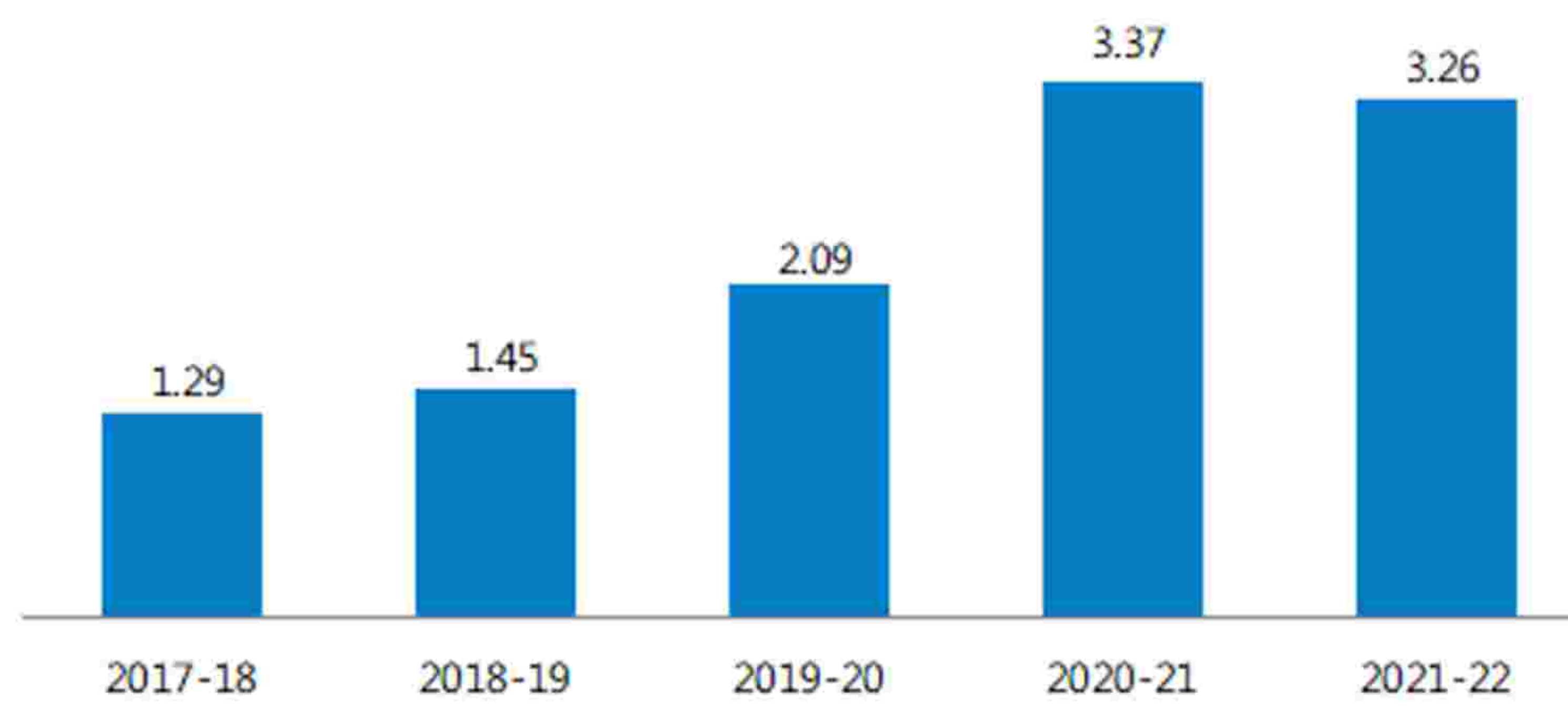
**EPS
(In INR)**



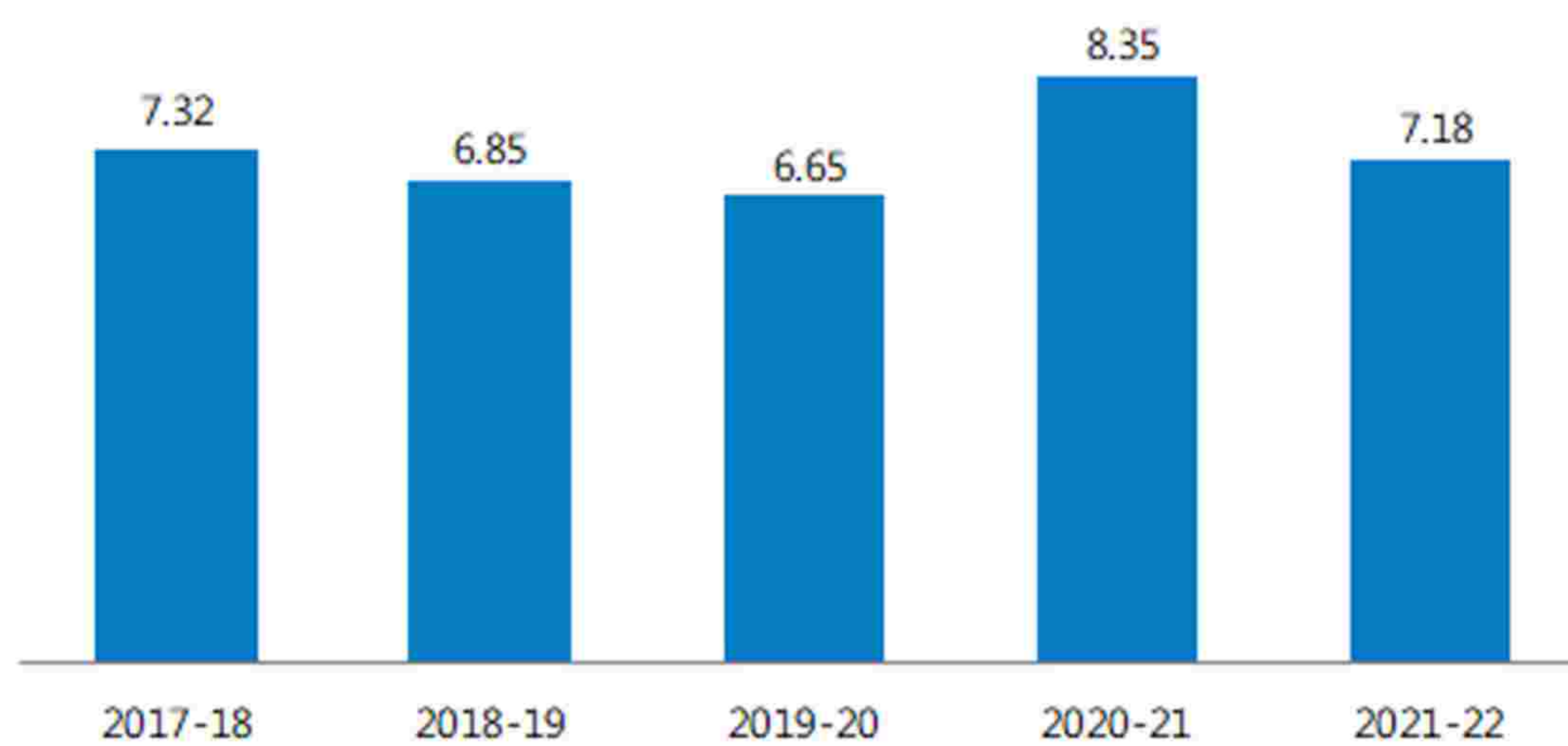
**Finance Cost
(In INR Lakhs)**



**PAT Margin
(In %)**



**EBIDTA Margin
(In %)**



NOTICE

Notice is hereby given that the 34th Annual General Meeting of the Members of M/s Godavari Drugs Limited will be held on Monday, 16th May, 2022 at 3:30 P.M. IST through Video Conferencing (VC)/ other Audio Visual Means (OVAM) to transact the following businesses:-

ORDINARY BUSINESS:

Item No. 1

To receive, consider, approve and adopt the audited stand-alone financial statements of the Company for the financial year ended March 31, 2022 along with the reports of the Board of Directors and Auditors thereon.

Item No. 2

To appoint a Director in place of Mr. Ghanshyam Jaju (DIN: 00104601) who retires by rotation and being eligible, offers himself for reappointment.

Item No. 3

To appoint of M/S Ayyadevara & Co (FRN:000278S) Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of the Sixth consecutive Annual General Meeting and to fix their remuneration

"RESOLVED THAT pursuant to Sections 139, 142 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/S Ayyadevara & Co, Chartered Accountants (Firm Registration no. 000278S) be and is hereby appointed as the Statutory Auditors of the Company commencing from the conclusion of this Annual General Meeting till the conclusion of Sixth consecutive Annual General Meeting to be held in the Year 2026-2027 at such remuneration to be fixed by the Audit Committee or Board of Directors of the Company, in addition to the re-imbursement of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit and billed progressively."

Special Business:

Item No. 4

Ratification of remuneration payable to M/S. Bharathula & Associates, appointed as Cost Auditors of the company for Financial Year ending 31.03.2023

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of Rs. 40,000/- plus applicable taxes to M/s. M/s. Bharathula & Associates, Cost Accountants, who are appointed by the Board of Directors as Cost Auditors of the Company to conduct cost audits relating to cost records of the Company for the year ending 31st March, 2023."

Item No. 5

Continuation of Mr. Mukund Kakani (DIN: 00104646) as Managing Director upon attaining age of Seventy years

To consider and, if thought fit, to pass the following Resolution as a Special Resolution

"RESOLVED THAT, notwithstanding his completion of seventy years of age during the proposed tenure, pursuant to the section 196 of the Companies Act, 2013 and other applicable provisions of the Act and Articles of Association of the Company, Mr. Mukund Kakani (DIN: 00104646), Managing Director, be and is hereby appointed as "Managing Director" of the Company under section 196 of the Companies Act, 2013 with immediate effect for a period of five years.

RESOLVED FURTHER THAT Mr. Mukund Kakani (DIN: 00104646), Managing Director of the company be paid remuneration as stated below as approved by Nomination and Remuneration Committee & Board of Directors of the Company, which shall be subject to review every 2 years.

I. Salary 1,50,000/- Per Month

II. Perquisites:

- a. Leave travel Concession: Reimbursement of Leave travel expenses for self & family once in 2 years.
- b. Premium on Personal Accident Insurance and premium on Mediclaim policy for self and family. For the purpose of this category, 'Family' means spouse, dependent children, and dependent parents.
- c. Use of Company Car with Driver.
- d. Mobile Phone Facilities.
- e. Telephone facilities at residence
- f. Provident fund: Company's contribution to provident fund not exceeding 20% of basic salary.
- g. Gratuity is payable at a rate not exceeding half a month's salary for each completed year of service.
- h. Director shall be entitled to be reimbursed in respect of all expenses incurred by him (including traveling, entertainment, etc.) for and on behalf of the Company during the course of business.
- i. Club Fees

RESOLVED FURTHER THAT The overall remuneration (i.e. salary, perquisites, and commission) in any one financial year shall not exceed 2% of the net profits or any such higher limits prescribed from time to time under section 197 read with the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) along with the Schedule V of the Companies Act 2013 as may, for the time being, be in force and any amendments thereto. In case of any doubts/discrepancy/clarification that may arise with respect to payment of the remuneration the same shall be determined and decided by the Nomination and Remuneration Committee of Directors. Further, within the overall remuneration, the individual components may be

be changed as desired by Mr. Mukund Kakani and accepted by the Nomination and Remuneration Committee..

RESOLVED FURTHER THAT In the event of inadequacy or absence of profits in any financial year, during the currency of the tenure of his office, he shall be paid the above remuneration, as minimum remuneration subject to the ceiling mentioned in Schedule V of the Companies Act 2013 from time to time

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to alter, vary, modify any or all the above terms and conditions of the re-appointment and payment of remuneration to Mr. Mukund Kakani as Managing Director.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

Item No. 6

Re. appointment of Mr. Mohit Jaju (DIN: 00076657) as Wholetime Director and CFO of the Company

To consider and, if thought fit, to pass the following Resolution as a Special Resolution

"RESOLVED THAT pursuant to Sections 196, 197, 198, 203 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including the statutory modifications and/or re-enactments thereof and the approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Mohit Jaju, the Director of the Company as Whole-time Director of the Company and designated as Whole-time Director and Chief Financial Officer and Key Managerial Personnel for a period of five years on the following remuneration and other terms and conditions as per the details given below and approved by the Nomination and Remuneration Committee & Board of Directors, which shall be subject to review every 2 years.

I. Salary 1,50,000/- Per Month

II. Perquisites:

- a. Leave travel Concession: Reimbursement of Leave travel expenses for self & family once in 2 years.
- b. Premium on Personal Accident Insurance and premium on Mediclaim policy for self and family. For the purpose of this category, 'Family' means spouse, dependent children, and dependent parents.
- c. Use of Company Car with Driver.
- d. Mobile Phone Facilities.
- e. Telephone facilities at residence
- f. Provident fund: Company's contribution to provident fund not exceeding 20% of basic salary.
- g. Gratuity is payable at a rate not exceeding half a month's salary for each completed year of service.
- h. Director shall be entitled to be reimbursed in respect of all expenses incurred by him (including traveling, entertainment, etc.) for and on behalf of the Company during the course of business.
- i. Club Fees

RESOLVED FURTHER THAT he shall be solely liable, answerable, and responsible for the full and timely compliance of all applicable legislation and rules made thereunder including the past period.

RESOLVED FURTHER THAT in the event any Director/ Manager/ Officer of the company is charged with an offense or non-compliance under any of the applicable legislation or the rules made thereunder, the aforesaid Whole Time Director, do appear before the Court or any other authority as provided in the legislation and or the rules at the hearing and confirm that he is directly responsible and accountable for all compliances in respect of the legislation and rules framed thereunder.

RESOLVED FURTHER THAT The Board of Directors of the Company be and is hereby authorized to alter, vary, modify any or all the above terms and conditions of the re-appointment and payment of remuneration to Mr. Mohit Jaju as Whole-time Director and Chief Financial Officer and Key Managerial Personnel.

RESOLVED FURTHER THAT The Board of Directors be and is hereby authorized to do all such acts, deeds, and things and execute all such documents, instruments, and writings as may be required and to delegate all or any of its powers herein conferred to any committee of the Board of Director or company secretary of the Company."

Item No. 7

Increase in borrowing limits from 50 crores to 125 crores or the aggregate of the paid-up capital and free reserves of the Company, whichever is higher.

To consider and, if thought fit, to pass the following Resolution as a Special Resolution

"RESOLVED THAT in supersession of all the earlier resolution passed by the shareholders and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, and the Articles of Association of the Company, the consent of the Shareholders be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) for borrowing, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves provided that the total amount so borrowed by the Board shall not at any time exceed 125 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher."

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, and things, to execute all such documents, instruments, and writings as may be required to give effect to this Resolution.”

**By order of the Board of Directors
For Godavari Drugs Limited
CIN: L24230TG1987PLC008016**

**Rashmi Agarwal
Company Secretary & Compliance Officer
(M. No. ACS 58461)**

Date: 19.04.2022

Place: Secunderabad

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, and Circular No. 02/2021 dated January 13, 2021, and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audiovisual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint a proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there and cast their votes through e-voting.
3. 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 for 1000 members on a 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.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. 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, the Company is providing the 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using a remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. Shareholders who would like to express their views/ask questions during the meeting should register themselves as a speaker by sending a request mentioning their name, Demat account number/folio number, email id, mobile number at info@godavaridrugs.com latest by 5.00 PM on the 10th May 2022
7. Shareholders who have queries may send their questions in advance mentioning their name, Demat account number/folio number, email id, mobile number at info@godavaridrugs.com latest by 5.00 PM on 10th May 2022
8. Those shareholders who have registered themselves as a speaker and confirmed by Company will only be allowed to express their views/ask questions during the meeting.
9. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (the Act) in respect of the items of Special Business as set out above is annexed hereto.
10. In the case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
11. 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.
12. 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.

- 13.** Members holding shares in physical form are requested to intimate the following details directly to the Company's Registrar and Share Transfer Agent, M/s. CIL Securities Limited, 214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad - 500 001, Telangana.
 - i.** Bank Mandate with full particulars for remittance of dividend directly into their bank accounts, if declared at the meeting.
Changes, if any, in their address at an early date.
 - ii.** Application for consolidation of folios, if
 - iii.** shareholdings are under multiple folios.
 - iv.** Despatch of share certificates for consolidation.
 - v.** Request for nomination forms for making nominations as per the provisions of the Companies Act
- 14.** Members are requested to quote ledger folio numbers in all their correspondences.
- 15.** 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 www.godavaridrugs.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
- 16.** AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020, and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, and MCA Circular No. 2/2021 dated January 13, 2021.
- 17.** The Securities and Exchange Board of India (SEBI) has mandated the submission of a 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, M/s. CIL Securities.
- 18.** 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 of this facility may submit a 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.
- 19.** 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.
- 20.** Any director himself or any member intending to propose any person as a director other than a retiring director has to give notice as to his intention to propose him/her as a candidate for that office not less than 14 (fourteen) days before the meeting along with a deposit of such amount as mentioned in the Companies Act, 2013.
- 21.** 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 email to rta@cilsecurities.com.
- 22.** 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 is 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 info@godavaridrugs.com and rta@cilsecurities.com. Please submit the 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.
- 23.** Members are requested to note that the Company's Equity Shares are compulsorily traded in Demat form for the investors, effective from 26th March 2001. Members are requested to open Depository Account in their names with a Depository participant to dematerialize their holdings. This would be necessary for facilitating the transfers of the Company's Equity shares in all Stock Exchanges connected to the Depository System.
- 24.** Members who are holding shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the members after making requisite changes thereon.
- 25.** 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 into Demat form, so the liquidity of shares is not affected.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-





The remote e-voting period begins on Friday, 13th May 2022 at 09:00 A.M. and ends on Sunday, 15th May 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 09th May 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 09th May 2022.





How do I vote electronically using the NSDL e-Voting system?

The way to vote electronically on the NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining the virtual meeting for Individual shareholders holding securities in Demat mode
In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat accounts in order to access the e-Voting facility.

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing IDeAS users can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under the 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see the e-Voting page. Click on the company name or e-Voting service provider i.e. NSDL and you will be re-directed to the e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining a virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, the 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 Visit the e-Voting website of NSDL. Open a web browser by typing the following URL: https://www.evotting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of the e-Voting system is launched, click on the icon "Login" which is available under the 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit Demat account number held with NSDL), Password/OTP, and a Verification Code as shown on the screen. After successful authentication, you will be redirected to the NSDL Depository site wherein you can see the e-Voting page. Click on the company name or e-Voting service provider i.e. NSDL and you will be re-directed to the e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining a virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speed" facility by scanning the QR code mentioned below for a seamless voting experience. <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div>

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing IDeAS users can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under the 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see the e-Voting page. Click on the company name or e-Voting service provider i.e. NSDL and you will be re-directed to the e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining a virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, the 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 Visit the e-Voting website of NSDL. Open a web browser by typing the following URL: https://www.evotting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of the e-Voting system is launched, click on the icon "Login" which is available under the 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit Demat account number held with NSDL), Password/OTP, and a Verification Code as shown on the screen. After successful authentication, you will be redirected to the NSDL Depository site wherein you can see the e-Voting page. Click on the company name or e-Voting service provider i.e. NSDL and you will be redirected to the e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining a virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speed" facility by scanning the QR code mentioned below for a seamless voting experience. <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  App Store </div> <div style="text-align: center;">  Google Play </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>Existing users who have opted for Easi/ Easiest, can log in through their user id and password. The option will be made available to reach the e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>After successful login of Easi/Easiest the user will be also able to see the E-Voting Menu. The Menu will have</p> <ol style="list-style-type: none"> links to e-Voting service providers i.e. NSDL. Click on NSDL to cast your vote. <p>If the user is not registered for Easi/Easiest, the option to register is available at</p> <ol style="list-style-type: none"> https://web.cdslindia.com/myeasi/Registration/EasiRegistration <p>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No.</p> <ol style="list-style-type: none"> from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also log in using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

B) Login Method for e-Voting

and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open a web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of the e-Voting system is launched, click on the icon "Login" which is available under the 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP, and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user

5. Password details for shareholders other than Individual shareholders are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c. How to retrieve your 'initial password'?
 - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a. Click on "**Forgot User Details/Password?**" (If you are holding shares in your Demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. Physical User Reset Password?" (If you are holding shares in physical mode) the option is available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your Demat account number/folio number, your PAN, your name, and your registered address, etc.
 - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on the NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting are in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining a virtual meetings, you need to click on "VC/OAVM" link placed under
3. "Join Meeting".
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to vss.associate@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **"Forgot User Details/Password?"** or **"Physical User Reset Password?"** option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: **1800 1020 990** and **1800 22 44 30** or send a request to at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to info@godavaridrugs.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to info@godavaridrugs.com. If you are Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the /AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the /AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against the company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last-minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at info@godavaridrugs.com. The same will be replied by the company suitably.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**ITEM No.04**

The Board, on the recommendation of the Audit Committee, has approved in its meeting held on 19.04.2022 the appointment of M/s M/S. Bharathula & Associates, Cost Accountants, at a remuneration of 40,000/- (Rupees Forty Thousand only) plus applicable taxes to conduct the Cost Audit of the Company for the financial year 2022-23. In accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditor Rules), 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company.

None of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the Ordinary Resolution for your approval.

ITEM No.05

Mr. Mukund Kakani was appointed as Managing Director of the Company from immediate effect as per the terms and conditions approved by the Shareholders at the 34th Annual General Meeting held on 16.05.2022, Further it is proposed to re-appoint him as Managing Director of the Company for a period of five years from immediate effect and pay him the remuneration as set out in the resolution in item 5 notwithstanding his completion of seventy years of age during the proposed tenure.

HIS BRIEF PROFILE IS GIVEN BELOW:

Name	Mr. Mukund Kakani
DIN	00104646
Age	69 Years
Designation in the Company	Managing Director
Qualification	Chemical engineer (B.Tech from Osmania University)
Role in the Company	Incharge of overall operations and developments of the Company
No. of shares held in Company	3,39,100
Directorships held in other listed companies NIL (excluding foreign companies and Section 8 companies Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee	NIL
Disclosure of relationships between directors inter-se	Son of Mr.Bhankatlal Kakani (Cousin of Mr. Ghanshyam Jaju)

As the Managing Director Mr. Mukund Kakani shall perform such functions as may from time to time be entrusted to him by the Board. He shall be subject to the supervision and control of the Board of Directors. He shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof. The special resolution as set out against item No. 5 was approved by the Nomination & Remuneration Committee and the Board at their respective meetings held on 19.04.2022.

In accordance with the proviso to Section 196 3(a), the Company seeks the consent of the members by way of special resolution for the continuation of his holding the office of Managing Director even after attaining the age of 70 years during the currency of his proposed tenure. The Board is of the opinion that the appointment of Mr. Mukund Kakani as Managing Director would be in the interest of the Company and it is desirable to continue to avail services of Mr. Mukund Kakani as Managing Director due to his extensive experience regardless of his age. Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Mukund Kakani as Managing Director, for approval by the shareholders of the Company.

Except for Mr. Mukund Kakani and his relatives, none of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at item No.5 to the extent of their shareholding interest, if any, in the Company.

ITEM NO.06

In terms of the provisions of the Companies Act, 2013 and according to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company recommends for the re-appointment and Remuneration of Mr. Mohit Jaju, Director of the Company as Whole Time Director for a period of five year with immediate effect at remuneration as set out in the resolution in item 5 subject to the approval of shareholders of the Company.

HIS BRIEF PROFILE IS GIVEN BELOW:

Name	Mr. Mohit Jaju
Age	50 Years
Designation in the Company	Director
Qualification	Industrial and Production Engineer (B.E.)
Role in the Company	Overall responsible for all technical activities of the company including production, new product & process developments, projects, marketing, business development, Accounts & Finance.
No. of Shares Held in Company as on 31.03.2022	4,31,900
Directorships held in other listed companies (excluding foreign companies and Section 8 companies Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	NIL
Disclosure of relationships between directors inter-se	Son of Mr. Ghanshyam Jaju

As the Wholetime Director Mr. Mohit Jaju shall perform such functions as may from time to time be entrusted to him by the Board. He shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof. The special resolution as set out against item No. 6 was approved by the Nomination & Remuneration Committee and the Board at their respective meetings held on 19.04.2022.

Except Mr. Mohit Jaju and his relatives, none of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at item No.5 to the extent of their shareholding interest, if any, in the Company.

ITEM NO.07

As the Company is under the process of expansion of its business operations there will be a requirement of funds by way of working capital limits/ CC limits/ and other means from Banks and financial institutions. As per Section 180 (1) (c) of the Companies Act, 2013, any money borrowed by the Company exceeding the aggregate of its paid-up share capital and free reserves apart from temporary loans taken in its ordinary course of business shall be approved by the shareholders by the Special resolution. The Company proposes to increase its borrowing powers to a limit of Rs. 100 Crores (which is exceeding the aggregate of its paid up share capital and free reserves) by way of this resolution.

In terms of section 180 of the Companies Act, 2013, the consent of the members by way of special resolution is requested.

None of the Directors and any key managerial person and their relatives are interested in this Resolution

**By order of the Board of Directors
For Godavari Drugs Limited
CIN: L24230TG1987PLC008016**

**Rashmi Agarwal
Company Secretary & Compliance Officer
(M. No. ACS 58461)**

**Date: 19.04.2022
Place: Secunderabad**

BRIEF RESUME OF THE DIRECTOR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Name	Mr. Ghanshyam Jaju
DIN	00104601
Date of Birth	31/03/1947
Date of Appointment	03/12/1987
Qualification	Commerce Graduate
Expertise in Specific Functional Area	Administration and Marketing
Directorship held in any other Company	2
Number of equity shares held in the Company as on 31.03.2022	3,41,600

DIRECTOR'S REPORT

To,
The Members,

It gives us immense pleasure to present the Annual Report for the Financial Year 2021-2022 of your company together with the Audited Statement of Accounts.

Financial Highlights

During the year under review, the performance of your company is as under

(Rupees: In Lakhs)

PARTICULARS	Year ended 31 st March 2022	Year ended 31 st March 2021
Total Turnover	16138.25	12308.03
Revenue from Operations	16110.62	12267.02
EBITDA	1156.63	1025.00
Less: Finance cost	284.93	332.09
Less: Depreciation	169.64	122.27
Profit before tax & exceptional items	702.06	570.64
Less: Exceptional items	-	-
Profit before tax	702.06	570.64
Less: Tax expenses	(177.53)	(157.83)
Profit After Tax	524.53	412.81
Transferred to general reserve	-	-
Proposed Dividend	-	-

Company Performance

Quality and Customer satisfaction have been the two most important factors in driving the business of your company for the last three decades. The company is one of the leading manufacturer in the Quinolone segment and is striving towards adding more products to increase the product and customer base in various other therapeutic segments as well.

There have been a lot of challenges during the year owing to continued situation of COVID 19 pandemic as well as other Global disturbances; however, your company has improved its performance inspite of all the above challenges.

Dividend

To conserve the funds for operations of the Company, the Board does not recommend any dividend for this financial year.

Amounts Transferred to Reserves: Nil

Disclosures regarding: Changes in Share Capital

There was no change in the structure of the share capital of the Company during the financial year under review.

Issue of Equity Shares with Differential Rights

The Company has not made any issue of equity shares with Differential Rights under the provision of Section 43, read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 during the Financial Year under review.

Issue of Employee Stock Options

The Company has not made any issue of equity shares via Employee stock options during the Financial Year under review.

Issue of Sweat Equity Shares

The Company has not made any issue of equity shares under the provision of Section 54, read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014, during the Financial Year under review.

Extract of Annual Return

Extracts of the Annual Return are placed on the websites of the Company at www.godavaridrugs.com

Details of Board Meetings held

During the Financial Year 2021-22, five meetings of the Board of Directors of the company were held, as against the minimum requirement of four meetings.

Date	Board Strength	No. of Director's Present
10th May, 2021	08	08
16th June, 2021	08	08
14th August, 2021	08	08
12th November, 2021	08	08
14th February, 2022	08	08

Particulars of Loan, Guarantees and Investments under Section 186

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 forms part of the Financial Statements.

Particulars of Contracts or Arrangements with Related Parties

All Related Party Transactions that were entered during the financial year under review were on an arm's length basis and in the ordinary course of business and is in compliance with the applicable provisions of the Act and the Listing Regulations. There were no materially significant Related Party Transactions made by the Company during the year that required shareholders' approval under Regulation 23 of the Listing Regulations.

The Company has adopted a Policy for dealing with Related Party Transactions. The Policy as approved by the Board may be viewed on the Company's website.

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 shall be disclosed in Form No. AOC-2. As Annexure I.

Explanation to Auditor's Remarks

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.

Material Changes Affecting the Financial Position of the Company

There are no material changes / events, occurring after balance sheet date till the date of the report to be stated.

Conservation of Energy, Technology absorption, Foreign Exchange Earnings and Outgo

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as "Annexure II"

Details of Subsidiary, Joint Venture or Associates**Associated Companies:**

Godavari Capital Private Limited, Godavari Homes Private Limited and A.K. Paper Products Private Limited.

Vigil Mechanism

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors had formulated Vigil mechanism which is in compliance with the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI Listing Regulations. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.godavaridrugs.com

Nomination & Remuneration Committee Policy

The Board of Directors of your Company had constituted the Nomination and Remuneration Committee with the requisite terms of reference as required under Section 178 of the Companies and other applicable provisions thereof in place of existing Remuneration Committee. The said Committee framed, adopted and recommended the "Nomination Remuneration & valuation Policy ".The Details of the Committee have been provided under Corporate Governance Report, which forms part of this Annual Report.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

In order to promote safe and indiscriminative environment, the Company has formed an Internal Complaints Committee where employees can register their complaints against sexual harassment.

During the year under review Company has not received any complaint of harassment.

Details of Directors and Key Managerial Personnel

In accordance with the provisions of the Act and the Articles of Association of the Company, Shri Ghanshyam Jaju, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

The Company has drafted a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors.

Familiarization Program For Independent Directors

All new independent directors inducted into the Board are familiarized with the operations and functioning of the Company

On the basis of the Policy framed for performance evaluation of Independent Directors, Board, Committees and other individual Directors, a process of evaluation activity was followed by the Board for its own performance and that of its Committees and individual Directors. The Company has conducted programmes to familiarize Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company works and other allied matters.

Details of significant & material orders passed by the regulators or courts or tribunal

Appeal Pending with CESTAT, Mumbai amounting Rs. 16, 29,999/-

In Respect of Service Tax and Appeal Pending with CESTAT, Mumbai amounting Rs. 3,97,766/-

Statement in Respect of Adequacy of Internal Financial Control with Reference to the Financial Statements

The Company has in place adequate internal financial controls with reference to financial statements.

During the year, such controls were tested and no reportable material weakness in the operation was observed.

Deposit from Public

During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014. However opening balance of unsecured loans from related parties is lying with the Company, which is subordinated to bank borrowings against cash credit limit availed from Bank.

Receipt of any commission by MD / WTD from a Company or for receipt of commission / remuneration from it Holding or subsidiary

As there is no holding company or subsidiary of the Company, this part isn't applicable to the Company.

Declaration of Independence

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed in Sub-Section (6) of Section 149 of Companies Act, 2013, read with the Regulations and Rules issued thereunder as well as Listing Obligations and Disclosure Requirement (LODR).

Code of Conduct for Directors and Senior Management

The Board has laid down a code of conduct for all Board members and senior Management of the Company. The Directors and members of Senior Management have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company.

Risk Management

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis.

Compliance of Secretarial Standards

During Financial Year 2021-22, your Company has complied with the relevant provisions of Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings

Secretarial Audit Report

In terms of Section 204 of the Act and Rules made there under, M/s. VSS & Associates, Practicing Company Secretary have been appointed as Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as Annexure III to this report. The report is self-explanatory and do not call for any further comments.

Audit Committee

During the year under review, 5 meetings of the Committee were held on, May 10, 2021; June 16, 2021; August 14, 2021; November 12, 2021 and February 14, 2022.

The composition of the Committee as on 31st March, 2022 as well as the particulars of attendance at the Committee during the year are given in the table below:

Name	Name Category of Directorship	No. of Meetings Attended	% of Total meetings attended during the tenure as a Director
Shri Dilip Patel	Independent Director / Chairman	5	100
Shri Syed Hussain	Independent Director	5	100
Shri K K Jain	Director Finance	5	100

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Clause 18 of SEBI Regulations 2015, members of the Audit Committee possess financial / accounting expertise / exposure.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations"), 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 Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the companies (appointment and Remuneration of managerial personnel) rules, 2014.

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/KMP for financial year 2021-22 (in Lakhs)	% increase in Remuneration in the Financial Year 2021-22	Ratio of remuneration of each Director/to median remuneration of employees
1.	Ghanshyam Jaju - Chairman	Nil	Nil	Not Applicable
2.	Mukund Kakani - Managing Director	10.20	Nil	4.41:1
3	Kirti Kumar Jain - Executive Director	6.00	Nil	2.59:1
4.	Mohit Jaju - Executive Director	6.00	Nil	2.59:1
5.	Syed Hussain - Independent Director	0.90	34	0.56:1
6.	Dilip Patel - Independent Director	0.90	34	0.56:1
7.	Ramesh Babu Telugu - Independent Director	0.90	34	0.56:1
8.	Vimala Madon - Independent Director	0.90	34	0.56:1
9.	Rashmi Agarwal - Company Secretary & Compliance Officer	4.20	Nil	1.67:1

Sitting fees is also considered for calculation of remuneration for the above purpose

Percentage increase in the median remuneration of employees in the financial year:

the median remuneration is Rs. 28365/- and the percentage increase in the median remuneration of employees in the financial year is 9.11%.

Number of permanent employees on the rolls of company:

Number of employees on the role of the Company as on 31st March, 2022 was 102 Nos.

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in salaries of employees other than managerial personnel in 2021-22 was 9.05%. Percentage increase in the managerial remuneration for the year was 23.86%.

Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(2) and 5(3) of the companies (appointment and Remuneration of managerial personnel) rules, 2014.

- a. Employed throughout the financial year and was in receipt of remuneration for the year in aggregate of not less than Rs. 1,02,00,000:- NIL
- b. Employed for a part of the financial year and was in receipt of remuneration at a rate in aggregate not less than Rs. 8,50,000/- per month:- NIL
- c. Employed throughout the financial year or part thereof, was in receipt of remuneration in the year which, in the aggregate or at a rate which in the aggregate was in excess of that drawn by the Whole-time Director and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company:- NIL

Fraud Reporting

No cases of fraud have been reported to the Audit Committee / Board during the financial year under review.

Statutory Auditors

Pursuant to the provisions of Section - 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, read with Schedule VI of the Act, as amended from time to time, M/s Ayyadevara & Co (FRN: 000278S), Chartered Accountants, be and are hereby proposed to be appointed as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the 6th Consecutive Annual General Meeting of the Company to be held in the year 2026-27, at such remuneration as may be mutually agreed upon between the Board of Directors and Statutory Auditors.

They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

Management Discussion and Analysis Report

The above report is annexed herewith to the Boards report

Corporate Social Responsibility:

The Board in compliance with the provisions of Section 135(9) of the Companies Act, 2013, and rules made thereunder has not constituted CSR Committee as the amount required to be spent on CSR activities does not exceed 50 Lakh rupees and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of the company. The CSR policy will be placed on the Website of the Company and can be accessed through the link: www.godavaridrugs.com and a brief outline of CSR activities proposed to undertaken by the Company during the year are mentioned in Annual Report on Corporate Social Responsibility (CSR) activities in the Annexure IV, which forms part of this report.

Directors Responsibility Statement

In accordance with the provisions of Section 134(3) (c) of the Companies Act 2013, your directors confirm that:

- a. In the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. The Company has 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 as at 31st March, 2022 and of the profit /loss of the Company for that period.
- c. The Company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d. The annual accounts have been prepared on going concern basis.
- e. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.
- f. The Company has laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.

Human Resources

The company considers its human resources as the key to achieve its objectives. Keeping in view, your company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the company's vision. The company appreciates the spirit of its dedicated employees.

Green initiative in corporate governance

The ministry of corporate affairs (MCA) has taken a green initiative in corporate governance by allowing paperless compliance by the companies and permitted the service of annual reports and documents to the shareholders through electronic mode subject to certain conditions and the company continues to send annual report and other communications in electronic mode to the members having email addresses and for the members who have not registered their email addresses , physical copies are sent through the permitted mode

Acknowledgment

The Directors express their sincere appreciation to the employees, valued shareholders, customers, bankers suppliers and government authorities for their continued support.

Secunderabad
19.04.2022

For and on behalf of the Board of Directors
For Godavari Drugs Limited

Ghanshyam Jaju
(Chairman)
DIN: 00104601

Mukund Kakani
(Managing Director)
DIN: 00104646

Annexure - I**FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arms-length transaction under third proviso thereto

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

SL. No.	Particulars	Details
a.	Name (s) of the related party & nature of the relationship	
b.	Nature of contracts/arrangements/transaction	
c.	Duration of the contracts/arrangements/transaction	
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	
e.	Justification for entering into such contracts or arrangements or transactions'	NA
f.	Date of approval by the Board	
g.	Amount paid as advances, if any	
h.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis

Name of Related Party	Nature of Relationship	Duration	Salient Terms	Amount
		of Contract		(In Rupees)
Rent Paid:				
Sushma Kakani	Relative of KMP	-	NA	3,00,000
Mohit Jaju	KMP	-		4,80,000
Interest Paid:				
Kamala Jaju	Relative of Director		NA	1035349
Ghanshyam Jaju HUF	HUF		NA	331725
Ghanshyam Jaju	Director		NA	2609391
Mukund Kakani	Managing Director		NA	1534100
Mukund Kakani(HUF)	HUF		NA	269516
Kirti Kumar Jain	Director		NA	78672
Mohit Jaju	Director		NA	1240731
Mohit Jaju (HUF)	HUF		NA	648601
Tanushree Kakani	Relatives of KMP		NA	646743
Purchase of Stores:				
A.K.Paper Products Pvt. Ltd.	Associated Company	Ongoing	Based on Transfer Pricing guidelines	310225
Sundry Creditors:				
Sushma Kakani	Relatives of KMP	NA	NA	-

Loans:				
Mohit Jaju	Director	Repayable after 31.03.2023	Carries interest rate of 12% p.a.	12278336
Mukund Kakani	Managing Director	Repayable after 31.03.2023	Carries interest rate of 12% p.a.	15065616
Kirti Kumar Jain	Director	Repayable after 31.03.2023	Carries interest rate of 12% p.a.	1726890
Ghanshyam Jaju	Director	Repayable after 31.03.2023	Carries interest rate of 12% p.a.	21668210
Ghanshyam Jaju (HUF)	HUF	Repayable after 31.03.2023	Carries interest rate of 12% p.a.	2764365
Kamala Jaju	Relative of Director	Repayable after 31.03.2023	Carries interest rate of 12% p.a.	6179145
Mukund Kakani (HUF)	HUF	Repayable after 31.03.2023	Carries interest rate of 12% p.a.	2245964
Mohit Jaju (HUF)	HUF	Repayable after 31.03.2023	Carries interest rate of 12% p.a.	5405000
Tanushree Kakani	Relatives of KMP	Repayable after 31.03.2023	Carries interest rate of 12% p.a.	5373581

Annexure - II

a. Conservation of Energy

The company has installed energy efficient equipments like Multiple effect evaporators to achieve more efficiency in consuming steam and thereby optimising use of fuel.

Steps are taken on a continuous basis including conducting of energy audit to ensure optimal utilisation of power.

Continuous efforts are on to identify more energy efficient equipments to achieve better operational and cost efficiencies and also to consciously contribute in our own little way towards reduction in carbon emission

Capital investment on energy conservation equipments: Nil

b. Technology Absorption

Efforts made for technology absorption:

Focus is always on new ideas & innovations to support existing businesses. Backward integration has been taken up through innovative technology and in-house R & D has been successfully implemented. New equipments are installed and are running to achieve commercial implementations.

Benefits derived:

Focus on efficiency optimization has contributed on obtaining the targeted operations. Achieved better consistency of operation, thereby reaching improved production process, & improved cost of production.

Expenditure on Research & Development, if any:

- a. Capital Rs. Nil
- b. Recurring Rs. 28,83,622/-
- c. Total 28,83,622/-
- d. Total R & D expenditure as a % of total turnovers: 0.18%

Details of technology imported, if any	NA
Year of import	NA
Whether imported technology is fully absorbed	NA
Areas where absorption of imported technology has not taken place if any	NA

Particulars	Unit	2021-22	2020-21
A. Power & Fuel Consumption			
1. Electricity			
Purchased Units	000KWH	3438.45	3003
Total Amount	Rs. In Lacs	261.61	234
Average Cost	Rs. / KWU	7.60	7.79
2. Coal			
Quantity	Tons	Nil	Nil
Total Cost/Average Cost	Rs. In Lacs	Nil	Nil
3. Furnace Cost			
Quantity	K.L.	Nil	Nil
Total Cost / Average Cost	Rs. In Lacs	Nil	Nil
Agro / Ind. Waste			
Quantity	Tons	8505	7420
Total Cost	Rs. In Lacs	273	237
Average Cost	Rs./Per/ Kg	3.21	3.19
4. Other/Internal Generation	Nil	Nil	Nil

Form for Disclosure of particulars with respect to Conservation of Energy

Foreign Exchange Earnings/ Outgo:

Earnings	The foreign exchange earnings on account of sale of goods were USD 1.67 Lakhs (Rs.122.60 lakhs) & Euros 0.22 Lakhs (Rs 18.67 Lakhs)
Outgo	The foreign exchange outgo on account of purchase of raw material is USD 147.64 Lakhs (Rs.9205.86 Lakhs)

ANNEXURE III**Form No. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2022]

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2022**

**To,
The Members,
Godavari Drugs Limited
CIN: L24230TG1987PLC008016
Secunderabad - 500003**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Godavari Drugs Limited (CIN: L24230TG1987PLC008016) (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Godavari Drugs Limited'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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 ("Audit Period") has reasonably complied with the statutory provisions listed hereunder and also that the Company has adequate Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable:-
 - a. The Securities and Exchange Board of India (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;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding
 - h. the Companies Act and dealing with client;
 - i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - j. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India. (To the extent notified).
- ii. The Listing Agreement entered into by the Company with Bombay Stock Exchange

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

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company and have obtained proper licences and their timely renewals:

- i. The Factories Act, 1948
- ii. Food and Drugs Administration
- iii. The Environment (Protection) Act, 1986
- iv. Air (Prevention and Control of Pollution) Act, 1981 , Water (Prevention and Control of Pollution) Act, 1974 and Rules issued by the Maharashtra Pollution Control Board

We further report that

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

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

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of meetings of the Board of Directors or Committee of the Board as the case may be.

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

Place: Hyderabad

Date: 19.04.2022

**For VSS & Associates
Company Secretaries**

CS Vidya Harkut
FCS No. : F 7086; C P No.:7534
UDIN: F007086D000167961

'ANNEXURE A'

To,
The Members,
Godavari Drugs Limited
CIN: L24230TG1987PLC008016
Secunderabad- 500003

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Hyderabad
Date: 19.04.2022

For VSS & Associates
Company Secretaries

CS Vidya Harkut
FCS No. : F 7086; C P No.:7534
UDIN: F007086D000167961

ANNEXURE-IV

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

- 1. A brief outline of the Company's CSR Policy, including an overview of the projects or programs proposed to be undertaken and a reference to the web link to the CSR Policy and projects or programmes:**

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013.

CSR Policy is aimed at demonstrating care for the community through its focus on education & skill development, health & wellness, and environmental sustainability including biodiversity, energy & water conservation. Also embedded in this objective is support for the marginalized cross-section of the society by providing opportunities to improve their quality of life.

- 2. The projects proposed to be undertaken by the Company will be within the broad framework of schedule VII of the Companies Act, 2013.**

The Terms of Reference of the Board of Directors are as follows:-

- To frame the CSR Policy and its review from time to time.
- To ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans, and budget.
- To ensure compliance with the laws, rules & regulations governing the CSR.

- 3. The Composition of the CSR Committee:**

The Board in compliance with the provisions of Section 135(9) of the Companies Act, 2013, and rules made thereunder has not constituted CSR Committee as the amount required to be spent on CSR activities does not exceed 50 Lakh rupees and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of the company.

- 4. Web-link where the composition of CSR Policy and CSR Projects approved by the board are disclosed on the website of the company: www.godavaridrugs.com**

Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if Applicable: Not Applicable

- 5. Average net Profits for last three years: Rs. 324.70 Lakhs**
Rs

	Rupees (In Lakhs)
Two percent of average net profit of the company as per section 135(5)	6.49
Surplus arising out of the CSR projects or programs or activities of the previous financial year	-
Amount required to be set off for the financial year, if any	-
Total CSR obligation for the financial year (5a+5b-5c).	6.49

- 6. CSR amount spent or unspent for the financial year:**

As per Section 135(5) of Companies Act, 2013 Company is required to spend at least two per cent. of the average net profits of the company made during the three immediately preceding financial years i.e . Rs. 6.49 Lakhs

Further if a Company fails to spend such amount till the end of Financial Year, Company is required to transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year i.e 30th September, 2022.

Further Company in compliance of the above provision has considered transferring the unspent amount of Rs. 6.49 Lakhs to Fund specified in Schedule VII on or before 30.09.2022.

- 7. Details of Unspent CSR amount for the preceding three financial years: Not Applicable**
- 8. In case of creation or acquisition of capital asset, furnish the details relating to the Asset so created or acquired through CSR spent in the financial year: Not applicable**

9. Reason(s), if the company has failed to spend two per cent of the average net profit as Per Section 135(5):

Being the initial year of implementation and due to ongoing Covid-19 pandemic Company is persistently exploring new opportunities to find strategic avenues for CSR expenditure. As a socially responsible company, it is committed to play a larger role in India's sustainable development by embedding wider economic, social and ecological objectives and in the years to come, the Company will further strengthen its processes as per requirement.

However as good Corporate Governance practice and in compliance with various applicable provisions, Company has considered transferring the unspent amount of Rs. 6.49 Lakhs to Fund specified in Schedule VII on or before 30.09.2022 for the Financial Year 2021-22.

**By order of the Board of Directors
For Godavari Drugs Limited
CIN: L24230TG1987PLC008016**

**Mukund Kakani
Managing Director
DIN: 00104646**

**Date: 19.04.2022
Place: Secunderabad**

Corporate Governance Report

(Pursuant to Clause 49 of the Listing Agreement)

Company Philosophy

The end of the year under review saw challenging times for the Company as well as for the world at large due to the impending COVID-19 pandemic. The situation continues to be exceptional and dynamic. The regulators including Ministry of Corporate Affairs (MCA) and the Securities Exchange Board of India (SEBI) promptly announced many relaxations with respect to the compliance requirements for India Inc. to facilitate companies to conduct smooth operations and cope with the challenging times. The Company appreciates and acknowledges the relaxations and dispensations granted by the MCA and SEBI, inter alia, for conduct of Annual General Meeting through electronic mode and dispatch of Annual Report electronically to shareholders who have registered their email addresses. These relaxations are noteworthy and were the need of the hour.

Godavari Drugs has always adopted a robust governance framework which played a critical role in ensuring that we remain true to our culture and values. The highest standard of corporate governance is the cornerstone of our long termism and continued success. It reflects in our business functions and in the manner with which we support the journey of our stakeholders.

Our undeterred adherence to the ideals of trust, respect, integrity, and openness is what holds us steady amid challenging business contexts and landscapes. Our valuesystem made up of integrity, customer passion and creative zeal is the platform that enables ours as well as our stakeholders' successes. The sound governance systems and processes in place are empowering co-creation and partnerships while an unwavering focus on sustainability and safety is what makes us a truly responsible enterprise.

The Company has complied with the principles and practices of sound Corporate Governance. The Company's philosophy is to attain transparency and accountability in its relationship with employees, shareholders, creditors, consumers, dealers and enders, ensuring a high degree of regulatory compliance. Your Company firmly believes that a sound governance process represents the foundation of corporate excellence.

Board of Directors

The Board of Directors have the ultimate responsibility of ensuring effective management, long term business strategy, general affairs, performance and monitoring the effectiveness of the Company's corporate governance practices. The Managing Director & CEO reports to the Board and is in charge of the management of the affairs of the Company, executing business strategy in consultation with the Board and achieving annual long term business targets.

The Company believes in a well-balanced Board which enriches Board discussions and enables effective decision making. The Board has an optimal mix of Executive and Non-Executive Directors who have considerable expertise in their respective fields including competencies required in context of Company's businesses.

The composition and size of the Board is reviewed periodically to ensure an optimum mix of Directors with complementary skill-sets and varied perspectives for constructive debates facilitating more effective decision making. The Company understands that sound succession planning for the members of the Board and Senior Management is essential for sustained growth of the Company.

The Company's highly professional and responsive Board of Directors is composed of eminent thought-leaders and seasoned stalwarts drawn from diverse fields ensures extensive deliberation and expertise which have bearing on the process of decision- making.

Category	No. of directors
Non-Executive & Independent Directors including the Chairman	5
Other Non-Executive Directors	Nil
Executive Director	3
Total	8

Independent Director and Limit of Number of Directorships

The Company has complied with terms and conditions of appointment and re - appointment of Independent Directors of the Company.

Declaration for Independent Directors

The Company has received declarations from the Independent Directors that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations. The Independent Directors have also confirmed that they have registered themselves for including their name in the databank of persons offering to become Independent Directors. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and the Companies Act, 2013 and are independent of the management of the Company. The Company had also issued formal appointment letters to all the Independent Directors at the time of their appointment in the manner provided under the Companies Act, 2013 read with the Rules issued thereunder.

Maximum Tenure of Independent Directors

The maximum tenure of Independent Directors of the Company, namely Mr. Syed Anis Hussain (DIN 00115949), Mr. Dilip Keshavlal Patel, (DIN 00013150), Mr. Ramesh Babu Telugu, (DIN 03613926), and Mrs. Vimala B. Madon , (DIN 06925101) shall be in accordance with the Companies Act, 2013 and clarifications / circulars issued by the Ministry of Corporate Affairs. They were appointed as an Independent and Non- Executive Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years.

Other Relevant details of Directors:

Name of Director	Designation	No. of Directorship(s) held in Indian public & private Limited Companies (Including GDL)	Committee(s) position (including GDL)	
			Member	Chairman
Mr. Ghanshyam Jaju	Chairman	3	2	1
Mr. Mukund Kakani	Managing Director	2	Nil	Nil
Mr. Kirti Kumar Jain	CFO	2	1	Nil
Mr. Mohit Jaju	Executive Director	1	Nil	Nil
Mr. Dilip Patel	Independent Director	6	4	8
Mr. Syed Hussain	Independent Director	3	2	1
Mr. Ramesh Babu Telugu	Independent Director	2	Nil	Nil
Mrs. Vimala Madon	Independent Director	3	Nil	Nil

Details of Board Meetings held during the year

Date	Board Strength	No. of Directors Present	% (Percentage) of Directors Presence
10 th May, 2021	08	08	100
16 th June, 2021	08	08	100
14 th August, 2021	08	08	100
12 th November, 2021	08	08	100
14 th February, 2022	08	08	100

Flow of Information to the Board

The Board has complete access to all Company-related information. The Company Secretary is responsible for collation, review, and distribution of all papers submitted to the Board and Committees thereof for consideration. The Chairman of the Board and the Company Secretary in consensus determine the Agenda for every meeting along with explanatory notes in consultation with the Managing Director & CEO. The Agenda for the meetings is circulated well in advance to the Directors to ensure that sufficient time is provided to Directors to prepare for the meeting. With a view to ensure high standards of confidentiality of Agenda and other Board papers and reduce paper consumption, the Company circulates to its Directors, notes for Board/Committee meetings through a web-based application which can be accessed by the Directors through their hand-held devices, browsers, and iPads. This application meets high standards of security that are required for the storage and transmission of Board / Committee Agenda papers. All material information is circulated to the Directors before the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of the Listing Regulations. The management makes concerted efforts to continuously upgrade the information available to the Board for decision making and the Board members are updated on all key developments relating to the Company. With the unanimous consent of the Board, all information which is in the nature of Unpublished Price Sensitive Information (UPSI), is circulated to the Board and its Committees at a shorter notice before the commencement of the respective meetings on a secure platform.

The Company adheres to the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors, its Committees and the General Meetings of the shareholders of the Company.

Code of Conduct

The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The copies of Code of Conduct as applicable to the Directors as well as Senior Management of the Company are uploaded on the website of the Company - www.godavaridrugs.com.

Committees of the Board

a. Audit Committee

In compliance with Section 177 of the Companies Act, 2013 read with the Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 18 of SEBI Regulations 2015 and other applicable provisions, the Audit Committee has been constituted by the Board.

The Audit Committee continued working under the Chairmanship of Mr. Dilip Patel with Mr. Syed Hussain and Mr. Kirti Kumar Jain as co-members. During the year, the sub-committee met on five occasions.

Name of Director	Designation /Category	Attendance at the Board Meetings held on				
		10/05/2021	16/06/2021	14/08/2021	12/11/2021	14/02/2022
Mr. Dilip Patel	Chairman Independent Director	Y	Y	Y	Y	Y
Mr. Syed Hussain	Member Independent Director	Y	Y	Y	Y	Y
Mr. Kirti Kumar Jain	Member Executive Director	Y	Y	Y	Y	Y

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Listing Obligations and Disclosure Requirement (LODR). Some of the important functions performed by the Committee are:

Financial Reporting and Related Processes

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgment by the Management, significant adjustments made in the financial statements and/or recommendations, if any, made by the Statutory Auditors in this regard.

Meetings and attendance of the Committee during the year:

During the year, the committee met one time i.e. on 10th May, 2021 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Designation /Category	Details of the meeting held on
		10/05/2021
Mr. Dilip Patel	Chairman Independent Director	Y
Mr. Syed Hussain	Member Independent Director	Y
Mr. Ghanshyam Jaju	Member Non executive Director	Y

Familiarization of Directors

The Board familiarization program consists of detailed induction for all new Independent Directors when they join the Board of Directors of the Company and ongoing immersion sessions on business strategic, operational and functional matters. The exhaustive induction for Independent Directors enables them to be familiarized with the Company, its history, values and purpose. The Managing Director & CEO also makes presentations in order to facilitate clear understanding of the business of the Company and the environment in which the Company operates.

In Board meetings, immersion sessions on business strategy, operational and functional matters provide good insights on the businesses carried on by the Company to the Independent Directors. These sessions also involve interactions with multiple levels of management. To make these sessions more productive, all the documents required and/or sought by them to have a good understanding of Company's operations, businesses and the industry as a whole are provided in advance. Further, they are periodically updated on material changes in regulatory framework and its impact on the Company.

The Company had organized the familiarization programme for its Board of Directors including independent directors to familiarize with the Company, their roles, rights, responsibilities in the Company, nature of industry, business model etc. The same has been kept on the website of the Company www.godavaridrugs.com

Evaluation

The performance evaluation criteria for every Director, KMP and Senior Management Personnel is determined by the Nomination and Remuneration committee at such time as may be decided by it from time to time.

Criteria and Factors for Appointment of Independent Directors

The Committee shall consider the integrity, experience, qualifications, industrial experience and review the independence of the individual in accordance with SEBI Listing Obligations and Disclosure Requirement, 2015 and Companies Act, 2013 and rules & regulations made thereto, as amended from time to time.

Removal

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions of the Companies Act, 2013, and all other applicable Acts, Rules and Regulations, if any.

Performance Evaluation Process

The performance evaluation of the Board, its Committees and individual directors was conducted and the same was based on questionnaire and feedback from all the Directors on the Board as a whole, Committees and self-evaluation.

Directors, who were designated, held separate discussions with each of the Directors of the Company and obtained their feedback on overall Board effectiveness as well as each of the other Directors. Based on the questionnaire and feedback, the performance of every director was evaluated in the meeting of the Nomination and Remuneration Committee (NRC). Some of the key criteria for performance evaluation are as follows –

Performance evaluation of Directors:

- i. Attendance at Board or Committee Meetings.
- ii. Contribution at Board or Committee Meetings.
- iii. Guidance /Support to the Management outside Board / Committee Meetings.
- iv. Contribution in board deliberations especially on strategy, performance, risk management & standards of conduct.

Performance evaluation of Board and Committees:

- i. Degree of fulfilment of key responsibilities.
- ii. Board Structure and Composition.
- iii. Establishment Committee responsibilities.
- iv. Effectiveness of Board processes, information and functioning.
- v. Board Culture and Dynamics.
- vi. Quality of Relationship between Board and Management.
- vii. Recommendations made are proper and adequate.
- viii. Efficacy of Communication with External stakeholders

Remuneration to Executive Directors

The details of remuneration paid to the Directors during the financial year 2021-22 are given below:

Name of the Director	Salary (In Lacs.)
Mr. Mukund Kakani	10.20
Mr. Kirti Kumar Jain	6.00
Mr. Mohit Jaju	6.00

Remuneration to Non - Executive Directors

The details of remuneration paid to the Non - Executive Directors during the financial year 2021-22 are given below:

Name of Director	Sitting Fees (In Lacs.)	Commission (In lacs)	Total (In Lacs)
Mr. Syed Hussain	0.90	Nil	0.90
Mr. Dilip Patel	0.90	Nil	0.90
Mr. Ghanshyam Jaju	Nil	Nil	Nil
Mr. Ramesh Telugu	0.90	Nil	0.90
Mr. Vimala Madon	0.90	Nil	0.90

c. Corporate Social Responsibility (CSR) Committee

The Board in compliance with the provisions of Section 135(9) of the Companies Act, 2013, and rules made thereunder has not constituted CSR Committee as the amount required to be spent on CSR activities does not exceed 50 Lakh rupees and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of the Company

d. Stakeholders' Relationship Committee

The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.

Composition of the Committee

Name of Director	Sitting Fees (In Lacs.)	Commission (In lacs)	Total (In Lacs)
Mr. Syed Hussain	0.90	Nil	0.90
Mr. Dilip Patel	0.90	Nil	0.90
Mr. Ghanshyam Jaju	Nil	Nil	Nil
Mr. Ramesh Telugu	0.90	Nil	0.90
Mr. Vimala Madon	0.90	Nil	0.90

Meetings and attendance of the Committee during the year:

During the year, the committee met one time i.e. on 14th February 2022. The committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of investor service. Given below and all of them have been resolved to date. There were no share transfers pending for registration for more than 30 days.

The status of shareholder's complaints/request during the financial year 2021 -22 is as under:

S.No	Nature of Complaint/request	Received	Cleared
1.	Change / Correction of Address	Nil	Nil
2.	No of Transfers/Transmissions	01	01
3.	Non receipt of Shares /Others	Nil	Nil

Pursuant to Regulation 40 (9) of the Listing Obligations and Disclosure Requirement (LODR), a certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practising Company Secretary has been submitted to the Stock Exchanges within stipulated time.

The terms of reference of the Committee:

To look into various investors related issues including redressal of complaints of shareholders/investors relating to -

- i. Transfer of shares
- ii. Non-receipt of balance sheet
- iii. Non-receipt of dividend etc.
- iv. Issue of duplicate share certificate
- v. Other queries.

Independent Directors Meeting

Independent Directors are regularly updated on the performance of each line of business of the Company, the strategy going forward and new initiatives being taken/proposed to be taken by the Company. The Independent Directors Shri Syed Hussain, Shri Dilip Patel, Shri Ramesh Babu Telugu, and Smt. Vimala Madon, met on 28th March, 2022 without any Senior Management Personnel to evaluate the performance of Non-Independent Directors including the Chairman of the Board.

Postal Ballot

Your Company has not passed any resolutions through Postal Ballot during the year.

General Body Meetings

The details of last three Annual General / Extra Ordinary General Meetings are as follows:

Year	Location	Date	Time
2020-2021	1-8-303/34, Mayfair, S.P.Road,Secunderabad. Through Video Conferencing ("VC")	14th August, 2021	3.30 P.M.
2019-2020	1-8-303/34, Mayfair, S.P.Road,Secunderabad. Through Video Conferencing ("VC")	13th August, 2020	3.30 P.M.
2018-2019	J. S. Krishnamurthy Hall, FTAPCCI Premises, Red Hills, Hyderabad	13th August, 2019	3.30 P.M.

Disclosures

The Company complied with all the regulations of the Stock Exchange, Securities and Exchange Board of India and other statutory bodies regulating the capital markets. No Stretchers or penalties were imposed on the company. There are no transactions with related parties having potential conflict with the interest of the company at large. Other transactions are adequately disclosed in the notes to Annual accounts and Form AOC 2, annexed as Annexure I.

Details of compliance with mandatory and non-mandatory requirements of Listing Obligations and Disclosure Requirement (LODR).

Your Company has complied with all the mandatory requirements of Listing Obligations and Disclosure Requirement (LODR). Following is the status of the compliance with the non-mandatory requirements:

The Non – Executive Chairman of the Company has been provided a Chairman's Office at the Registered Office of the Company. The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director & CFO. During the year under review, there was no audit qualification on the Company's financial statements. The Company uploads its Financials on its website www.godavaridrugs.com. The Internal Auditor makes proper reporting to the Board as stipulated in the Law.

E-voting

Pursuant to the requirements of the Companies Act, 2013 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, company is providing e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at the General Meetings.

Means of Communication

The Company shares are listed on Bombay Stock Exchange and financial results on quarterly basis are being submitted to the Stock Exchange and have been published in newspapers.

The quarterly financial results of the company are generally published in Business Standard (English Daily) and Andhra Bhoomi (Telugu Daily).

A separate dedicated section under 'Investors Relation' on the Company's website gives information on various aspects such as financial details, Shareholding Patterns, quarterly results etc.

Sl No	Item	Details		
1.	AGM Date, Time and Venue	On 16th May, 2022 at 3.30 P.M. through video Conferencing (VC) or other Audio Visual Means (OAVM) (To be held)		
2.	Financial Calendar 2022-2023 (Tentative)	First Quarter Results - By 15th Aug 2022 Second Quarter /Half year Results - By 15th November 2022 Third Quarter/Nine Months Results- By 15th February 2023.		
3.	Dates of book closure	09.05.2022 to 16.05.2022		
4.	Listing on Stock Exchanges	Bombay Stock Exchange		
5.	Stock Code	530317 (BSE)		
6.	Demat ISIN No. For NSDL & CDSL	INE362C01012		
7.	Market Price Data		Bombay Stock Exchange Limited	
			High (Rs.)	Low (Rs.)
		April'21	67.95	44.60
		May'21	69.00	54.10
		June'21	71.00	58.30
		July'21	80.00	60.20
		August'21	83.60	65.00
		September'21	78.00	60.00
		October'21	74.15	64.60
		November'21	68.90	53.00
		December'21	64.35	46.60
		January'22	73.35	60.30
		February'22	65.80	49.50
		March'22	66.30	52.50

8.	Registrars and Transfer Agents (For both physical and electronic)	CIL Securities Pvt Ltd. 214, Raghava Ratna Towers, Abids, Hyderabad - 500001 Email ID: rta@cilsecurities.com			
9.	Share transfer system	Share transfers are registered and returned with in a Period of thirty days from the date of receipt, if the documents are in order in all respects.			
10.	Shareholding Pattern as on 31st March 2022	Category	No. of Shares	%	
		Promoter	4243927	56.36	
		Financial Institution and Banks	37500	0.50	
		Bodies Corporate	225629	2.99	
		Indian Public	2735337	36.32	
		NRI's / OCB's	288107	3.83	
		TOTAL	7530500	100	
11.	Distribution of Shareholding as on 31st March 2022				
From	To	No. of Holders	% of total Holding	Shares Amount	% of total Amount
--	5000	5375	87.40	6390920	8.49
5001	10000	405	6.59	3371270	4.48
10001	20000	167	2.72	2486040	3.30
20001	30000	63	1.02	1598480	2.12
30001	40000	24	0.39	837820	1.11
40001	50000	26	0.42	1227750	1.63
50001	100000	33	0.54	2476970	3.29
100001	75305000	57	0.93	56915750	75.58
		6150	100.00	75305000	100.00
12.	Dematerialization of shares and liquidity	The trading in Company's shares is permitted only in dematerialized form. In order to enable to shareholders to hold their shares in electronic form and to facilitate scrip-less trading, the Company has enlisted its shares with NSDL and CDSL			
13.	Plant Location	A-6/2, MIDC, Nanded, - 431 603, Maharashtra.India.			
14.	Address for correspondence (Registered office)	1-8-303/34, Mayfair, Sardar Patel Road, Secunderabad - 500 003, Telangana Phone: 91-40-27819624 E-mail: info@godavaridrugs.com			

*Shareholders holding shares in electronic form should address all their correspondence to their respective depository participants.

Name, designation & address of the Compliance Officer:

Mrs. Rashmi Agarwal

Company Secretary & Compliance Officer
Godavari Drugs Limited
A6/2, M.I.D.C.
Nanded - 431603
Email: info@godavaridrugs.com

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND
SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company and the copies of the same are uploaded on the website of the Company - www.godavaridrugs.com

Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the Code applicable to them during the year ended 31 March, 2022.

Place: Secunderabad
Date: 19.04.2022

Mukund Kakani
(Managing Director)

CEO AND CFO CERTIFICATE UNDER REGULATION 17 OF THE LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT REGULATIONS, 2015

The Board of Directors,
Godavari Drugs Limited
Secunderabad.

We, Mukund Kakani, Managing Director and Chief Executive Officer, and Kirti Kumar Jain, Director and Chief Financial Officer, to the best of our knowledge and belief, certify that:

We have reviewed the Balance Sheet, Statement of Profit and Loss and the cash flow statement and to the best of our knowledge and belief that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2021-22, which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies, if any.

We further certify that -

- a) there have been no significant changes in internal control over financial reporting during the year 2021-22;
- b) there have been no significant changes in accounting policies during the year 2021-22 except the change in the Stock valuation method for which Company adopted the Weighted Average Policy; and
- c) there have been no materially significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board of Directors
For Godavari Drugs Limited**

**Place: Secunderabad
Date: 19.04.2022**

**Mukund Kakani
Managing Director and
Chief Executive Officer**

**Kirti Kumar Jain
Director and
Chief Financial Officer**

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

To the Members of Godavari Drugs Limited
Hyderabad, Telangana

Opinion

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

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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. During the year under consideration, we have no key audit matters to report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the 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 financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)⁴⁰ and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may 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 Companies Act, 2013, 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

Other Matter**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 "Annexure A" hereto 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, 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.
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
 - b. The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - c. 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.
 - d. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - e. 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 B".
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 financial statements - Refer Note 1 (I) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For V Sridhar & Co.,

Chartered Accountants.

Firm Registration No.006206S.

Vemulapati Sridhar.

Proprietor.

ICAI Membership No.202337.

Hyderabad. April 19, 2022.

UDIN: 22202337AHIMOW7097.

Regarding: Godavari Drugs Limited, year ended March 31, 2022
ANNEXURE A TO AUDIT REPORT OF EVEN DATE.

Statement on the matters specified in paragraphs 3 and 4 of 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.

(i)	(a)	The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.				
	(b)	The company, during the year under consideration, did not own any intangible assets.				
	(b)	The Property, Plant and Equipment have been physically verified by the management at reasonable intervals. We are informed that no material discrepancies were noticed on such verification.				
	(c)	The land in possession of the company is on a long-term lease from MIDC.				
	(d)	The company has not revalued any of its property.				
	(e)	No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.				
(ii)	(a)	Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed during such verification.				
	(b)	During the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company, the differences, if any are either not material or minor in nature.				
(iii)		During the year the company has not made any investments in, or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties or to promoters or related parties.				
(iv)		The company has not granted any loans, or made any investments, guarantees, and security, to which the provisions of sections 185 and 186 of the Companies Act 2013 apply.				
(v)		The company has not accepted any deposits or any amounts that are deemed to be deposits, under the directives issued by the Reserve Bank of India to which the provisions of sections 73 to 76 of the Companies Act, 2013, apply.				
(vi)		In respect of cost records, we have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for maintenance of cost records under sub-section (1) of Section148 of the Act, in respect of its products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out detailed examination of the records with a view to determine whether these are accurate or complete.				
(vii)	(a)	The company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.				
	(b)	According to the information and explanations given to us and the records of the company examined by us, there are no dues referred to in (a) above, as on March 31, 2022 which has not been deposited on account of a dispute except as under:				
		Sl. No.	Dues under	Nature and amount of demand	Authority before whom dispute pending	Amount deposited against the demand
		1.	Customs Act 1962	Customs Duty for the years 2008-09 to 2013-14 (Rs.16.30 Lakhs)	CESTAT Mumbai	Rs.2.50 Lakhs
		2.	Central Excise Act	Service Tax, Rs.3.98 Lakhs	CESTAT Mumbai	Rs.0.18 Lakhs

(viii)		There are no amounts that are in the nature of undisclosed transactions or amounts surrendered as income in assessments under the Income Tax Act, 1961 (43 of 1961).
(ix)	(a)	The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
	(b)	The company is not declared wilful defaulter by any bank or financial institution or other lender.
	(c)	During the year the company has not availed of or has been disbursed any term loans.
	(d)	No funds raised on short term basis have been utilised for long term purposes.
	(e)	The company does not have any subsidiaries, associates or joint ventures.
	(f)	The company does not have any subsidiaries, associates or joint ventures.
(x)	(a)	The company has not raised, during the year, any amounts by way of initial public offer or further public offer (including debt instruments).
	(b)	The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
(xi)	(a)	During the course of our audit, we have not come across any instances of fraud by the company or any fraud on the company.
	(b)	There is no instance, during the year under consideration that necessitates reporting in Form ADT-4.
	(c)	There are no instances of whistle-blower complaints received during the year by the company.
(xii)		The company is not a Nidhi Company.
(xiii)		All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards.
(xiv)	(a)	The company has an internal audit system commensurate with the size and nature of its business. The company has engaged a firm of Chartered Accountants to carry out internal audit and submit their report to the Board of Directors and Audit Committee.
	(b)	The reports of the Internal Auditors for the period under audit have been considered by us.
(xv)		The company has not entered into any non-cash transactions with directors or persons connected with them.
(xvi)	(a)	The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
	(b)	The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
	(c)	The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
	(d)	The company is not part of any "group" as defined under the applicable regulations / guidelines.
(xvii)		The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
(xviii)		There has not been any resignation of the statutory auditors during the year.
(xix)		On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of our audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
(xx)	(a)	The company, based on the applicability of provisions of section 135 of the Companies Act, 2013 determined that an amount of Rs.6.49 lakhs is to be spent on CSR schemes on or before March 31, 2022. The said amount, we are informed will be deposited into a Fund specified in Schedule VII to Companies Act 2013 before the expiry of six months from the said March 31, 2022. There are no ongoing projects relating to CSR, the unspent amounts of which need to be deposited.
	(b)	There are no ongoing projects relating to CSR as on March 31, 2021 and March 31, 2022. The provisions of CSR are applicable to the company from the year 2021-22.
(xxi)		The company does not have any subsidiaries or associates or joint ventures the accounts of which are to be consolidated and as such there are no consolidated financial statements.

For V Sridhar & Co.,
Chartered Accountants.
Firm Registration No.006206S.

Vemulapati Sridhar.
Proprietor.
ICAI Membership No.202337.
Hyderabad. April 19, 2022.
UDIN: 22202337AHIMOW7097.

Regarding: Godavari Drugs Limited, year ended March 31, 2022.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS

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 Godavari Drugs Limited ("the Company") as of March 31, 2022, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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". 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, to the extent applicable to an audit of internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence I / we have obtained is sufficient and appropriate to provide a basis for our adverse 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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, to the best of our information and according to the explanations given to us, 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 March 31, 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.

For V Sridhar & Co.,

Chartered Accountants.

Firm Registration No.006206S.

Vemulapati Sridhar.

Proprietor.

ICAI Membership No.202337.

Hyderabad. April 19, 2022.

UDIN: 22202337AHIMOW7097

BALANCE SHEET

GODAVARI DRUGS LIMITED

Balance Sheet as at March 31, 2022

Rs in Lakhs

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
1. Non - current assets			
a. Property, Plant and Equipment	2	2625.11	2243.47
b. Capital Work in Progress	3	49.00	75.77
c. Investment Property		-	-
d. Goodwill		-	-
e. Other Intangible assets		-	-
f. Intangible assets under development		-	-
g. Biological Assets other than bearer plants		-	-
h. Financial Assets		-	-
(i) Investments	4	0.01	0.01
(ii) Trade Receivables		-	-
(iii) Loans		-	-
(iv) Other Financial Assets	5	33.56	33.38
i. Deferred tax assets (net)		-	-
j. Other non-current assets		-	-
2. Current assets			
(a) Inventories	6	1003.37	1465.00
(b) Financial Assets		-	-
(i) Investments		-	-
(ii) Trade Receivables	7	5557.90	4512.11
(iii) Cash and cash equivalents	8	227.64	163.83
(iv) Bank balances other than (iii) above		-	-
(v) Loans	9	60.87	56.73
(vi) Others (to be specified)		-	-
(c) Current Tax Assets (Net)		-	-
(d) Other current assets	10	583.64	563.67
Total Assets		10,141.10	9,113.98

Significant Accounting Policies and Other Information
Notes 1 to 26 form integral part of financial statements

1

As per our report of even date
For V Sridhar & Co.,

For and on behalf of the Board of Directors

Chartered Accountants
FRN : 006206S

Vemulapati Sridhar
Proprietor
ICAI Membership No. 202337
Hyderabad. April 19, 2022
UDIN:22202337AHIMOW7097

Mukund Kakani **Kirti Kumar Jain** **Rashmi Agarwal**
Managing Director Director Finance Company Secretary

GODAVARI DRUGS LIMITED

Balance Sheet as at March 31, 2022

Rs in Lakhs

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	11	753.05	753.05
(b) Other Equity	12	2210.09	1685.56
LIABILITIES			
1. Non -current liabilities			
(a) Financial Liabilities		-	-
(i) Borrowings	13	1178.21	1448.98
(ii) Trade payables			
(A) Total outstanding dues of micro enterprise and small enterprise and		-	-
(B) Total outstanding dues creditors other than of micro enterprise and small enterprise		-	-
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
(b) Provisions	14	72.27	78.68
(c) Deferred tax liabilities (Net)	15	151.36	96.52
(d) Other non-current liabilities		-	-
2. Current liabilities			
(a) Financial Liabilities		-	-
(i) Borrowings	16	856.12	1358.87
(ii) Trade payables	17	-	-
(A) Total outstanding dues of micro enterprise and small enterprise and		13.90	-
(B) Total outstanding dues creditors other than of micro enterprise and small enterprise		4317.79	2950.48
(iii) Other financial liabilities (other than those specified in item (c))			
	18	433.72	623.04
(b) Other current liabilities	19	31.89	0.00
(c) Provisions			
(d) Current Tax Liabilities (Net)		122.68	118.80
Total Equity and Liabilities		10,141.10	9,113.98

Significant Accounting Policies and Other Information
Notes 1 to 26 form integral part of financial statements

1

As per our report of even date
For V Sridhar & Co.,

For and on behalf of the Board of Directors

Chartered Accountants
FRN : 006206S

Vemulapati Sridhar
Proprietor
ICAI Membership No. 202337
Hyderabad. April 19, 2022
UDIN:22202337AHIMOW7097

Mukund Kakani **Kirti Kumar Jain** **Rashmi Agarwal**
Managing Director Director Finance Company Secretary

PROFIT AND LOSS STATEMENT
GODAVARI DRUGS LIMITED
Statement of Profit and Loss for the year ended March 31, 2022

Rs in Lakhs

S.No	Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I	Revenue from operations	20	16110.62	12267.02
II	Other income	21	27.63	41.01
III	Total Income (I+II)		16138.25	12308.03
IV	EXPENSES			
	Cost of Material Consumed	22	12797.36	9414.80
	Changes in inventories of finished goods, stock in trade and work-in-progress	23	248.19	244.02
	Employee benefits expense	24	495.65	394.32
	Finance costs	25	284.93	332.09
	Depreciation and amortization expense	2	169.64	122.27
	Other expenses	26	1440.43	1229.90
	Total Expenses (IV)		15,436.19	11,737.39
V	Profit/(loss) before exceptional items and tax (III - IV)		702.06	570.64
VI	Exceptional items		-	-
VII	Profit/(loss) before tax (V - VI)		702.06	570.64
VIII	Tax Expenses:			
1.	Current Tax		-122.68	-118.80
2.	Deferred Tax		-54.85	-39.03
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		524.53	412.81
X	Profit/loss from discontinued operations			
XI	Tax expense of discontinued operations			
XII	Profit/(loss) from discontinued operations (after tax)(X-XI)			
XIII	Profit /Loss for the period (IX + XII)		524.53	412.81
	Other Comprehensive Income			
(i)	items that will not be reclassified to profit or loss		-	-
(ii)	Income tax relating to items that will not be reclassified to profit or loss		-	-
(i)	Items that will be reclassified to profit or loss		-	-
B(ii)	Income tax relating to items that will be reclassified to profit or loss		-	-
XV	Total Comprehensive Income for the period (XIII + XIV) (Comprising profit/loss and other Comprehensive Income for the period)		524.53	412.81
XVI	Earning per equity share (for discontinued operation):			
(1)	Basic		6.97	5.48
(2)	Diluted		6.97	5.48
XVII	Earning per equity share (for continuing operation):			
(1)	Basic		0.00	0.00
(2)	Diluted		0.00	0.00

XVIII	Earning per equity share (for discontinued & continuing operations)			
1)	Basic		6.97	5.48
(2)	Diluted		6.97	5.48

Significant Accounting Policies and other information

1

As per our report of even date
For V Sridhar & Co.,

Chartered Accountants
 FRN : 006206S

For and on behalf of the Board of Directors

Vemulapati Sridhar
 Proprietor
 ICAI Membership No. 202337
 Hyderabad. April 19, 2022
 UDIN:22202337AHIMOW7097

Mukund Kakani **Kirti Kumar Jain** **Rashmi Agarwal**
 Managing Director Director Finance Company Secretary

CASH FLOW STATEMENT

GODAVARI DRUGS LIMITED

Cash Flow Statement for the year ended March 31,2022

Rupees In Lakhs

Particulars	Period ended	Previous Year
	31.12.2022	2020-21
A. Cash Flow from Operating Activities		
Profit before Depreciation, Interest and Tax	1,156.63	1,023.71
Other income considered separately	(27.63)	(41.01)
Net	1,129.00	982.69
(Increase) / Decrease in Inventories	461.63	310.20
(Increase) / Decrease in Receivables	(1,045.79)	(910.26)
(Increase) / Decrease in Short term Loans & Advances	(4.14)	(7.26)
(Increase) / Decrease in Other Current Assets	(19.97)	(50.13)
Increase / (Decrease) in Current Liabilities	779.77	(34.64)
Less: Income tax paid	(122.68)	(118.80)
Less: Deferred Tax Adjustment	(54.85)	(39.03)
Total A	1,122.98	132.78
B. Cash Flow from Investing Activities		
Increase in Fixed Assets and Capital WIP	(524.51)	(167.20)
Increase in Non-Current Assets	(0.18)	1.17
Other Income	27.63	41.01
Total B	(497.07)	(125.01)
C. Cash Flow from Financing Activities		
Increase / (Decrease) in Long Term Borrowings	(270.77)	332.62
Increase / (Decrease) in Long Term Provisions	(6.41)	11.58
Increase / (Decrease) in Long Term Advances		
Interest Paid	(284.93)	(330.80)
Total C	(562.10)	13.40
D. Net Increase/(Decrease) in cash and cash equivalents [A+B+C]	63.81	21.17
Cash and cash equivalents at the beginning of the year (01.04.2021)	163.83	142.66
Cash and cash equivalents at the end of the year (31.03.2022)	227.64	163.83
Increase/(-)Decrease	63.81	21.17

As per our report of even date
For V Sridhar & Co.,

For and on behalf of the Board of Directors

Chartered Accountants
 FRN : 006206S

Vemulapati Sridhar
 Proprietor
 ICAI Membership No. 202337
 Hyderabad. April 19, 2022
 UDIN:22202337AHIMOW7097

Mukund Kakani **Kirti Kumar Jain** **Rashmi Agarwal**
 Managing Director Director Finance Company Secretary

Godavari Drugs Limited
Note 11A
Statement of Changes in Equity

A. Equity Share Capital**(1) Current reporting period**

Rs in Lakhs

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
753.05	-	-	-	753.05

(2) Previous reporting period

Rs in Lakhs

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
753.05	-	-	-	753.05

Note 3: Capital Work In Progress (Including Ageing Schedule)

Rs in Lakhs

CWIP	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Project In Progress	49	-	-	-	49
Project Temporarily Supended	-	-		-	-
Total	49	-	-	-	49

Note 2 : Property Plant And Equipment

Rs in Lakhs

Sl.No.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		As at	Additions	Adjustment	As at	For the	As at	As at	As at
		31.3.2021			31.03.2022	Period	31.03.2022	31.03.2022	31.3.2021
1	Lease hold land	3.28			3.28	0.00	0.00	3.28	3.28
2	Factory Building	440.30	5.57		445.87	12.43	225.74	220.13	226.99
3	Plant & Machinery	3472.13	512.28	4.74	3979.67	117.77	1809.72	2169.95	1780.17
4	Electrical Installations	296.67	13.83		310.50	20.30	144.81	165.68	172.16
5	Laboratory Equipment	30.02			30.02	1.70	14.16	15.86	17.56
6	Furniture & Fixtures	16.63	0.89		17.52	1.76	11.51	6.01	6.87
7	Vehicles	106.28	22.17		128.45	13.69	87.44	41.01	32.53
8	Office Equipments	13.07			13.07	0.99	10.76	2.31	3.30
9	Computers	27.02	1.27		28.29	1.01	27.42	0.87	0.61
	Total	4405.39	556.02	4.74	4956.67	169.64	2331.56	2625.11	2243.47

Current Year

Reserves and Surplus																
Particulars	Share application money pending allotment	Equity component of compound financial instruments	Capital Total Reserve	Securities Premium	Maharashtra Special Capital Incentive Reserve	Central Subsidy Reserve	General Reserve	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
Balance at the beginning of the current reporting period	-	-	-	1063.19	45.00	10.00	16.54	550.83	-	-	-	-	-	-	-	1685.56
Changes in accounting policy or prior period errors	-	-	-						-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-						-	-	-	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	-						-	-	-	-	-	-	-	-
Dividends	-	-	-						-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-					524.53	-	-	-	-	-	-	-	524.53
Any other change (to be specified)	-	-	-						-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	-	1063.19	45.00	10.00	16.54	1075.36	-	-	-	-	-	-	-	2210.09

Previous Year

Reserves and Surplus																
	Share application money pending allotment	Equity component of compound financial instruments	Capital Total Reserve	Securities Premium	Maharashtra Special Capital Incentive Reserve	Central Subsidy Reserve	General Reserve	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income(s) specify nature)	Money received against share warrants	Total
Balance at the beginning of the previous reporting period	-	-	-	1063.19	45.00	10.00	16.54	138.03	-	-	-	-	-	-	-	1,272.76
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the previous year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	412.81	-	-	-	-	-	-	-	412.81
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the previous reporting period	-	-	-	1063.19	45.00	10.00	16.54	550.83	-	-	-	-	-	-	-	1,685.56

Notes forming part of the Financial Statements

Particulars	Rs in Lakhs	
	As at 31st March, 2022	As at 31st March, 2021
Note 4: Investments		
Long Term Quoted		
500 HDFC Shares @ Rs.2 per share Face Value (Market value is Rs.7,35,175; PY Rs7,46,825)	0.01	0.01
Total	0.01	0.01
Note 5 : Other financial assets		
Other financial assets		
(i) Security Deposits	23.41	33.38
(ii) Bank deposits with more than 12 months maturity	10.15	0.00
(iii) others (to be specified);]	-	-
Total	33.56	33.38
Note 6: Inventories		
[As verified, valued and certified by the Management]		
Raw Material	605.34	802.87
Work-in-Process	279.13	122.05
Finished Goods	118.26	523.53
Other Stock	0.64	16.55
Total	1,003.37	1,465.00
Note 7: Trade Receivables (Ref Note 1)		
(a) Trade Receivables considered good - Secured;		
(b) Trade Receivables considered good - Unsecured;	5103.44	4512.11
(c) Trade Receivables which have significant increase in Credit Risk; and	454.46	0.00
(d) Trade Receivables - credit impaired.]	-	-
Total	5,557.90	4,512.11
Note 8: Cash and cash equivalents		
Cash in hand	0.04	3.35
In Current Accounts	0.25	5.24
-Yes Bank EEFC A/C	0.00	10.42
In Margin money deposits (With maturity less than 12 months)	227.35	144.82
Total	227.64	163.83
Note 9: Loans		
Loans and advances to employees	60.87	56.73
(a) Loans Receivables considered good - Secured;	-	-
(b) Loans Receivables considered good - Unsecured;	-	-
(c) Loans Receivables which have significant increase in Credit Risk; and	-	-
(d) Loans Receivables - credit impaired.]	-	-
Total	60.87	56.73

Rs in Lakhs

Note 10: Other Current Assets			
Capital Advance to Suppliers		212.11	224.72
Advance to suppliers		202.70	148.74
Balance with Revenue authorities		3.05	68.84
Income Tax and TDS		141.38	90.60
Others		24.40	30.76
Total		583.64	563.67
Note 11 : Equity share capital			
			Rs in Lakhs
a. Authorised			
1,00,00,000 Equity Shares of Rs. 10/- each.		1000.00	1000.00
		1,000.00	1,000
b. Issued, subscribed & paid up			
75,30,500 Equity Shares of Rs. 10/- each fully paid up		753.05	753.05
(Ref Note 11A)		753.05	753.05
c. Par value of shares		10/-	10/-
d. Number of shares outstanding at begining of the year		7530500	7530500
Changes during the year			
Number of shares outstanding at end of the year		7530500	7530500
e. Restriction on disbursement of Dividend			
As part of standard conditions of sanction of term loans the company requires prior permissions from the lenders to declare dividend			
f. Particulars of each shareholder holding more than 5% of share capital			
Sl. No. Name of the Shareholder		As at 31.03.2022	As at 31.03.2021
		No of shares %	No of shares %
1.	Kamala Jaju	9,10,000 12.08	9,02,676 11.99
2.	Sushma Kakani	10.60,000 14.08	10,53,879 13.99

g. Promoters shareholding

Shares held by promoters at the end of the year				
S. No	Promoter name	No. of Shares**	%of total shares	% Change during the year
1	Kamal Jaju	9,10,000	12.08%	0.81%
2	Sushma Kakan	10,60,000	14.08%	0.58%
3	Ghanshyam Jaju	3,41,600	4.54%	-0.64%
4	Mukund Kakani	3,39,100	4.50%	4.95%
5	Mohit Jaju	4,31,900	5.74%	18.65%
6	Kirti Kumar Jain	1,59,700	2.12%	0.00%
7	Mangala Srimal	1,97,000	2.62%	0.00%
8	Prakash Chandra Shrimal	-	0.00%	-100.00%
9	Jayashree Jain	47,378	0.63%	75.47%
10	Neeraj Jain	37,900	0.50%	0.00%

11	Manish Jain	33,000	0.44%	0.00%
12	Mohit Jain	36,000	0.48%	0.00%
13	Priyanka Jaju	1,60,000	2.12%	0.00%
14	Naina Jain	22,149	0.29%	0.00%
15	Tanushree Kakani	1,40,000	1.86%	0.00%
16	Akshiet Kakani	3,26,000	4.33%	0.00%
17	Jaju Ghanshyam (HUF)	2,200	0.03%	100%
Total Shares held by promoters		42,43,927	56.36%	
The company has only one class of shares i.e. Equity Shares.				

Rs in Lakhs

Note 13 : Borrowings		
Secured		
Term Loan-Yes Bank	273.59	423.86
Car Loan- Kotak Bank	3.04	8.26
Yes Bank Working Capital Term Loan	174.50	290.83
Unsecured		
From Directors	507.39	506.18
Related Parties	219.68	219.84
Total	1,178.21	1,448.98
Note 14 : Provisions		
Provision for Employee Benefits	72.27	78.68
Total	72.27	78.68
Note 15 : Deferred Tax Liabilities / Assets		
Beginning of the year	96.52	57.48
Increase / (Decrease) in Deferred Tax liability on account of timing difference originating during the year	54.85	39.03
Net Deferred Tax Liability as on 31/03/2022	151.36	96.52
Note 16 : Borrowings		
HSBC Bank	58.79	0.00
Cash credit facility - Yes Bank	797.33	1358.87
Total	856.12	1,358.87
(The borrowing is secured by hypothecation of first charge on inventory, trade receivables, movable assets, immovable assets and guaranteed by directors other than independent directors.		
Note 17: Trade payables		
(A) Total outstanding dues of micro enterprise and small enterprise and	13.90	-
(B) Total outstanding dues creditors other than of micro enterprise and small enterprise	4317.79	2950.48
Total	4,331.69	2,950.48
Note 18 : Other financial liabilities		
Current maturity of long term debt	272.91	237.99
Interest accrued on borrowings	18.82	85.42
Sundry creditors for capital goods	25.35	69.06
Statutory liabilities	11.64	82.84

	Rs in Lakhs	
Other liabilities	104.99	147.73
Total (A)	433.72	623.04
Note 19 : Other Current Liabilities		
Corporate Social Responsibility obligation	6.49	0.00
Others	25.40	0.00
Total	31.89	0.00
Note 20: Revenue From Operations		
Sale of finished goods	16110.62	12267.02
Total	16,110.62	12,267.02
Note 21: Other Income		
Interest income	11.03	8.03
Net gain on foreign exchange transactions	1.06	18.65
Others	15.54	14.34
Total	27.63	41.01
Note 22: Cost of material consumed		
Opening Stock	802.87	866.67
Add: Purchases	12599.82	9351.01
Less : Closing stock	605.34	802.87
Total	12,797.36	9,414.80
Note 23: Changes in Inventories of Finished Goods & Work in Process		
(a) Opening Stock		
Finished Goods	523.53	597.98
Work-in -process	122.05	291.62
Sub- Total (a)	645.58	889.60
(b) Closing Stock		
Finished Goods	118.26	523.53
Work-in -process	279.13	122.05
Sub- Total (b)	397.39	645.58
Difference of (a) and (b) Increase (-) /Decrease (+)	248.19	244.02
Note 24: Employee benefits		
Salaries, Wages and other allowances	398.64	320.59
Contribution to Provident Fund and other Funds	18.86	13.26
Gratuity	4.16	13.94
Staff Welfare Expenses	73.99	46.53
Total	495.65	394.32
Note 25: Finance Cost		
Banks	167.95	213.91
Others	116.97	104.97
Other borrowing cost	-	13.21
Total	284.93	332.09

Rs in Lakhs

Note 26: Other Expenses		
Power & fuel	546.43	475.62
Consumption of stores and spares	177.65	183.69
Rent	10.88	9.99
Remuneration to Directors	22.20	22.20
Auditors' Remuneration	2.25	2.25
Repairs & Maintenance	0.00	0.00
Plant & Machinery	51.24	32.45
Building	62.56	24.70
Others	122.65	73.71
Insurance	16.52	17.05
Research & development expenses	28.84	26.50
Rates & taxes	12.46	11.61
Travelling and conveyance	7.13	4.32
Freight outward	37.64	30.23
Misc. expenses	335.50	315.57
CSR Expenditure (Ref Note 1(--))	6.49	0.00
Total	1,440.43	1,229.90

Notes 1 to 26 form integral part of financial statements

As per our report of even date
For V Sridhar & Co.,

For and on behalf of the Board of Directors

Chartered Accountants
 FRN : 006206S

Vemulapati Sridhar
 Proprietor
 ICAI Membership No. 202337
 Hyderabad. April 19, 2022
 UDIN:22202337AHIMOW7097

Mukund Kakani **Kirti Kumar Jain** **Rashmi Agarwal**
 Managing Director Director Finance Company Secretary

GODAVARI DRUGS LIMITED

Notes to Ind AS Financial Statements for the year ended March 31, 2022.

Note 1: Significant Accounting Policies and other information

1. Company Overview

The company is engaged in the business of manufacture of Active Pharmaceutical Ingredients (API) and its intermediates, through its manufacturing facility at Nanded, Maharashtra, India.

2. Compliance with Indian Accounting Standards

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as notified under section 133 of the Companies Act 2013 (the Act), read with Companies (Indian Accounting Standard) Rules 2015. The company has uniformly applied all the applicable accounting policies during the periods presented.

3. Reporting Currency

The financial statements are presented in Indian Rupees which is also the functional and presentation currency of the company. The figures in the financial statements are rounded off to nearest lakhs (two decimals).

4. Overall Considerations

The financial statements have been prepared using significant accounting policies that are in effect as at March 31, 2022 as presented in detail hereunder.

5.COVID- 19 Impact

The company has evaluated the impact of Corona Virus (COVID-19) on the operations and future economic activity of the company and based on its review and current indicators and future economic prospects, there is no significant impact on the business of the company or its operations.

6.Accounting Policies

a.Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention on accrual basis.

b.Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

c. Recognition of Expenditure

Expenses are accounted for on an accrual basis and provisions are made for all known losses and liabilities

d.Property Plant & Equipment

i) Property, plant and equipment acquired by the company are reported at acquisition value. The acquisition cost for this purpose includes the purchase price (net of duties and taxes which are recoverable in future) and expenses directly attributable to the asset to bring it to the site and in the working condition for its intended use. Interest during construction period up to the date of commencement of operations, indirect project expenditure and trial run expenditure (net of trial run income, if any) incurred in respect of projects under implementation are capitalized to the asset constructed / created. Spares and tools that are not in the nature of 'Property, Plant & Equipment' are treated as part of inventories. The costs incurred for the repairs and maintenance of these assets are charged to revenue.

ii) The cost of assets under construction as on the Balance Sheet date, are classified under the head "capital work in progress" and the same are capitalized as and when they are put to use.

e.Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using the weighted average cost of capital. In carrying out such exercise, due effect is given to the requirements of Schedule II of the Companies Act, 2013.

f. Depreciation

Depreciation on Property, Plant and Equipment including assets such as Furniture and Fixtures, Computers etc., is provided over the useful life of the asset in the manner prescribed in Schedule II to the Companies Act, 2013.

g. Investments

Current investments are carried at lower of cost and quoted / fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

h. Research & Development

(i) Equipment purchased for research and development is capitalised when commissioned and included in the gross block of property, plant and equipment

(ii) Research and Development expenditure incurred, if any, are charged to Profit & Loss account of the year under relevant head of Account.

i. Inventories

Inventories are valued at lower of cost or net realizable value. Obsolete, slow moving and defective inventories are identified at the time of physical verification and necessary provision is made for such inventories. The cost is determined using the weighted average cost method for all categories of inventories. Cost includes in case of Raw materials, Stores & spares and consumables, the purchase price and direct costs attributable less discounts. In case of work-in-process and finished goods, cost includes direct labour, material costs and production overheads. Duties and Taxes recoverable from the authorities in the future are not included in the cost of inventory.

j. Employee Benefits

Short-term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related service is rendered. Post-employment and other long-term employee benefits are recognized as an expense in the statement profit and loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post-employment and other long-term benefits are charged to the Statement of Profit and Loss.

k. Foreign Currency Transactions

(i) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing on the date of transaction.

(ii) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

(iii) Monetary assets & Liabilities denominated in foreign currencies are restated at the appropriate rates of exchange prevailing on the date of Balance Sheet. Resultant gain or loss is accounted during the year.

l. Leases

Operating lease payments are recognized as expense in the Statement of Profit and Loss in accordance with the terms of the lease agreement.

m. Borrowing Cost

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to Statement of Profit & Loss.

n. Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions: Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

(ii) Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(iii) Contingent Assets: Contingent Assets are not recognized in the financial statements.

o. Accounting for Taxes on Income

Income Tax – Current and Deferred – are accounted in accordance with Ind AS – 12, 'Income Taxes'

7. The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under

	CY	PY
Principal amount due and remaining unpaid	13.90 Lakhs	NIL
Interest due on above and the unpaid interest	NIL	NIL
Interest paid / payable	NIL	NIL

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company, regarding the status of registration of such vendor under the said Act, as per the intimation received from them on the request made by the Company.

8. Employee Benefits

The requisite disclosures pertaining to Employees Benefits are as under;

Defined Contributions:

Payments and Provisions for employees include Rs.4.55 lakhs (Previous Year Rs.16.31 lakhs) recognised as expenses in respect of defined contribution plans.

Defined Benefit Plans:

Gratuity - Gratuity is payable to all the eligible employees of the Company on resignation, death, Permanent disablements in terms of the Payment of Gratuity Act, 1972

Leave Encashment:

Entitlement of annual leave is recognised when they accrue to employees. Annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leaves.

9. Contingent Liabilities

		Rs in Lakhs	
Sl. No.	Particulars	31.03.2022	31.03.2021
1.	On account of Bank Guarantee	10.00	10.00
2.	Claims against the company/ disputed liabilities not acknowledged as debts:		
	(a) In respect of Advance Licence Customs Demand raised for the year 2000-01 and Appeal pending with CESTAT, Mumbai	16.30	16.30
	(b) In respect of Service Tax on Director's Remuneration	3.98	3.98
	Demand raised for the period from 01.07.12 to 31.10.14 and Appeal pending with CESTAT, MUMBAI		
3.	Relating to claim of a third party in which the company has been made a party.	9.00	9.00
	Total	39.28	39.28

10. Related Party Transactions**Rs in Lakhs**

Sl.No.	Particulars	Value of transaction
A.	Names of the Associated Companies	-
	Godavari Capital Private Limited., Godavari Homes Private Limited, A.K. Paper Products Private Limited.	-
B.	Associated Firms – Nil	-
C.	Key Managerial Personnel Mr. Mukund Kakani, Mr. Mohit Jaju, and Mr. Kirti Kumar Jain, Rashmi Agarwal	-
D.	Names of Relatives of Key Management Personnel Mr. Ghanshyam jaju, Mrs. Kamala Jaju, Ghanshyam Jaju HUF, Mrs. Sushma kakani, Mukund Kakani HUF, Mohith Jaju HUF And Mrs. Tanushree Kakani	-
E.	Transactions – [Value of the Transaction and (Balance Due)]	-
1.	Rent	-
	a. Sushma Kakani	3.00
	b. Mohit Jaju	4.80
2.	Remuneration	
	a. Mukund Kakani	10.20
	b. Kirti kumar Jain	6.00
	c. Mohit jaju	6.00
	d. Rashmi Agarwal	4.20
3.	Interest**	
	a. Kamala Jaju	10.35
	b. Ghanshyam Jaju (HUF)	3.31
	c. Ghanshyam Jaju	26.09
	d. Tanushree Kakani	6.47
	e. Mukund Kakani	15.34
	f. Mukund Kakani (HUF)	2.70
	g. Kirti Kumar Jain	0.78
	h. Mohit Jaju	12.40
	i. Mohit Jaju (HUF)	6.48
4.	Purchase Stores A.K.Paper Products Pvt. Ltd.	3.10
5.	Loans -	
	a. Mohit Jaju	122.78
	b. Mukund Kakani	150.66
	c. Kirti Kumar Jain	17.27
	d. Mohit Jaju (HUF)	54.05
	e. Mukund Kakani (HUF)	22.46
	f. Ghanshyam Jaju	216.68
	g. Ghanshyam Jaju (HUF)	27.64
	h. Tanushree Kakani	53.74
	i. Kamala Jaju	61.79
6	Sundry Creditors - Sushma Kakani	-

11. Particulars of Sales, Closing and Opening Inventory

	Sales Value		Closing Inventory	Opening Inventory
	2021-22	2020-21	31.03.2022	31.03.2021
Manufacturing Bulk Drugs	16101.80	12256.13	118.26	523.53
Trading Raw Materials	8.82	10.89		
	16110.62	12267.02	118.26	523.53

12. Value of raw Materials, Stores & Spares Consumed

	% Cons	2021-22	% Cons	2020-21
Value of Raw Materials	86.59	11081.61	85.96	8093.04
Imported	13.41	1715.74	14.04	1321.75
Indigenous				
Total		12797.35		9414.80
Stores and Spares				
Imported				
Indigenous	100	177.64	100	183.69

13. Corporate Social Responsibility: The company has come under the purview of the provisions of section 135 of the Companies Act 2013, on account of the profits for the year ended March 31, 2021. Accordingly, the obligation of CSR expenditure computed as per the provisions of the said section amounted to Rs.6.49 lakhs. As this amount is not actually spent during the year 2021-22 the company has made arrangements to deposit this amount in a Fund specified in Schedule VII of the Companies Act 2013, in accordance with the provisions of section 135 of the Companies Act, 2013.

14. Value of Imports calculated on CIF basis in respect of Raw Materials: 10094.39 Lakhs (Previous Year (7614.81 Lakhs)

15. Expenses in Foreign Exchange: Towards Travelling Rs. Nil (Previous Year- Nil)

16. Foreign Currency exposure that are not hedged by derivative or forward contract as on the last day of the year: Rs. 4043.48 Lakhs (Previous Year Rs. 2432.42 Lakhs)

17. Earnings in Foreign Exchange: Exports on FOB basis: 191.71 Lakhs. (Previous Year - Rs. 123.18 Lakhs).

18. Aging Schedule of Receivables

Particulars	Outstanding for following periods from due date of payment.					Rs in Lakhs
	Less than 6 months	6 months -1year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	5037.03	3.41	13.47	38.52	11.00	5103.44
(ii) Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables -credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good ** See Note below	-	-	-	-	454.46	454.46
(v) Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables -credit impaired	-	-	-	-	-	-

** This amount relates to two parties against whom cases for the recovery of the amounts have been filed. The cases are pending before Fast Track Court, XIXth Metropolitan Magistrate Courts, and Secunderabad and before the Hon'ble NCLT, Jaipur.

19. Trade Payables aging schedule

Outstanding for following periods from due date of payment					
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	13.90	-	-	-	13.90
(ii) Others	4257.22	8.87	5.90	46.87	4318.86
(iii) Disputed dues -MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

20. Financial Ratios Analysis

Types of Ratios	Formula	CURRENT YEAR			PREVIOUS YEAR			Variance
		Numerator	Denominator	Ratio	Numerator	Denominator	Ratio	
(a) Current Ratio,	Current Assets /Current Liabilities	7433.42	5776.12	1.29	6761.35	5051.20	1.34	-3.86%
(b) Debt-Equity Ratio, (Note 1.)	Total Outside Liabilities/ Shareholders' Equity	1178.20	2963.14	0.40	1448.98	2438.61	0.59	-33.08%
(c) Debt Service Coverage Ratio,	Earnings Available for debt service/ (Interest + Installments)	979.09	557.84	1.76	865.87	568.79	1.52	15.39%
(d) Return on Equity Ratio,	PAT/Equity Shareholders Funds	524.52	2963.14	0.18	412.80	2438.61	0.17	4.57%
(e) Inventory turnover ratio, (Note 2.)	Cost of Goods Sold/ Average Inventory	14121.14	1234.19	11.44	10567.43	1620.10	6.52	75.10%
(f) Trade Receivables turnover ratio,	Total Sales/ Average Trade Receivables	16110.62	5035.00	3.20	12267.01	4056.98	3.02	5.82%
(g) Trade payables turnover ratio,	Total Purchases/ Average Trade Payables	12599.82	3641.09	3.46	9351.00	2988.88	3.13	10.61%
(h) Net capital turnover ratio,	Sales / Capital Employed	16110.62	4141.34	3.89	12267.01	3887.59	3.16	23.29%
(i) Net profit ratio,	Net Profit (PAT)/ Sales	524.52	16110.62	0.03	412.80	12267.01	0.03	-3.25%
(j) Return on Capital employed,	EBIT/Capital Employed	986.98	4141.34	0.24	901.44	3887.59	0.23	2.63%

Note 1.

The average utilisation of the company of its credit facilities with the lending institutions have gone down during the year under consideration and the shareholders net worth has increased on account of the accretion of the profits for the year. Hence the improvement in the ratio.

Note 2.

The company has improved its inventory management and reduced the holding period on an overall basis. As against the average inventory value holding of Rs.16.20 Crores during the year 2021 the company has an average inventory of Rs.12.34 Crores during the current year. The corresponding sales turnover achieved by the company are Rs.122.67 Crores in 2021 vis-à-vis Rs.161.11 Crores in 2022. This has resulted in an improvement in the ratio.

21. Previous year's figures have been regrouped / reclassified wherever necessary to conform with the current year's presentation.

As per our report of even date
For V Sridhar & Co.,

For and on behalf of the Board of Directors

Chartered Accountants
FRN : 006206S

Vemulapati Sridhar
Proprietor
ICAI Membership No. 202337
Hyderabad. April 19, 2022
UDIN:22202337AHIMOW7097

Mukund Kakani **Kirti Kumar Jain** **Rashmi Agarwal**
Managing Director Director Finance Company Secretary