

September 08, 2022

To,
The Manager
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051

Stock Code: VAISHALI

Sub: Annual General Meeting Notice, Annual Report 2021-22

Dear Sir / Madam,

The 15th Annual General Meeting (“AGM”) of the Company will be held on Friday, September 30, 2022 at 11:00 a.m. IST through Video Conferencing / Other Audio Visual Means.

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2021-22 which is being sent to the Members, who have registered their e-mail addresses with the Company/ Depositories, through electronic mode.

The Integrated Annual Report containing the Notice is also uploaded on the Company’s website www.vaishalipharma.com.

Kindly take the same on records and oblige.

Thanking you

Yours faithfully,
For Vaishali Pharma Limited

Vishwa Mekhia
Company secretary & Compliance Officer



Vaishali Pharma Ltd.

Healthy Healthcare Solutions...!



ANNUAL REPORT

2021 - 22

www.vaishalipharma.com

Strong & Diverse Product Portfolio

Domestic



Active Pharmaceutical
Ingredients



Excipients

International



Formulations



Surgical



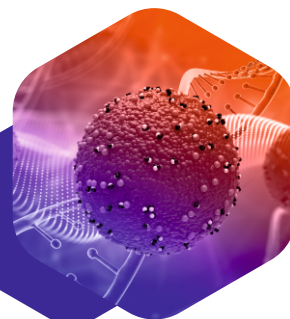
Herbal



Veterinary



Nutraceutical



Oncological

Global Certifications

Company Certifications



NSE - MAIN BOARD



Certification Partner Global
ISO 9001:2015 Certified

Formulation Certifications



CAMEROON



CAMBODIA



COSTA RICA



DR CONGO



ETHIOPIA



KENYA



MADAGASCAR



MYANMAR



NICARAGUA



UAE



RUSSIA



TAJIKISTAN



SRI-LANKA



YEMEN



ZIMBABWE



KAZAKSTAN



NIGERIA



MOROCCO



OMAN



Lesotho

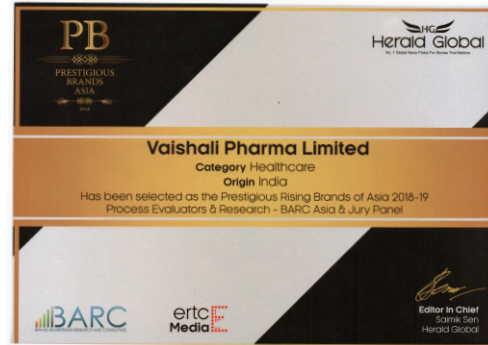


TURKMENUSTAN



NDA UGANDA

Achievements And Awards



STAR EXPORT HOUSE

**PRESTIGIOUS RISING
BRANDS OF ASIA 2018-2019**

Surgical Certifications



ISO 9001 : 2015



CE



ISO 13485 : 2016

Key Strengths



- Offering range from Formulations,Bulk Drugs, APIs, Veterinary Products, Surgical and Neutraceutical Products Marketing approximately 400 products in Domestic and has product portfolio of more than 1,000 products for overseas market.
- Caters to Asian, African, CIS and Latin American companies Applied for registrations in 35+ countries 250+ approvals.
- Accredited & Certified by International board & Organisations.
- Chairman Mr. Atul Vasani engaged in Pharmaceutical business for more than 3 decades. Well equipped dedicated Personnel enable to take advantage of both current and future market opportunities.
- Customer Centric and Order driven Business model Optimum utilisation of resources assuring quality supply enable to achieve economies of scale Development of new market and products by exploring customer needs, marketing expertise by maintaining quality output.

Business Model

Vision

- To be a well recognized Indian MNC in The Pharmaceutical & healthcare industry.

Mission

- To contribute substantially towards well - being and health of the society by providing high quality products and services.



Business Structure

Business Structure

Vaishali Pharma



CORPORATE INFORMATION

Board of Directors

Mr. Atul Vasani
Chairman & Managing Director

Mrs. Jagruti Vasani
Whole Time Director

Mr. Ashvin Ganatra
Independent Director

Mr. Manish Ved
Independent Director

Mr. Pratik Jakhelia
Independent Director
(Appointed w.e.f. 10.07.2021)

Mr. Prataprai Gandhi
Independent Director
(Resigned on 12.07.2021)

Mr. Dewansh Vasani
Executive Director
(Changed designation w.e.f. 05.08.2021)

Key Managerial Personnel

Mr. Hemanth Pathak
Chief Executive Officer

Mr. Ratnesh Singh
Chief Financial Officer

Ms. Vishwa Mekhia
Company Secretary &
Compliance Officer
(Appointed w.e.f. 20.12.2021)

Mr. Akshay Jharkhandi
Company Secretary &
Compliance Officer
(Resigned on 18.10.2021)

Board Level Committees

**Audit Committee
(as on 31.03.2022)**
Mr. Manish Ved, Chairman
Mr. Ashvin Ganatra, Member
Mr. Pratik Jakhelia, Member
Mr. Atul Vasani, Member

**Nomination and Remuneration
Committee
(as on 31.03.2022)**
Mr. Manish Ved, Chairman
Mr. Ashvin Ganatra, Member
Mr. Pratik Jakhelia, Member

**Stakeholder Relationship
Committee
(as on 31.03.2022)**
Mr. Manish Ved, Chairman
Mr. Ashvin Ganatra, Member
Mr. Pratik Jakhelia, Member
Mr. Dewansh Vasani, Member

Statutory Auditor

**M/s. Raman S. Shah & Associates,
Chartered Accountants**

Internal Auditor

**M/s. R. U. Kamath & Co.,
Chartered Accountants**

Secretarial Auditor

**M/s. Disha & Associates,
Company Secretaries**

Registered office

Vaishali Pharma Limited
706 to 709, 7th Floor,
Aravali Business Center,
R. C. Patel Road,
Off Sodawala Lane,
Borivali (West),
Mumbai – 400092.
Maharashtra, India.

Website Address

www.vaishalipharma.com

Email ID for Investors:

investor@vaishalipharma.com

Corporate Identification Number (CIN)

L52310MH2008PLC181632

Registrar and Transfer Agent

Bigshare Services Private Limited
Office No S6-2, 6th Floor, Pinnacle
Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East)
Mumbai – 400093
E-mail: info@bigshareonline.com
Tel No. : +91 22 6263 8222
Fax No. : +91 226263 8299

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INTRODUCTION

The Company was incorporated on April 25, 2008 under the provisions of the Companies Act, 1956 as Vaishali Pharma Private Limited, at Mumbai, Maharashtra. The Company acquired the business of M/s. Vaishali Pharmachem which was the proprietorship concern of our Promoter, Mr. Atul Vasani. We started with trading and marketing of Active Pharmaceutical Ingredient (APIs) and further in the year 2012, we ventured into marketing of pharmaceutical formulations, the manufacturing of which is on OEM. In the year 2017, the Company was converted into Public Company and our name changed to "Vaishali Pharma Limited". Till 14th January, 2020 the Company was listed on NSE SME Platform i.e. NSE Emerge and thereafter migrated to the Main Board of NSE with effect from 15th January, 2020.

We, at Vaishali Pharma Limited, continue to remain steadfast in our transformation journey, building additional pathways of growth and simultaneously focusing on making the organisation more efficient, and believe that the "Quality is an ongoing process of building and sustaining relationship." Our strong commitment of providing quality products is boosted by in-depth industry knowledge, well-qualified team of professionals, as well as hi-tech and advanced infrastructure, resultantly, creating mutually beneficial associations for all parties involved.

In business since 1989, Vaishali Pharma Limited is a globally well trusted brand with high quality products, accepted by companies across the globe. The Company is amongst the leading players in the supply of pharma products – Bulk Drugs / APIs, Formulations, Surgical Products, Veterinary supplements, Herbal & Nutraceutical products, with a well-established brand known for its high-quality products & services amongst various clients globally. The company has over 250 + formulation brands marketed in multiple countries; of which dossier is in CTD format along with its respective bioequivalence. The company has built a robust pipeline of around 250 Dossiers. The Company's synergistic collaboration with WHO-GMP manufacturing facilities is backed by an excellent rapport with clients.

Strong commitment of providing quality products is backed by in-depth industry knowledge, well-qualified team of professionals, as well as hi-tech and advanced infrastructure. Resulting in creating mutually beneficial associations for all the clients.

Adhering to high quality standards is not an accident but our habit. Passionate to be the best, we take pride in what we do and strive to deliver products with 0% defects. One can count upon us for quality pharmaceutical and healthcare products.

Adapting quickly to the ever-evolving demands, the Company has emerged as one of the fastest growing organization in the pharmaceutical industry in export of healthcare products from India. With headquarters located in the economic hub of India, Mumbai.

With its all-pervasive impact, the pandemic has changed the dynamics of workplaces. As the new normal takes shape, our resilience and agility powers our confidence to reimagine the business landscape. We are hoping that this makes the difference in tipping hope over fear.

CHAIRMAN'S MESSAGE

Dear Shareowners,

India's Pharma exports in 2021-2022 sustained a positive growth despite the global trade disruptions and drop in demand for COVID related medicines. Indian Pharma companies enabled by their price competitiveness and good quality have made a global mark and we expect good Universal access to quality healthcare for all is non-negotiable.

Global as well as domestic economic growth continued to be subdued in FY 2021-22 owing to varied macroeconomic uncertainties. To add fuel to fire, the sudden outbreak of the COVID-19 pandemic caused rampant disruptions across supply chains and manufacturing activities, bringing economic activity to a standstill. Countries were locked down completely, businesses stopped indefinitely and the wheels of the economy started turning backwards. The pandemic is accelerating a significant change across the healthcare ecosystem in various countries and forcing public and private health systems to adapt and innovate at a pace like never before.

Governments across the world have increased spending on healthcare to counter the pandemic. There is also an increasing realization in middle and low income economies that healthcare related investments need to be increased, which will lead to better / earlier diagnosis and appropriate treatment for patients.

It's the start of another fiscal and with immense pleasure, I share with you our Company's performance in FY 2020-21. In the last six months, the world has witnessed unprecedented events, adopted to a new normal and has improvised ways to ensure business continuity. Amidst, such volatility, we have once again delivered on our promise despite sluggish economic growth.

I am pleased to present the 15th Annual Report for the financial year 2021-22. It was a year of sustained growth and resilience. Our resilience was derived from the ability to identify opportunities, attaining product registration, investing in enduring relationships and prudent finance management – across geographies and industry cycles.

With our headquarters located amidst the economic hub of India, Mumbai, we have established our offices in Vietnam. Further we are widening our reach overseas, we have made a joint venture with D.R. Congo & Kenya based company. Our 250 + formulation brands are being marketed in 35 + countries. Our synergistic collaboration with WHO-GMP manufacturing facilities is backed by excellent rapport with our clients.

With a clear vision to spread our wings across the globe, we are currently exposed for Formulations, Surgical & APIs and veterinary to Russia, Dubai, Zimbabwe, Nigeria, Kenya, Sri Lanka, Ukraine, Ethiopia, Costa Rica, Iraq, Lebanon, DR Congo, Myanmar, Tajikistan, Bangladesh, Kazakhstan, Cameroon, Jordan, Burkina-Faso, Nicaragua, Yemen, Cambodia, Congo, Tanzania, Vietnam, C.A.R. and Guinea-Bissau Uganda, UAE, Madagascar, Peru, Palestine.

The next few will be challenging, as we are exhibiting at various plans and we expect good result, whereas the company is strong with deep relationships with customers and partners, enviable scale, a diversified business mix, a robust and resilient business model, and strong financials. It is well positioned to weather the storms ahead and take advantage of opportunities that come up during the downturn to acquire new capabilities and gain market share.

In the post pandemic world, pharmaceutical industry will play an ever-larger role in helping enterprises adapt to the new normal and differentiate themselves. Your company is well poised to take the lead in partnering customers to recover and rebound on to their growth and transformation journeys, due to change in dynamic after 2 years we expect to meet all our client in person for growth and development, thus we are exhibiting at multiple fairs.

I take this opportunity to thank each one of you, valued customers, employees and suppliers for the faith placed in the company and look forward to your continued support.

Thanking You,
Yours sincerely,

Atul Vasani
Chairman & Managing Director

DIN: 02107085

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 15th Annual General Meeting of the Members of **Vaishali Pharma Limited** ("the Company") will be held on Friday, September 30, 2022 at 11.00 a.m. through Video Conference (VC) / Other Audio Visual Means (OAVM), to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at 706 to 709, 7th Floor, Aravali Business Center, R. C. Patel Road, off. Sodawala Lane, Borivali (West), Mumbai – 400 092.

Ordinary Business:

1. **To receive consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon;**
2. **To consider appointment of a Director, Mr. Dewansh Vasani (DIN: 08111804), liable to retire by rotation, and being eligible, offers himself for re-appointment.**
3. **To re-appoint M/s. Raman S. Shah & Associates, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.**

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

"RESOLVED THAT pursuant to Section 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Raman S. Shah & Associates, Chartered Accountants, having registration No. 119891W, be and are hereby re-appointed as the Statutory Auditors of the Company for term of five consecutive years, who shall hold office from the conclusion of this 15th Annual General Meeting till the conclusion of the 20th Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

Special Business:

4. **To re-appoint Mr. Atul Vasani as Managing Director and in this regard, to consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:**

"RESOLVED THAT pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule - V of

the Companies Act, 2013 and Articles of Association of the Company and based on the recommendation of Nomination and Remuneration Committee and approval of the Board, consent of the Members of the Company be and is hereby accorded to re-appoint Mr. Atul Vasani (DIN. 02107085) as Managing Director of the Company for a period of three years with effect from May 24, 2023, at such remuneration, upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors, to alter and vary the terms and conditions of the said re-appointment and / or remuneration in such manner as may be agreed between the Board of Directors and Mr. Atul Vasani.

RESOLVED FURTHER THAT the remuneration payable to Mr. Atul Vasani, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 read with Schedule V of the said Act or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board 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 Nomination and Remuneration Committee or Director(s) to give effect to the aforesaid resolution."

5. **To re- appoint Mrs. Jagruti Vasani as a Whole Time Director and in this regard, to consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule - V of the Companies Act, 2013 and Articles of Association of the Company and based on the recommendation of Nomination and Remuneration Committee and approval of the Board, consent of the Members of the Company be and is hereby accorded to re-appoint Mrs. Jagruti Vasani (DIN. 02107094) as Whole Time Director, of the Company for a period of three years with effect from May 24, 2023, at such remuneration, upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors, to alter and vary the terms and conditions of the said re-appointment and / or remuneration in such manner as may be agreed between the Board of Directors and Ms. Jagruti Vasani.

RESOLVED FURTHER THAT the remuneration payable to Mrs. Jagruti Vasani, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 read with Schedule V of the said Act or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board 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 Nomination and Remuneration Committee or Director(s) to give effect to the aforesaid resolution.”

Date: September 01, 2022
Place: Mumbai

By Order of the Board of Directors
For Vaishali Pharma Limited
Sd/-
Vishwa Mekhia
Company Secretary & Compliance Officer

Notes:-

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act) relating to the special businesses to be transacted at the 15th Annual General Meeting (AGM) as set out in the Notice, is annexed hereto.
2. In view of continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA'), Government of India, vide General Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No. 2/2022 dated May 05, 2022 ("MCA Circulars"), permitted conduct of Annual General Meeting ('AGM') through video conferencing (VC) or other audio visual means (OAVM) and dispensed personal presence of the members at the AGM and prescribed the specified procedures to be followed for conducting the AGM through VC/OAVM. Accordingly, in accordance with the MCA Circulars, applicable provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 15th AGM of the Members of the Company will be held through VC/OAVM. National Securities Depositories Limited ('NSDL') will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained at Note No.25 below and is also available on the website of the Company at www.vaishalipharma.com.
3. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/ re-appointment at this AGM is annexed.
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to csdish88@gmail.com with a copy marked to evoting@nsdl.co.in.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 24, 2022 to Friday, September 30, 2022 (both days inclusive).
7. In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 issued by MCA and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
8. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at investor@vaishalipharma.com along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the e-mail address, Members may write to investor@vaishalipharma.com.
9. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Bigshare Services Private Limited for assistance in this regard. Members may also refer Company's

website www.vaishalipharma.com for any queries.

10. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode, basis the request being sent on investor@vaishalipharma.com.
11. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act and other statutory documents shall be available for inspection upon login at NSDL e-voting system at <https://www.evoting.nsdl.com>.
12. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Bigshare Services Private Limited in case the shares are held by them in physical form.
13. In terms of Section 152 of the Act, Mr. Dewansh Ajay Vasani (DIN: 08111804), is liable to retire by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
14. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Bigshare Services Private Limited in case the shares are held by them in physical form.
15. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Bigshare Services Private Limited in case the shares are held by them in physical form.
16. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website.
17. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Bigshare Services Private Limited in case the shares are held in physical form.
18. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Bigshare Services Private Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
19. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
20. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before September 15, 2022 through email on investor@vaishalipharma.com. The same will be replied by the Company suitably.
21. Members may note that the Notice and Annual Report 2021 - 22 will also be available on the Company's website www.vaishalipharma.com, websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at www.nseindia.com, and on the website of NSDL at <https://www.evoting.nsdl.com>.
22. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
23. 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 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 remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

24. 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.

25. Instructions for e-voting and joining the AGM are as follows:

A. VOTING THROUGH ELECTRONIC MEANS

- i. The remote e-voting period commences on Tuesday, September 27, 2022 (9:00 a.m. IST) and ends on Thursday, September 29, 2022 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Saturday, September 24, 2022 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM.
- ii. The Board of Directors has appointed Mrs. Disha Shah, Proprietor of M/s. Disha & Associates, (Membership Number A34831) Practicing Company Secretary as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
- iii. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- iv. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Saturday, September 24, 2022.
- v. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

HOW DO I VOTE ELECTRONICALLY USING NSDL E-VOTING SYSTEM?

The way to vote electronically on 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 VIRTUAL MEETING FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE

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

LOGIN METHOD FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE IS GIVEN BELOW:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your

	<p>existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <ol style="list-style-type: none"> If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote <p>E-Voting period or joining virtual meeting & voting during the meeting.</p> <ol style="list-style-type: none"> Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for 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>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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IMPORTANT NOTE: MEMBERS WHO ARE UNABLE TO RETRIEVE USER ID/ PASSWORD ARE ADVISED TO USE FORGET USER ID AND FORGET PASSWORD OPTION AVAILABLE AT ABOVEMENTIONED WEBSITE.

HELPDESK FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE FOR ANY TECHNICAL ISSUES RELATED TO LOGIN THROUGH DEPOSITORY I.E. NSDL AND CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

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

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.

b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- 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.
- How to retrieve your 'initial password'?
 - 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'.
 - 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:

- 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.
- Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- 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.
- 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 NSDL e-Voting system?

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

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 csdishash88@gmail.com with a copy marked to evoting@nsdl.co.in
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.: 1800-222-990 or send a request to Ms. Pallavi Mhatre, Senior - Manager, NSDL 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 investor@vaishalipharma.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 (Company email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with

Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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 General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views as a speaker/have questions may send their questions in advance by September 15, 2022 mentioning their name demat account number/folio number, email id, mobile number at investor@vaishalipharma.com. The same will be replied by the company suitably.

C. OTHER INSTRUCTIONS

- i. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- ii. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.vaishalipharma.com and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited, where the shares of the Company are listed.

Explanatory Statement pursuant to Section 102 of the Companies Act 2013**Item No. 4**

The Board of Directors of the Company ("the Board"), at its meeting held on September 02, 2022 subject to approval of members, re-appointed Mr. Atul Vasani (DIN: 02107085) as a Managing Director for a period of 3 (Three) years i.e. with effect from May 24, 2023 on terms and conditions including remuneration as recommended by Nomination and Remuneration Committee of the Board.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to Mr. Atul Vasani as a Managing Director of the Company in terms of the applicable provisions of the Companies Act, 2013.

The remuneration payable to and terms of re-appointment of Mr. Atul Vasani as Managing Director of the Company during the tenure of his re-appointment is as follows:

(I) Remuneration :**a) Salary :**

Rs.66,00,000/- per annum

b) Commission:

As may be decided by the Board of Directors of the Company.

c) Perquisites:**1. Medical Reimbursement:**

Reimbursement for actual medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical expenses for self and family subject to a ceiling of one month's salary per year or three month's salary in a period of three years.

2. Leave Travel Concession:

Reimbursement of all the expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred for self and family during the leave travel holiday periods, whenever undertaken, whether in India or abroad in accordance with the rules of the Company

3. Leave:

Privilege Leave as per rules of the Company.

4. Contribution to Provident Fund, Superannuation or Annuity Fund, Gratuity payable and Encashment of Leave
The Company's contribution to provident fund, superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company.**5. Other perquisites:**

Subject to the overall ceiling on remuneration mentioned herein below, he shall be entitled to any other allowances, benefits and perquisites as the Board of Directors may on the recommendation of the nomination and remuneration committee thereof may from time to time decide.

Explanation:

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rules, perquisites shall be evaluated at actual cost.

d) Amenities:**Car & Telephone:**

The Company shall provide car for use on Company's business and telephone at the Director's residence. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company

e) Others

1. Overall Remuneration:

The aggregate of salary, commission and perquisites in any financial year shall not exceed the overall ceilings laid down in sections 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the said act as may for the time being in force.

2. Minimum Remuneration:

The aforesaid remuneration shall be governed by limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 as may for the time being in force.

The said remuneration and the perquisites are in consonance with the provisions of Schedule V and other applicable provisions of the Companies Act, 2013.

Mr. Atul Vasani fulfils the conditions for eligibility contained in Part I of Schedule V of the Companies Act, 2013 (the "Act") and is not disqualified from being appointed as a Managing Director in terms of Section 164 of the Act.

The terms and conditions for re-appointment including payment of remuneration may be altered and varied from time to time by the Board / Nomination and Remuneration Committee as it may, at its discretion, deem fit within the overall ceiling fixed herein.

The relatives of Mr. Atul Vasani may be deemed to be interested in the resolution as set out in item No. 4 of the notice, to the extent of their shareholding interest, if any, in the Company.

None of the other Directors, Key Managerial Personnel are concerned or interested, financially or otherwise in the resolution as set out in item No. 4 of the notice except Mr. Atul Vasani, Mrs. Jagruti Vasani and Mr. Dewansh Vasani.

The Board accordingly recommends the Special Resolution as set out in the notice for the approval of the Members.

The details of Directors as required under Secretarial Standard on General Meetings ("SS-2") and as per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as mentioned below:

Name of Director	Mr. Atul Vasani
Brief Resume	Atul Vasani, aged 58 years is the Promoter, Chairman and Managing Director of the Company. He has been associated with the Company since incorporation and has been designated as Chairman and Managing Director w.e.f May 25, 2017. He has passed his higher secondary certificate examination from Maharashtra state Board of secondary and Higher Secondary education. He has been in the Pharmaceutical Industry since 1987 and has experience of around three decades in Pharmaceutical Industry. He has been instrumental in formulating the business strategies of the Company and is entrusted with the responsibility of looking after the overall management and maintaining customer relations.
Date of Birth	17.09.1964
Age	58 years
Nationality	Indian
Date of first appointment on the Board	25.04.2008
Qualifications	Under Graduate
Experience	36 years
Terms and conditions of re-appointment	Terms of re-appointment is as per the provisions of the Companies Act, 2013
Maximum remuneration can be paid	Rs.84,00,000/- p.a.
Remuneration sought to be paid	Rs. 66,00,000/- p.a.
Remuneration last drawn	Rs. 54,00,000/- p.a.

Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Mrs. Jagruti Vasani is the wife of Mr. Atul Vasani. Mr. Dewansh Vasani is the brother's son of Mr. Atul Vasani. Except Remuneration no other pecuniary relationship.
Number of Meetings of the Board attended during the year	7
Expertise in specific functional area	Expertise in Pharmaceutical Industry
Number of shares held in the Company (as on March 31, 2022)	22,62,023 Equity Shares
Membership/Chairmanship of Committees of the other Boards	Nil
Directorships of other Boards as on March 31, 2022	Nil
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Except Remuneration no other pecuniary relationship

Information about the General Information as per Schedule V

I General Information				
Nature of Industry	Pharmaceutical Industry			
Date or expected date of commencement of commercial production	From the time of incorporation (25.04.2008) of the Company, it is into trading of pharmaceutical products, hence, no commercial production is undertaken			
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
Financial performance based on given Indicators	F.Y.	2020-2021	2019-2020	2018-2019
	Net Worth	22,31,34,868	21,26,72,300	21,27,25,219
	Profit After Tax	1,04,62,568	3,27,843	71,35,619
Foreign investments or collaborations, if any	Not Applicable			
II Information about the director				
Background details	Mr. Atul Vasani, aged 58 years is the Promoter, Chairman and Managing Director of the Company. He has been associated with the Company since incorporation and has been designated as Chairman and Managing Director w.e.f 25th May, 2017. He has passed his Higher secondary certificate examination from Maharashtra state Board of secondary and Higher Secondary education. He has been in the pharmaceutical Industry since 1987 and has experience of around three decades in pharmaceutical Industry. He has been instrumental in formulating the business strategies of the Company and is entrusted with the responsibility of looking after the overall management and maintaining customer relations.			
Past remuneration	Rs.54,00,000/- PA			
Recognition or awards	Company has been awarded with Prestigious Rising Brands Asia 2018 Award during his chairmanship			
Job profile and his suitability	Mr. Atul Vasani has been in the pharmaceutical Industry since 1987 and has experience of around three decades in pharmaceutical Industry. He has been instrumental in formulating the business strategies of the Company and is entrusted with the responsibility of looking after the overall management and maintaining customer relations. Under his guidance the company has gained existence and recognition			

	in over 23 countries round the globe with the wide range of 150+ Brands.
Remuneration proposed	Not exceeding Rs.84,00,000/- p.a.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Remuneration for Managing Director who has been in the pharmaceutical Industry since 1987 and having experience of over 3 decades in India is dependent on business approach, scale of business, individual's experience and variety of other factors. On account of this, there is significant difference between the lower range and upper range.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Except Remuneration no other pecuniary relationship
III Other information:	
Reasons of loss or inadequate profits	1. Slow down in global economy 2. Escalation of trade war between USA and China 3. Delay in materialisation of trade tie ups with other country counter parts.
Steps taken or proposed to be taken for improvement	The Company is intending to appoint experienced professionals to turn around the business operations especially for export market.
Expected increase in productivity and profits in measurable terms	Company has received registration for four products (i.e. Cellargy, Coldaway, Combicough and Coughquit) across different dosages in the Cambodia market. These products have a good demand in the local market of Cambodia. This remarkable achievement in the Cambodia market symbolizes a landmark and enables the Company to reach out more and Strengthen its presence in the high growth market of Cambodia, Asia.

Item No. 5

The Board of Directors of the Company ("the Board"), at its meeting held on September 02, 2022 subject to approval of members, re-appointed Mrs. Jagruti Vasani (DIN: 02107094) as a Whole-time Director for a period of 3 (Three) years with effect from May 24, 2023 on terms and conditions including remuneration as recommended by Nomination and Remuneration Committee of the Board.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to Mrs. Jagruti Vasani as a Whole-time Director of the Company in terms of the applicable provisions of the Companies Act, 2013.

The remuneration payable to and terms of re-appointment of Mrs. Jagruti Vasani as Whole-time Director of the Company during the tenure of her re-appointment is as follows:

(I) Remuneration :

a) Salary :

Rs.16,80,000/- per annum

b) Commission:

As may be decided by the Board of Directors of the Company.

c) Perquisites:

1. Medical Reimbursement:

Reimbursement for actual medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical expenses for self and family subject to a ceiling of one month's salary per year or three month's salary in a period of three years.

2. Leave Travel Concession:

Reimbursement of all the expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred for self and family during the leave travel holiday periods, whenever undertaken, whether in India or abroad in accordance with the rules of the Company

3. Leave:

Privilege Leave as per rules of the Company.

4. Contribution to Provident Fund, Superannuation or Annuity Fund, Gratuity payable and Encashment of Leave The Company's contribution to provident fund, superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company.

5. Other perquisites:

Subject to the overall ceiling on remuneration mentioned herein below, he shall be entitled to any other allowances, benefits and perquisites as the Board of Directors may on the recommendation of the nomination and remuneration committee thereof may from time to time decide.

Explanation:

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rules, perquisites shall be evaluated at actual cost.

d) Amenities:

Car & Telephone:

The Company shall provide car for use on Company's business and telephone at the Director's residence. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company

e) Others

1. Overall Remuneration:

The aggregate of salary, commission and perquisites in any financial year shall not exceed the overall ceilings laid down in sections 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the said act as may for the time being in force.

2. Minimum Remuneration:

In the event of absence of profits or inadequacy of profits in any financial year, the aforesaid remuneration shall be governed by limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 as may for the time being in force.

The said remuneration and the perquisites are in consonance with the provisions of Schedule V and other applicable provisions of the Companies Act, 2013.

Mrs. Jagruti Vasani fulfils the conditions for eligibility contained in Part I of Schedule V of the Companies Act, 2013 (the "Act") and is not disqualified from being appointed as a Whole-time Director in terms of Section 164 of the Act.

The terms and conditions for re-appointment including payment of remuneration may be altered and varied from time to time by the Board / Nomination and Remuneration Committee as it may, at its discretion, deem fit within the overall ceiling fixed herein.

The relatives of Mrs. Jagruti Vasani may be deemed to be interested in the resolution as set out in item No. 5 of the notice, to the extent of their shareholding interest, if any, in the Company.

None of the other Directors, Key Managerial Personnel are concerned or interested, financially or otherwise in the resolution as set out in item No. 5 of the notice except Mrs. Jagruti Vasani, Mr. Atul Vasani and Mr. Dewansh Vasani.

The Board accordingly recommends the Special Resolution as set out in the notice for the approval of the Members.

The details of Directors as required under Secretarial Standard on General Meetings (“SS-2”) and as per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as mentioned below:

Name of Director	Mrs. Jagruti Vasani
Brief Resume	Jagruti Vasani, aged 56 years is the Promoter and Whole-time Director of the Company. She has been associated with the Company since incorporation and has been designated as Whole time Director w.e.f May 25, 2017. She has Graduated in Commerce from Saurashtra University. She looks after Human Resource Department of the Company. She has more than Ten years of experience in Pharmaceutical Industry.
Date of Birth	12.05.1966
Age	56 years
Nationality	Indian
Date of first appointment on the Board	25.04.2008
Qualifications	Graduate
Experience	She has more than Ten years of experience in Pharmaceutical Industry
Terms and conditions of re-appointment	Terms of re-appointment is as per the provisions of the Companies Act, 2013
Maximum remuneration proposed	Rs.84,00,000/- p.a.
Remuneration sought to be paid	Rs.16,80,000/- p.a.
Remuneration last drawn	Rs. 12,00,000/- p.a.
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Wife of Mr. Atul Vasani, Chairman and Managing Director. Mr. Dewansh Vasani is the brother's son of Mr. Atul Vasani. Except Remuneration no other pecuniary relationship.
Number of Meetings of the Board attended during the year	7
Expertise in specific functional area	Expertise in pharmaceutical Industry
Number of shares held in the Company (as on March 31, 2022)	479992 Equity Shares
Membership/Chairmanship of Committees of the other Boards	Nil
Directorships of other Boards as on March 31, 2022	Nil
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Except Remuneration no other pecuniary relationship

Information about the General Information as per Schedule V

I General Information				
Nature of Industry	Pharmaceutical Industry			
Date or expected date of commencement of commercial production	From the time of incorporation (25.04.2008) of the Company, it is into trading of pharmaceutical products, hence, no commercial production is undertaken			
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
Financial performance based on given Indicators	F.Y.	2020-2021	2019-2020	2018-2019
	Net Worth	22,31,34,868	21,26,72,300	21,27,25,219
	Profit After Tax	1,04,62,568	3,27,843	71,35,619

Foreign investments or collaborations, if any	Not Applicable
II Information about the director	
Background details	Mrs. Jagruti Vasani, Aged 56 years is the Promoter and Whole time Director of the Company. She has been associated with the Company since incorporation and has been designated as Whole time Director w.e.f May 25, 2017. She has Graduated in Commerce from Saurashtra University. She looks after Human Resource Department of the Company. She has more than Ten years of experience in Pharmaceutical Industry.
Past remuneration	Rs. 12,00,000/- p.a.
Recognition or awards	She looks after Human Resource Department of the Company
Job profile and his suitability	Remuneration for Human Resource Department in pharmaceutical industry having more than seven years of experience in India is dependent on business approach, scale of business, individual's experience and variety of other factors. On account of this, there is significant difference between the lower range and upper range.
Remuneration proposed	Not exceeding Rs. 84,00,000/- p.a.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Remuneration for Human Resource Department in Pharmaceutical industry having more than Ten years of experience in india is dependent on business approach, scale of business, individual's experience and variety of other factors. On account of this, there is significant difference between the lower range and upper range.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Except Remuneration no other pecuniary relationship
III Other information:	
Reasons of loss or inadequate profits	1. Slow down in global economy 2. Escalation of trade war between USA and China 3. Delay in materialisation of trade tie ups with other country counter parts.
Steps taken or proposed to be taken for improvement	The Company is intending to appoint experienced professionals to turn around the business operations especially for export market.
Expected increase in productivity and profits in measurable terms	Company has received registration for four products (i.e. Cellargy, Coldaway, Combicough and Coughquit) across different dosages in the Cambodia market. These products have a good demand in the local market of Cambodia. This remarkable achievement in the Cambodia market symbolizes a landmark and enables the Company to reach out more and strengthen its presence in the high growth market of Cambodia, Asia.

Date: September 01, 2022
Place: Mumbai

By Order of the Board of Directors
For Vaishali Pharma Limited
Sd/-
Vishwa Mekhia
Company Secretary & Compliance Officer

THE BOARD'S REPORT

To,
The Members

Vaishali Pharma Limited,

The Board of Directors of your Company take great pleasure in presenting the 15th Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended March 31, 2022.

FINANCIAL RESULTS:

The financial performance of the Company for the year ended March 31, 2022 is summarized below:

Particulars	Current year Amount (in INR)	Previous Year* Amount (in INR)
	31.03.2022	31.03.2021
Income from Business Operations	75,82,08,213	53,77,38,876
Other Income	1,78,81,115	1,80,91,039
Total Income	77,60,89,328	55,58,29,915
Less: Expenses	71,88,05,614	54,17,84,676
Profit/(Loss) Before Tax	5,72,83,715	1,40,45,239
Less: Current Tax	1,45,47,935	37,88,305
Less: Adjustment of prior periods tax	26,81,010	-
Less: Deferred Tax (credit)/charge	(1,81,694)	(2,05,634)
Net Profit/(Loss) After Tax	4,02,36,464	1,04,62,568
Other Comprehensive Income/(Loss)	1,64,689	(90,791)
Total Comprehensive Income for the year	4,04,01,153	1,03,71,777

* Figures have been regrouped and reclassified, wherever required

STATE OF COMPANY'S FINANCIAL AFFAIRS:

During the year under review, total revenue earned by the Company was Rs. 77,60,89,328/- as compared to Rs. 55,58,29,915/- in previous year. The expenditure incurred during the year was Rs. 71,88,05,614/- as against the amount of Rs. 54,17,84,676/- during the previous year. The Company recorded a Net Profit after tax of Rs. 4,02,36,464/- as compared to the previous year of Rs. 1,04,62,568/-. Your Directors are optimistic of future growth.

NATURE OF BUSINESS:

The Company is into pharmaceutical business, mainly dealing in Active Pharmaceutical Ingredient, pharmaceutical formulations, surgical products, veterinary supplements operating in domestic and export markets.

The success of the Company depends significantly on ability to commercialize new pharmaceutical products in India and across various markets around the world.

DIVIDEND

Your Company is committed towards enhancing shareholder value for its investors. The Company has considered it prudent not to recommend the dividend for FY 2021 - 2022 in order to maintain its liquidity position.

TRANSFER TO RESERVES

The Company has not transferred any amount to the reserves during the year ended March 31, 2022.

DEPOSITS UNDER CHAPTER V OF COMPANIES ACT, 2013

Your Company has neither accepted nor renewed any deposits from public during the year and does not have any outstanding Deposits in terms of Section 76 of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 (hereinafter referred as 'the Act') forms part of notes to the Financial Statements.

CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business during the year under review.

SHARE CAPITAL STRUCTURE

The Company vide Members approval dated 5th August 2022 increased its Authorised share capital from existing Rs.11,00,00,000/- (Rupees Eleven Crores only) divided into (One Crore Ten Lakhs) equity shares of face value of Rs. 10/- each to Rs. 22,00,00,000/- (Rupees Twenty Two Crores only) divided into 2,20,00,000 (Two Crores Twenty Lakh) equity shares of face value of Rs. 10/- each. Apart from this, there is no change in Share Capital of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There is no material change and commitment affecting the financial position of the Company that have occurred after closure of the financial year of the Company to which the financial statements relate and the date of the report.

SIGNIFICANT ORDERS PASSED BY REGULATORS/COURTS/TRIBUNALS

There were no significant orders passed by regulators/courts/tribunals impacting the going concern status and Company's operations.

RELATED PARTY TRANSACTIONS

During the period under review, the transactions entered into with related parties during the financial year were on arm's length pricing basis and in the ordinary course of business and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. The particulars of contracts or arrangements with related parties referred to in Section 188(1) and applicable rules of the Companies Act, is disclosed in Form AOC-2 as shown in **ANNEXURE - A**.

All Related Party Transactions are periodically placed before the Audit Committee and also before the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature. The policy on Related Party Transactions as approved by the Board is available on website of the Company viz: <https://www.vaishalipharma.com/investors/company-policy>.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint Venture or Associate Company.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134 of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a) In the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2022 and of the profit and loss of the Company for that period ended on that date;

- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis; and
- e) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

The Board of the Company comprises an optimum combination of executive and non-executive Directors.

As on March 31, 2022, the composition of the Board of Directors is as under:

Name of Director	Category and Designation
Mr. Atul Arvind Vasani	Chairman & Managing Director
Mrs. Jagruti Atul Vasani	Whole Time Director
Mr. Dewansh Ajay Vasani	Executive Director
Mr. Pratik Vikram Jakhelia	Non-executive & Independent Director
Mr. Manish Bhagwandas Ved	Non-executive & Independent Director
Mr. Ashvin Jamnadas Ganatra	Non-executive & Independent Director

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

During the year under review, Mr. Pratik Vikram Jakhelia (DIN - 07726752) was appointed as Independent Directors for a span of 5 consecutive years. Further, designation of Mr. Dewansh Ajay Vasani was changed from Executive Director to Non-Executive Director. These changes were considered and approved by the Members at the Extra ordinary General Meeting of the Company held on 5th August 2022. The Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, if any and reimbursement of expenses incurred by them for the purpose of attending the Board / Committee meetings of the Company.

Key Managerial Personnel

As on March 31, 2022, the composition of the Key Managerial Personnel is as under:

Name of Key Managerial Personnel	Designation
Mr. Hemanth Damodar Pathak	Chief Executive Officer
Mr. Ratnesh Raghunath Singh	Chief Financial Officer
Ms. Vishwa Mekhia	Company Secretary and Compliance Officer (Appointed on December 20, 2021)

During the year under review, Mr. Akshay Jharkhandi, resigned from the position of Company Secretary and Compliance Officer w.e.f. October 18, 2021.

INDEPENDENT DIRECTOR DECLARATION

All Independent Directors of the Company have submitted the requisite declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16 and 25(8) of SEBI Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

In the opinion of the Board, all the independent directors are persons of integrity, possesses relevant expertise and experience.

RETIREMENT BY ROTATION

In accordance with the provisions of Section 152(6) and other applicable provisions of the Act, Mr. Dewansh Ajay Vasani (DIN: 08111804) will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment and will continue as Executive Director of the Company. The Board recommends her re-appointment.

MEETINGS OF THE BOARD:

Total Seven (7) Board Meetings were held during the financial year 2021 - 2022. For details of the meeting of the Board please refer to the Corporate Governance Report which is a part of this report.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board, Committees and Individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI Listing Regulations").

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

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of Committees, effectiveness of Committee Meetings, etc.

Board of Directors Evaluation was based on criteria such as participation and contribution in Board and Committee meetings, representation of enhancing shareholders value, shareholders interest and experience, and expertise to provide feedback and guidance to top management on business strategy, governance, risk and understanding of the organizations strategy, etc.

Committees Evaluation was based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees and effectiveness of its advice or recommendation to the Board, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed at the Board Meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and Individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

FAMILIARIZATION PROGRAMME:

The Familiarization Programme for Independent Directors aims to provide them an opportunity to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with Senior Management Personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its business model and various operations and the industry of which it is a part.

The policy undertaken by the Company in this respect has been disclosed on the website of the Company at <https://www.vaishalipharma.com/investors/company-policy>.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's current policy is to have an appropriate mix of Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. For the purpose of selection of any Director, the Nomination and Remuneration Committee identifies persons of integrity who possess relevant expertise, experience and leadership qualities required for the position. The Committee also ensures that the incumbent fulfils such criteria with regard to qualifications, positive attributes, independence, age and other criteria as laid down under the Act, Listing Regulations or other applicable laws. The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy on the remuneration of Directors, Key Managerial Personnel and other Employees as required under sub-section (3) of Section 178 of the Companies Act, 2013. The policy of the Company on director's appointment and remuneration is uploaded on to the Company's website and available at <https://www.vaishalipharma.com/investors/company-policy/>.

As on March 31, 2022, the Board of Directors comprised of a Managing Director, a Whole time Director, an Executive Directors, and Three Independent Directors. The Board periodically evaluates the need for change in its composition and size.

INTERNAL FINANCIAL CONTROLS:

The Company has well placed, proper and adequate internal financial control system that commensurate with the size, scale and complexity of its operations. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the business and functions are systematically addressed through mitigation action on continuing basis. These are routinely tested by Internal Auditors. The Audit observations on internal financial controls are periodically reported to the Audit Committee.

COMMITTEES OF THE BOARD:

In compliance of SEBI Listing Regulation and provisions of Companies Act, 2013, the Board of Directors constituted three Committees i.e. the Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee.

AUDIT COMMITTEE

Total Six (6) Audit Committee Meetings were and held during the financial year 2021 - 2022. For details of the meeting and the composition of the Committee, kindly refer the Corporate Governance Report, which is a part of this report.

STATUTORY AUDITORS

M/s. Raman S. Shah & Associates, Chartered Accountants, (Firm Registration No. : 119891W) have been appointed as the statutory auditors to hold the office till the conclusion of the 15th AGM of the Company. The Board and Audit Committee has recommended re-appointment of M/s. Raman S. Shah & Associates, Chartered Accountants, (Firm Registration No. : 119891W) as the statutory auditors of the Company, for a second term of five consecutive years, from the conclusion of this AGM i.e. 15th AGM scheduled to be held in the year 2022 till the conclusion of the 20th AGM to be held in the year 2027, to the shareholders of the company at the ensuing AGM. M/s. Raman S. Shah & Associates, have confirmed that they satisfy the independence criteria required under the Companies Act, 2013 and other applicable guidelines and regulations.

DETAILS OF FRAUD REPORTED BY AUDITORS

There were no frauds reported by the Statutory Auditors under provisions of Section 143(12) of the Companies Act, 2013 and rules made thereunder.

INTERNAL AUDITORS

M/s. R.U. Kamath & Co., Chartered Accountants were appointed as Internal Auditor of the Company. The internal auditors of the Company directly report to the Audit Committee.

SECRETARIAL AUDITORS

In compliance with the provisions of Section 204 of the Companies Act, 2013, your Board of Directors have appointed M/s. Disha & Associates, Practicing Company Secretaries, as Secretarial Auditors of the Company for conducting Secretarial Audit for financial year 2021 - 2022. The Report of Secretarial Auditor is enclosed in **ANNEXURE – B**.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of corporate governance. We believe in adherence to good corporate practices, implement policies and guidelines and develop a culture of the best management practices and compliance with the law coupled with the highest standards of integrity, transparency, accountability and ethics in all business matters to enhance and retain investor trust, long-term shareholder value and respect minority rights in all our business decisions.

The Corporate Governance Report of the Company confirming compliance with the conditions of corporate governance as stipulated under SEBI Listing Regulations forms part of the Annual Report.

The Certificate on Corporate Governance Compliance issued by Secretarial Auditor is enclosed in **ANNEXURE – C**.

NOMINATION AND REMUNERATION COMMITTEE

Total Seven (7) Nomination and Remuneration Committee Meetings were and held during the financial year 2021 - 2022. For details of the meeting and the composition of the Committee, kindly refer the Corporate Governance Report, which is a part of this report.

NOMINATION AND REMUNERATION POLICY

In accordance with the provisions of the Section 178 of the Companies Act, 2013 read along with the applicable Rules, the Company has formulated “Nomination and Remuneration Policy” containing criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178 of Companies Act, 2013 for selection of any Director, Key Managerial Personnel and Senior Management Employees.

The said policy is attached as **ANNEXURE - D** to this report and is available on the Company’s website and the web link thereto is <https://www.vaishalipharma.com/investors/company-policy>.

STAKEHOLDER RELATION COMMITTEE

Total Six (6) Stakeholder Relationship Committee Meetings were and held during the financial year 2021 - 2022. For details of the meeting and the composition of the Committee kindly refer the Corporate Governance Report, which is a part of this report.

SECRETARIAL STANDARDS

The Directors declared that applicable Secretarial Standards relating to ‘Meetings of the Board of Directors’ and ‘General Meetings’ respectively, has been duly followed.

VIGIL MECHANISM:

Pursuant to the provisions of Section 177 (9) & (10) of the Act read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014, Vigil Mechanism for Directors and employees to report genuine concern and grievances has been

established. The said mechanism is governed by the Audit Committee. The details of the policy have been disclosed in the Corporate Governance Report, which is a part of this report and is also available on the website of the company at <https://www.vaishalipharma.com/investors/company-policy>.

CORPORATE SOCIAL RESPONSIBILITY

As the provisions of section 135 of Companies Act, 2013 dealing with Corporate Social Responsibility are not applicable to the Company during the financial year, the Company has not laid down any policy on Corporate Social Responsibility.

MAINTENANCE OF COST RECORDS

The maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of the Section 148 of the Act in respect of the activities carried on by the Company.

PARTICULARS OF EMPLOYEES

No employee was employed by the Company receiving remuneration prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Rules) and the rules framed thereunder.

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Act and Rule 5 (1) of the Rules have been appended as **ANNEXURE - E** to this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the financial year 2021 - 2022, as stipulated under Regulation 34(2)(e) of the SEBI(Listing obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the SEBI LODR"), is presented in a separate section forming part of the Annual Report as **ANNEXURE - F**.

DEMATERIALISATION OF EQUITY SHARES

All the Equity Shares of the Company are in dematerialized form with Depositories viz. NSDL and CDSL.

The ISIN No. allotted is INE972X01014.

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

The Company is committed and dedicated in providing a healthy and harassment free work environment to every individual of the Company, a work environment that does not tolerate sexual harassment. We highly respect dignity of everyone involved at our work place, whether they are employees, suppliers or our customers. We require all employees to strictly maintain mutual respect and positive attitude towards each other.

The Company has adopted a policy for prevention of Sexual Harassment of Women at Workplace. No complaints or grievances were noticed under the aforesaid policy during the period under review.

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

As on the date of this report, the constitution of the Internal Complaints Committee is as under:

Sr. No.	Name of the Member	Post of the Committee members	Designation
1	Presiding Officer	Mrs. Jagruti Vasani	Whole – Time Director
2	Member	Mr. Atul Vasani	Chairman & Managing Director
3	Member	Ms. Priyanka Vasani	Chief Operating Officer
4	Member	Mrs. Medha Desai	Management representative

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

a) Conservation of Energy & Technology Absorption

Considering the nature of activities undertaken by the company, above clauses of Section 134 of the Companies Act, 2013 pertaining to the Conservation of Energy, Technology absorption are not applicable to the Company.

b) Foreign exchange earnings and outgo-

During the year there were foreign exchange inflow of Rs. 13,84,44,934/- (PY - Rs. 8,98,28,992/-) on account of export of goods on FOB basis and foreign outflow as follows:-

Expenditure in Foreign Currency	Current Year	Previous Year
Import of Goods (on CIF basis)	3,93,44,385/-	0/-
Foreign Travelling	5,96,000/-	62,928/-
Registration Charges	7,05,215/-	17,000/-
Inspection Charges	19,600/-	0/-
Gross Total	4,06,65,200/-	79,928/-

INSURANCE & RISK MANAGEMENT:

Business risks exist for any enterprise having national and international exposure. Your Company also faces some such risks, the key ones being - a longer than anticipated delay in economic revival, unfavorable exchange rate fluctuations, emergence of inflationary conditions, rise in counterfeits and look-alikes and any unexpected changes in regulatory framework.

The Company is well aware of these risks and challenges and has put in place mechanisms to ensure that they are managed and mitigated with adequate timely actions.

ACKNOWLEDGEMENTS:

The Directors thank the Company's employees, investors and academic partners for their continuous support.

The Directors also thank the Government of India, Governments of various states in India, Governments of various countries and concerned Government departments and agencies for their co-operation.

Your Directors are thankful to the Vendors, Customers, Bankers, and Government together with their departments and the local authorities, Employees, Stakeholders for their valuable support and co-operation.

Date: September 01, 2022
Place: Mumbai

For and on behalf of the Board of Directors
Vaishali Pharma Limited
Sd/-
Atul Vasani
Chairman & Managing Director
DIN:- 02107085

Registered Office:-706 to 709, 7th Floor, Aravali Busines
Center, R. C. Patel Road, Off
Sodawala Lane, Borivali West
Mumbai - 400092

ANNEXURE-A

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 sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

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

Particulars	Details
Name (s) of the related party & nature of relationship	NIL
Nature of contracts/arrangements/transaction	
Duration of the contracts/arrangements/transaction	
Salient terms of the contracts or arrangements or transaction including the value, if any	
Justification for entering into such contracts or arrangements or transactions'	
Date of approval by the Board	
Amount paid as advances, if any	
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.

Particulars	Details
Name (s) of the related party & nature of relationship	NIL
Nature of contracts/arrangements/transaction	
Duration of the contracts/arrangements/transaction	
Salient terms of the contracts or arrangements or transaction including the value, if any	
Date of approval by the Board	
Amount paid as advances, if any	

Date: September 01, 2022
Place: Mumbai

For Vaishali Pharma Limited

SD/-
Atul Vasani
Chairman &
Managing Director
DIN:- 02107085

SD/-
Jagruti Vasani
Whole Time
Director
DIN:-02107094

ANNEXURE - B

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

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

To the Members
Vaishali Pharma Limited
CIN: L52310MH2008PLC181632

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit of the Company, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; *Not applicable to the Company during the Audit Period.*
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; *Not applicable to the Company during the Audit Period*
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 ;

- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *Not applicable to the Company during the Audit Period.*
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *Not applicable to the Company during the Audit Period.*
- j. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi. Other laws applicable specifically to the Company namely:

I further report that, based on the Compliance Report of various Laws submitted by the Company, the Company has proper system to comply with the applicable laws. I have in-principally verified existing systems and mechanism which is followed by the Company to ensure compliance of other applicable laws and have relied on the representation made by the Company and its Officers in respect of aforesaid systems and mechanism for compliances of other applicable acts, laws and regulations and found the satisfactory operation of the same.

I have also examined compliance with the applicable clauses of Secretarial Standards with regards to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and I am of opinion that the Company has prima facie complied with the applicable provisions.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following disclaimer/observations:

It is observed that Member(s) of the Promoter group / Connected Person(s) have sold shares during the closure of the Trading Window and in certain instances delayed reporting the sale of shares beyond Rs.10.00 Lakh in a calendar quarter thereby violating Code of Conduct under SEBI (Prohibition of Insider Trading) Regulations, 2015. However, The Management has issued a Warning Letters to the designated person and has also been provided with a copy of Code of Conduct. They have been further advised that in case of any subsequent violation stricter action(s) would be taken by the Company. Further, the said violation and action taken by the Company has been intimated by the Company to the Stock Exchange and till the date of signing of this report, I have been informed, no action has been taken by the Stock Exchange in the said matter.

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

Adequate notice is given to all the Directors to schedule the Board Meetings, except for a meeting which was convened at a shorter notice to transact urgent business, which were compliant with the provisions of the Act as prescribed. Agenda and detailed notes on agenda were sent 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 of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

I, further, report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines subject to observations and qualifications, if any, made by Statutory Auditors in their report.

I, further, report that I have not examined books of accounts and I rely on statutory auditor's reports in relation to Financial Statement and accuracy of financial figures for Sales Tax, Value Added tax, Goods and Service Tax Act, Tax Deducted at Source, Provident fund, Professional Tax, Related Party Transactions, etc. as disclosed under financial statements and Accounting Standards during my audit period and I have not verified the correctness and appropriateness of the books of accounts of the Company.

I, further, report that the management is responsible for compliances of all business laws along with maintenance of statutory registers / records required by the concerned authorities and internal control of the concerned department.

I, further, report that Company did consider raising of funds through Rights issue and Preferential Issue modes but eventually market conditions being unfavourable, it was put on hold. Apart from this, there were no major activities during the period under review.

I, further, report that:

- i. Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
- ii. I 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 the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- iii. Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- iv. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
- v. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **M/s. Disha & Associates,**

Sd/-

Disha Shah

Practicing Company Secretary

Proprietor

Membership No: A34831/ COP No: 22710

UDIN: A034831D000899596

Peer Review Certificate No.: 1968/2022

Date: September 02, 2022

Place: Mumbai

ANNEXURE – C**REPORT ON CORPORATE GOVERNANCE**

In compliance with Regulation 34(3) and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), a Report on Corporate Governance for the Financial Year 2021 - 2022 is presented below:

I. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company’s philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company has a strong legacy of fair, transparent and ethical governance practices.

The Company believes that sound corporate governance is critical to enhance and retain investor trust. Hence our business policies are based on ethical conduct, health, safety and a commitment to building long term sustainable relationships with relevant stakeholders. The Company continues to strengthen its governance principles to generate long term value for all its stakeholders on a sustainable basis thus ensuring ethical and responsible leadership both at the Board and at the Management levels.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as applicable, with regard to corporate governance.

A report on compliance with corporate governance principles as prescribed under Regulation 17 to 27 read with Schedule V of SEBI Listing Regulations, as applicable, is given below.

II. BOARD OF DIRECTORS

- i. In order to have a robust governance, we have a multi-tiered governance structure with defined roles and responsibilities of every constituent of the system. The Board of Directors (‘the Board’) is the apex body constituted by the shareholders to oversee the company’s overall functioning. The Board is responsible for providing strategic supervision, overseeing the management performance and governance of the Company on behalf of the shareholders and other stakeholders. The Board exercises independent judgement and plays a vital role in the oversight of the Company’s affairs.
- ii. The Company’s day to day affairs are managed by a competent management team under the overall supervision of the Board. The Board is committed to representing the long-term interests of the stakeholders and in providing effective governance over the Company’s affairs and exercising reasonable business judgement on the affairs of the Company.
- iii. Composition of the Board: Our Board represents an appropriate mix of Executive Directors (‘EDs’), Non-Executive Directors (‘NEDs’) and Independent Directors (‘ID’), which is compliant with the composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.
- iv. As on March 31, 2022, the Board of Directors comprised of six members consisting of one Managing Director, one Whole-time Director, one Executive Director, and three Independent Directors (ID). The Board periodically evaluates the need for change in its composition and size. Detailed profile of our Directors is available on our website at www.vaishalipharma.com.

- v. None of the Directors serve as a Director in more than seven listed companies. Further, none of the Directors serves as an ID in more than seven listed companies or three listed companies in case he/she serves as an ED in any listed company. None of the Directors on the Board are a member of more than 10 committees and a chairperson of more than 5 committees, across all public limited companies in which he/she is a Director. Further, none of our IDs serve as Non-Independent Director of any company on the board of which any of our Non-Independent Director is an ID.
- vi. Mr. Atul Arvind Vasani (DIN: - 02107085) is the Chairperson and Managing Director of the Company. Mrs. Jagruti Atul Vasani (DIN: - 02107094) is the Whole-Time Director, Mr. Dewansh Ajay Vasani (DIN: - 08111804) is an Executive Director of the Company.
- vii. Seven Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:
- | | | |
|--------------------|-------------------|-------------------|
| May 14, 2021 | July 10, 2021 | July 24, 2021 |
| September 02, 2021 | November 10, 2021 | December 20, 2021 |
| January 21, 2022 | | |
- viii. The names and categories of the Directors on the Board, their attendance at board meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2022 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he / she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1) (b) of SEBI Listing Regulations.

Name of Director	Category and Designation	Number of Board Meetings attended during the FY 2021 - 2022	Whether attended last AGM held on September 30, 2021	Number of Directorships in other Public Companies		Number of Committee positions held in other Public Companies		Directorship in other listed entity (Category of Directorship)
				Chairman	Member	Chairman	Member	
Mr. Atul Vasani (DIN:- 02107085)	Chairman & Managing Director	7	Yes	-	-	-	-	-
Mrs. Jagruti Vasani (DIN:- 02107094)	Whole-Time Director	7	Yes	-	-	-	-	-
Mr. Prataprai Gandhi (DIN:- 07832673)	Independent Director	2	Yes	-	-	-	-	-
Mr. Dewansh Vasani (DIN:- 08111804)	Executive Director (w.e.f. 06.08.2021)	7	Yes	-	-	-	-	-

	Non-Executive Director (till 05.08.2021)							
Mr. Ashvin Ganatra (DIN:- 08653815)	Independent Director	7	Yes	-	-	-	-	-
Mr. Manish Ved (DIN:- 08654674)	Independent Director	7	Yes	-	-	-	-	-
Mr. Patik Jakhelia (DIN:- 07726752)	Independent Director	5	Yes	-	-	-	-	-

- ix. During Financial Year 2021 - 2022 information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.
- x. During Financial Year 2021 - 2022, one meeting of the Independent Directors was held on January 21, 2022. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of Executive Directors.
- xi. The Board periodically reviews the compliance reports of all laws applicable to the Company.
- xii. Details of equity shares of the Company held by the Directors as on March 31, 2022 are given below:

Name	Category and Designation	Number of Equity Shares
Mr. Atul Vasani (DIN:- 02107085)	Chairman & Managing Director	22,62,023
Mrs. Jagruti Vasani (DIN:- 02107094)	Whole-Time Director	4,79,992
Mr. Dewansh Vasani (DIN:- 08111804)	Executive Director	1
Mr. Pratik Jakhelia (DIN:- 07726752)	Independent Directors	NIL
Mr. Ashvin Ganatra (DIN:- 08653815)	Independent Directors	NIL
Mr. Manish Ved (DIN:- 08654674)	Independent Directors	NIL

The Company has not issued any convertible instruments.

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. Being a pharmaceutical Industry, the Company's business runs across different industry verticals, geographical markets and is global in nature. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries / fields from where they come. The core skills / expertise / competencies fundamental for the effective functioning of the Company:

Skills / expertise / competencies identified by the Board of Directors as required in the context of its business and sectors	Names of the Directors who have such skills / expertise / competencies
Leadership and Media Sector	Mr. Atul Vasani
Retail Marketing	Mr. Dewansh Vasani,

	Mr. Ashvin Ganatra
Accounts and Finance, Financial Management, Taxation	Mr. Atul Vasani, Mr. Dewansh Vasani Mr. Pratik Jakhelia
Corporate Governance, Administration	Mrs. Jagruti Vasani
Legal and Compliance	Mr. Atul Arvin Vasani
Business Strategy and Management	Mr. Atul Vasani Mr. Manish Ved, Mr. Ashvin Ganatra

III.COMMITTEES OF THE BOARD

- A. In compliance of SEBI Listing Regulation and provisions of Companies Act, 2013, the Board of Directors constituted three Committees i.e. the Audit Committee, Nomination & Remuneration Committee and Stakeholder relationship Committee vide resolution passed at the meeting held on June 21, 2017 and the same have been reconstituted during the financial year under review, details of the same are covered below.

• AUDIT COMMITTEE

EXTRACT OF TERMS OF REFERENCE:-

Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Internal auditor shall be subject to review by the Audit Committee.

OTHER DETAILS:-

- Six meetings of the Audit Committee were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:-

May 14, 2021	July 10, 2021	July 24, 2021
September 02, 2021	November 10, 2021	January 21, 2022
- Invitees for the Committee meetings are Chief financial Officer, representatives of the statutory auditors and internal auditors.
- The Company Secretary acts as the Secretary to the Audit Committee.
- The previous AGM of the Company was held on September 30, 2021 and was attended by, Mr. Prataprai Gandhi the then Chairman of the Audit Committee.

- During the year, the Audit Committee was reconstituted due to resignation of Mr. Prataprai Gandhi. The new committee was reconstituted at the Board Meeting held on July 10, 2021.

THE DETAILS OF THE COMMITTEE DURING THE PERIOD APRIL 01 2021 TO JULY 10, 2021

Sr. No	Name	Category	Position	Attendance	
				Entitled	Attended
1	Mr. Prataprai Gandhi	Independent Director	Chairman	2	2
2	Mr. Ashvin Ganatra	Independent Director	Member	2	2
3	Mr. Manish Ved	Independent Director	Member	2	2
4	Mr. Atul Vasani	Managing Director	Member	2	2

THE COMPOSITION OF THE COMMITTEE FROM JULY 11, 2021 AS ON MARCH 31, 2022 WAS AS UNDER:

Sr. No	Name	Category	Position	Attendance	
				Entitled	Attended
1	Mr. Manish Ved	Independent Director	Chairman	4	4
2	Mr. Ashvin Ganatra	Independent Director	Member	4	4
3	Mr. Pratik Jakhelia	Independent Director	Member	4	4
4	Mr. Atul Vasani	Managing Director	Member	4	4

NOMINATION AND REMUNERATION COMMITTEE

EXTRACT OF TERMS OF REFERENCE:-

Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

- Recommend to the Board the setup and composition of the Board and its committees.
- Recommend to the Board the appointment / re-appointment of Directors and Key Managerial Personnel.
- Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and Individual Directors.
- Recommend the Board the remuneration Policy for Directors, executive team or Key Managerial Personnel as well as the rest of employees.
- Oversee the Familiarization programs for the Directors.

OTHER DETAILS:-

- Seven Meeting of the Nomination and Remuneration Committee were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:-
 May 14, 2021 July 10, 2021 July 24, 2021
 September 02, 2021 November 10, 2021 December 20, 2021
 January 21, 2022
- Committee Invites such as the Chief financial Officer as it considers appropriate, representatives of the statutory auditors and internal auditors, to be present at its meetings.
- The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.
- The previous AGM of the Company was held on September 30, 2021 and was attended by, Mr. Prataprai Gandhi the then Chairman of the Nomination and Remuneration Committee.
- During the year, the Audit Committee was reconstituted due to resignation of Mr. Prataprai Gandhi. The new committee was reconstituted at the Board Meeting held on July 10, 2021.

THE DETAILS OF THE COMMITTEE DURING THE PERIOD APRIL 01 2021 TO JULY 10, 2021:

Sr. No	Name	Category	Position	Attendance	
				Entitled	Attended
1	Mr. Prataprai Gandhi	Independent Director	Chairman	2	2
2	Mr. Ashvin Ganatra	Independent Director	Member	2	2
3	Mr. Manish Ved	Independent Director	Member	2	2

THE COMPOSITION OF THE COMMITTEE FROM JULY 11, 2021 AS ON MARCH 31, 2022 WAS AS UNDER:

Sr. No	Name	Category	Position	Attendance	
				Entitled	Attended
1	Mr. Manish Ved	Independent Director	Chairman	4	4
2	Mr. Ashvin Ganatra	Independent Director	Member	4	4
3	Mr. Pratik Jakhelia	Independent Director	Member	4	4

- Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

- Remuneration Policy:

Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity

and requires employee mobility to address project needs. The remuneration policy supports such mobility through pay models that are compliant to local regulations. In each country where the Company operates, the remuneration structure is tailored to the regulations, practices and benchmarks prevalent in the Pharmaceutical Industry.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Managing Director and the Executive Directors. Annual increments are recommended by the Nomination and Remuneration Committee within the salary scale approved by the Board and Members and are effective April 1, each year.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, decides the commission payable to the Managing Director and the Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Act, based on the Board evaluation process considering the criteria such as the performance of the Company as well as that of the Managing Director and each Executive Director.

The Company pays sitting fees of Rs. 1,100/- (One Thousand and One Hundred) per meeting to its Independent Directors for attending meetings of the Board and meetings of committees of the Board. The Company does not pay any commission to the Non-Executive Directors. The Company also reimburses the out-of-pocket expenses, if any incurred by the Directors for attending the meetings. The Remuneration policy is available on <https://vaishalipharma.com/investors/company-policy/>.

IV. DETAILS OF THE REMUNERATION FOR THE YEAR ENDED MARCH 31, 2022:

Remuneration to Managing Director, Whole-Time Directors and/or Manager:

Sr. No.	Name	Mr. Atul Vasani	Mrs. Jagruti Vasani	Mr. Dewansh Vasani	Total Amount (Rs.)
	Designation	Managing Director	Whole Time Director	Executive Director	
1	gross salary				
	(a) salary as per provisions contained in section 17(1) of the income-tax act, 1961	54,00,000	12,00,000	7,83,871	73,83,871
	(b) value of perquisites u/s 17(2) income-tax act, 1961	-	-	-	-
	(c) profits in lieu of salary under section 17(3) income- tax act, 1961	-	-	-	-
2	stock option	-	-	-	-
3	sweat equity	-	-	-	-
4	commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	others, please specify	-	-	-	-
	Total (a)	54,00,000	12,00,000	7,83,871	73,83,871

➤ Remuneration to other Directors:

Sr. No	Particulars of Remuneration	Total Amount (in RS.)				
		Mr. Prataprai Gandhi	Mr. Ashvin Ganatra	Mr. Manish Ved	Mr. Pratik Jakhelia	TOTAL
1	Independent Directors					
	• Fee for attending board / committee meetings	8,800	29,700	29,700	20,900	89,100
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	8,800	29,700	29,700	20,900	89,100
2	Other Non-Executive Directors					
	• Fee for attending board / committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-

• **STAKEHOLDER RELATIONSHIP COMMITTEE**

EXTRACT OF TERMS OF REFERENCE:-

Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act.

The broad terms of reference are as under:

- Consider and resolve the grievances of the Security holders.
- Consider and approve Issue of share certificates, transfer and transmission of securities, etc.
- Review activities with regard to the Health Safety and Sustainability Initiatives of the Company.

OTHER DETAILS:-

- Six Meeting of the Stakeholder Relationship Committee were held during the year under review.

May 14, 2021

July 10, 2021

July 24, 2021

September 02, 2021

November 10, 2021

January 21, 2022

- Details of Investor Complaint and Compliance Officer are provided at serial no. III (ii) below.
- The previous AGM of the Company was held on September 30, 2021 and was attended by, Mr. Prataprai Gandhi the then Chairman of the Stakeholders' Relationship Committee.

- During the year, the Stakeholder Relationship Committee was reconstituted due to resignation of Mr. Prataprai Gandhi. The new committee was reconstituted at the Board Meeting held on July 10, 2021.

THE DETAILS OF THE COMMITTEE DURING THE PERIOD APRIL 01 2021 TO JULY 10, 2021:

Sr. No	Name	Category	Position	Attendance	
				Entitled	Attended
1	Mr. Prataprai Gandhi	Independent Director	Chairman	2	2
2	Mr. Ashvin Ganatra	Independent Director	Member	2	2
3	Mr. Manish Ved	Independent Director	Member	2	2
4	Mr. Dewansh Vasani	Non- Executive Director	Member	2	2

THE COMPOSITION OF THE COMMITTEE FROM JULY 11, 2021 AS ON MARCH 31, 2022 WAS AS UNDER:

Sr. No	Name	Category	Position	Attendance	
				Entitled	Attended
1	Mr. Manish Ved	Independent Director	Chairman	4	4
2	Mr. Ashvin Ganatra	Independent Director	Member	4	4
3	Mr. Pratik Jakhelia	Independent Director	Member	4	4
4	Mr. Dewansh Vasani	Executive Director	Member	4	4

B. Stakeholders' Relationship Committee - other details
a. Name, designation and address of Compliance Officer:

Name : Vishwa Mekhia
 Designation : Company Secretary & Compliance Officer
 Address : 706 TO 709, 7th Floor, Aravali Business Center, R. C. Patel Road, off SODAWALA LANE, BORIVALI (WEST), MUMBAI-400092
 Email Id : cs@vaishalipharma.com
 Telephone : 022 - 42171819

b. Details of investor complaints received and redressed during FY 2021 - 2022 are as follows:

Opening balance	Received during the year	Resolved during the year	Closing balance
0	0	0	0

V. GENERAL BODY MEETINGS

i. General Meeting

a. Annual General Meeting ("AGM"):

Financial Year	Date	Time	Venue
2018 - 2019	September 30, 2019	09:00 am	706 to 709, 7th Floor, Aravali Business Center, R. C. Patel Road, Off. Sodawala Lane, Borivali (West), Mumbai - 400 092
2019 - 2020	September 30, 2020	11:00 am	
2020 - 2021	September 30, 2021	11:00 am	

b. Special resolution was passed at the AGM held for the financial year 2020 - 2021:

- Annual Remuneration payable to the Promoter - Executive Directors/ Member of the Promoter Group exceeding 5% of the Net Profit of the Company calculated as per section 198 of the Companies Act, 2013.

c. Extraordinary General Meeting:

Extraordinary general meeting of the members was held on August 05, 2021.

- Increased in Authorised Share Capital from existing Rs.11,00,00,000/- (Rupees Eleven Crores only) divided into (One Crore Ten Lakhs) equity shares of face value of Rs. 10/- each to Rs. 22,00,00,000/- (Rupees Twenty Two Crores only) divided into 2,20,00,000 (Two Crores Twenty Lakh) equity shares of face value of Rs. 10/- each.

Voting Result -No. of Voting - 62 Members and the casting of votes 6452330 for this resolution

- Change in Designation of Mr. Dewansh Vasani from Non-Executive Director to Executive Director

Voting Result -No. of Voting - 61 Members and the casting of votes 6452339 for this resolution

VI. None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

VII. M/s. Raman S. Shah & Associates, Chartered Accountants (Firm Registration No. 119891W) have been reappointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis is given below:

(Amount in Rupees)	
Particulars	Amount
Services as statutory auditors (including quarterly audits)	1,25,000/-
Fees for other audit related services	-
Total	1,25,000/-

VIII. Means of Communication

The quarterly, half-yearly, annual financial results and statutory notices of the Company are published in newspapers in India which include Financial Express and Pratahkal. The results are also displayed on the Company's website www.vaishalipharma.com. The Company also issues press releases from time to time. Financial results, statutory notices, press releases and presentations made to the institutional investors/ analysts after the declaration of the quarterly, half-yearly and annual results are submitted to the National Stock Exchange of India Limited (NSE) as well uploaded on the Company's website.

IX. General shareholder information

i. Annual General Meeting for Financial Year 2021 - 2022

Date	:	Friday, September 30, 2022
Time	:	11:00 a.m.
Venue	:	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 and hence, the deemed venue of AGM will be registered office of the Company. For details, please refer to the Notice of this AGM forming part of this Annual Report.

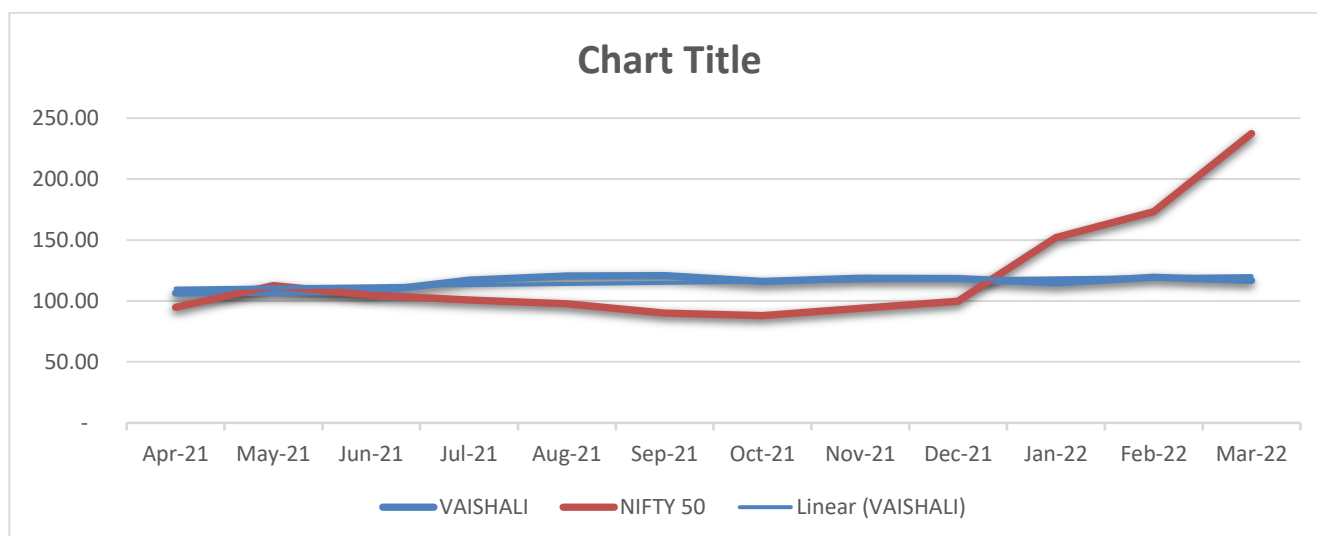
As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2, particulars of Directors seeking re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

- ii. Dividend Payment : **No Dividend is declared in the FY 2021 - 2022**
- iii. Date of Book Closure / Record Date : **September 24, 2022 to September 30, 2022**
(both days inclusive)
- iv. Listing on Stock Exchanges : **National Stock Exchange of India Limited**
Exchange Plaza, C-1, Block G, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051.
- v. Stock Codes / Symbol NSE : **VAISHALI**
Listing Fees as applicable have been paid.
- vi. Corporate Identity Number (CIN) of the Company: **L52310MH2008PLC181632**
- vii. Market Price Data:

During the period under review, the Market price Data from April 01, 2021 is available on NSE and placed as under:-

High, Low (based on daily closing prices) and number of equity shares traded during each month in the Financial Year 2021 – 2022 is as follows:-

Month	NSE		Total number of Equity Shares Traded
	High (Rupees)	Low (Rupees)	
APR - 2021	46.7	32	1798275
MAY - 2021	43.75	35.65	1508155
JUN - 2021	46.4	35.8	5760171
JUL - 2021	44.85	38.4	1810494
AUG - 2021	48.6	34.75	4056700
SEP - 2021	40.5	32.65	1948374
OCT - 2021	38.8	34.05	973318
NOV - 2021	37.8	32.8	677044
DEC - 2021	36.9	28.95	997790
JAN - 2022	43.5	32.3	2947857
FEB - 2022	61.65	36.9	14766217
MAR - 2022	72.25	53.55	15139606



Note:- Vaishali Pharma Limited closing share price and NIFTY 50 values as on April 01, 2021 have been baselined to 100.

The Equity Shares of the Company were not suspended from trading.

viii. Registrars and Transfer Agents

Name and Address : Bigshare Services Private Limited
S6 – 2 Pinnacle Business Park, Mahakali Caves road, Next to Ahura Centre,
Andheri (E), Mumbai 400093, India

Telephone : +91 6263 8200

Fax : +91 2262638299

E-mail : info@bigshareonline.com

Website : www.bigshareonline.com

ix. Share Transfer System:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorised by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

x. Shareholding as on March 31, 2022:

A. Distribution of equity shareholding as on March 31, 2022:

Sr. No	Shareholding of Nominal		Number of Shareholders	% to Total	Shares	% to Total
1	1	500	8493	87.42	795430	7.54
2	501	1000	510	5.25	426413	4.04
3	1001	2000	289	2.97	454762	4.31
4	2001	3000	149	1.53	382968	3.63
5	3001	4000	55	0.57	200566	1.90
6	4001	5000	62	0.64	292915	2.78
7	5001	10000	83	0.85	616195	5.84
8	10001	999999999	92	0.95	7376964	69.95
TOTAL			9715	100	10546213	100

B. Categories of equity shareholding as on March 31, 2022

Category of Equity Shareholders	Number of Equity share held	Percentage of holding
Promoters	27,42,015	26.00%
Other Entities of the Promoter Group	78,257	0.74%
Mutual Funds and UTI	-	-
Banks, Financial Institutions, States and Central Government	-	-
Insurance Companies	-	-
Foreign Institutional Investors and Foreign Portfolio Investors – Corporate	-	-
NRI's / OCB's / Foreign Nationals	-	-
Body Corporates (Non-Institutional)	4,50,915	4.28%
Indian Public and Others	72,75,026	68.98%
Alternate Investment Fund	-	-
IEPF account	-	-
GRAND TOTAL	1,05,46,213	100.00%

C. Top ten equity shareholders of the Company as on March 31, 2022:

Sr. No.	Name of the Shareholder	Number of equity shares held	Percentage of holding
1	Nupur Anil Shah	552500	5.23
2	Veena Rajesh Shah	350000	3.32
3	Sapan Anil Shah	296206	2.81
4	Karan Suresh Majithia	278248	2.64
5	Mayadevi K Kabra	250000	2.37
6	Seema Aggarwal	200000	1.9
7	Dishant Milanbhai Parikh	164344	1.56
8	Krishna Awtar Kabra	90000	0.85
9	Sunil Devendrabbhai Shah	80698	0.77
10	Kaushika Hemant Khajanchi	70699	0.67

xi. Dematerialization of shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form on NSE. Equity shares of the Company representing 100 percent of the Company's equity share capital are dematerialized as on March 31, 2022. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE972X01014

xii. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2022, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

xiii. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. For a detailed discussion on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report.

xiv. Equity shares in the suspense account:

There are no Equity Shares of the Company in suspense Account. Hence, the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations is not applicable.

xv. Address for correspondence:

Vaishali Pharma Limited
 (Formerly known as Vaishali Pharma Private Limited)
 706 to 709, 7th floor, Aravali Business Center, R. C. Patel Road,
 off Sodawala Lane, Borivali (West), Mumbai-400092
 Designated e-mail address for Investor Services: investor@vaishalipharma.com
 Website: www.vaishalipharma.com

xvi. The Company obtained Credit MSE Rating from CRISIL mentioned as below:-

CRISIL RATING	:	CRISIL SME 3
Financial Strength	:	Good
Operating performance	:	Corresponds Grading MSE 3 indicates 'Good' level of Creditworthiness, adjudged in relation to other MSEs
Report Date	:	December 27, 2021
Valid Till	:	December 26, 2022

X. Other Disclosures:-

Particulars	Regulations	Details	Website link for details/policy
Related party transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	There are no material related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered into with related parties during FY 2021-2022 were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company.	https://vaishalipharma.com/investors/company-policy/
Details of non-compliance by the Company, penalty, and strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of	Schedule V of 10(b) to the SEBI Listing Regulations	NIL	NIL

India ('SEBI') or any statutory authority on any matter related to capital markets during the last three financial years.			
Vigil Mechanism Policy	Regulation 22 of SEBI Listing Regulations	The Company has this Policy and has established the necessary vigil mechanism for Directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company.	https://vaishalipharma.com/investors/company-policy/
Discretionary requirements	Schedule II Part E of the SEBI Listing Regulations	<ul style="list-style-type: none"> • A message from the Chief Executive Officer and Managing Director on half-yearly financial performance of the Company including a summary of the significant events in the six month period ended September 30, 2021 was sent to every member. • The Auditors report on Financial Statements of the Company are unqualified. • The Internal Auditor of the Company, make relevant presentation to the Audit Committee on their Report. 	NIL
Subsidiary companies	Regulation 24 of the SEBI Listing Regulations	The Company does not have any Material Subsidiary company.	NA
Disclosure of commodity price risk and commodity hedging :	-	Not Applicable	
Disclosure of utilization of funds raised through preferential allotment	-	Not Applicable	
Policy on Determination of Materiality for Disclosures	Regulation 30 of SEBI Listing Regulations	The Company has adopted this policy.	https://vaishalipharma.com/investors/company-policy/
Policy on Archival and Preservation of Documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted this policy.	https://vaishalipharma.com/investors/company-policy/
Reconciliation of Share Capital Audit Report	Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants)	A qualified Practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services	https://www.nseindia.com/get-quotes/equity?symbol=VAISHALI

	Regulations, 2018 and SEBI Circular No D&CC / FITTC/ Cir- 16/2002 dated December 31, 2002.	(India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.	
Code of Conduct	Regulation 17 of the SEBI Listing Regulations	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2020. The Code of Conduct is placed on the Website of the Company	https://vaishalipharma.com/investors/company-policy/
Declaration by Chief Executive Officer	-	Declaration signed by Mr. Hemanth Pathak, Chief Executive Officer of the Company, stating that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior management is annexed to this Report as Annexure - 1	
Dividend Distribution Policy	Regulation 43A of the SEBI Listing Regulations	The Company has not declared any Dividend.	NA
Terms of Appointment of Independent Directors	Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act	Terms and conditions of appointment / re-appointment of Independent Directors are available on the Company's website.	https://vaishalipharma.com/investors/company-policy/
Familiarization Program	Regulations 25(7) and 46 of SEBI Listing Regulations	Details of familiarization program imparted to Independent Directors are available on the Company's website.	https://vaishalipharma.com/investors/company-policy/
Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018	-	The policy undertaken by the Company on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018 the details of which are available on the Company's website. The Following is the summary of Sexual harassment complaints received and disposed off during the year 2021-2022:- a. Number of complaints pending as on April 01, 2021: NIL b. Number of Complaints received : NIL c. Number of complaints disposed off : NIL d. Number of complaints pending as on March 31, 2022 : NIL	https://vaishalipharma.com/investors/company-policy/

Compliance certificate from practicing company secretaries regarding compliance of conditions of corporate governance	-	The Compliance certificate shall be annexed with the Directors' report as ANNEXURE - 2.	
Certificate of Non-Disqualification of Directors	-	A certificate from M/s. Disha & Associates, Company Secretaries, confirming that none of the Directors on the Board of the Company were debarred or disqualified from being re-appointed under retirement by rotation and/or continuing as Directors of the Company by the SEBI, Ministry of Corporate Affairs or any other statutory authorities, is annexed to this Report as ANNEXURE - 3.	

Date: September 01, 2022
Place: Mumbai

For Vaishali Pharma Limited
Sd/-
Atul Vasani
Chairman & Managing Director
DIN:- 02107085

ANNEXURE - D**Nomination and Remuneration Policy****1 PREAMBLE**

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of every listed public company and such other class or classes of companies as may be prescribed shall constitute the Nomination and Remuneration Committee. The Company has a duly constituted Nomination and Remuneration Committee as per the requirement of section 178 of the Companies Act, 2013. This Committee and the Policy is formulated in compliance with the relevant provisions of the Companies Act, 2013.

2. INTRODUCTION

A transparent, fair and reasonable process for determining the appropriate remuneration at all levels of the Company is required to ensure that shareholders remain informed and confident in the management of the Company. To harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the rules made there under, this policy on nomination and remuneration of Directors (including non-executive directors) on the Board of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors. This Policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors (including non-executive directors), Key Managerial Personnel and Senior Management Personnel.

3. OBJECTIVES

Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the Company successfully.

Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.

Ensure that annual compensation review considers industry/ business outlook and strategies adopted by industry peers, differentiates employees based on their merits and also protects employees, particularly those in junior cadre, against inflationary pressures;

Retention of high performers at all levels and those playing critical roles.

4. PURPOSE

The primary objective of the Policy is to provide a framework and set standards for the nomination, remuneration and evaluation of the Directors, Key Managerial Personnel and officials comprising the senior management. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

5. ACCOUNTABILITIES

- a. The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.
- b. The Board has delegated responsibility for assessing and selecting the candidates for the role of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration Committee which makes recommendations & nominations to the Board.

6. DEFINITIONS

“Employees’ Stock Option” means the option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre- determined price.

“Independent Director” means a director referred to in Section 149(6) of the Companies Act, 2013

“Key Managerial Personnel” (KMP) means—

- (i) The Chief Executive Officer or the Managing Director or the Manager;
- (ii) The Company Secretary;
- (iii) The Whole-Time Director;
- (iv) The Chief Financial Officer;
- (v) Such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- (vi) Such other officer as may be prescribed"

“Nomination and Remuneration Committee” shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

“Senior Management Personnel” (SMP) means to include all members other than the Directors and KMPs of the Company, who are the functional heads of the departments/divisions/branches of the Company.

The terms used in this Policy but not defined in this Policy shall have the same meaning as defined under the Companies Act, 2013.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is responsible for:

- a. Reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company’s corporate strategy, with the objective to diversify the Board;
- b. Identifying individuals suitably qualified to be appointed as the KMPs or in the senior management of the Company;
- c. Recommending to the Board on the selection of individuals nominated for directorship;
- d. Making recommendations to the board on the remuneration payable to the Director/ KMPs /SMPs so appointed / reappointed;
- e. Assessing the independence of independent directors;
- f. Such other key issues/matters as may be referred by the Board or as may be necessary in view of the provision of the Companies Act 2013 and Rules thereunder.
- g. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- h. Ensuring that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

- i. Devising a policy on Board diversity;
- j. Developing a succession plan for the Board and to regularly review the plan.

7. COMPOSITION OF THE NOMINATION AND REMUNERATION COMMITTEE

- a. The Committee shall consist of a three (3) or more non-executive directors out of which not less than one-half shall be independent directors.
- b. Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c. Membership of the Committee shall be disclosed in the Annual Report.
- d. The Company Secretary of the Company shall act as Secretary of the Committee.

8. CHAIRMAN

- a. The Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- b. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- c. The Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

9. FREQUENCY OF THE MEETINGS OF THE COMMITTEE

The meeting of the Committee shall be held at such regular intervals as may be required.

10. COMMITTEE MEMBERS' INTERESTS

- a. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

11. VOTING

- a. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed to be a decision of the Committee.
- b. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

12. MINUTES OF THE MEETING

Proceedings of all meetings must be minutes and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

13. APPLICABILITY

This Policy is applicable to:

- a. Directors (Executive, Non-Executive and Independent)
- b. Key Managerial Personnel
- c. Senior Management Personnel
- d. Other employees as may be decided by the Nomination and Remuneration Committee

14. CRITERIA FOR APPOINTMENT OF DIRECTORS/KMPs/SENIOR MANAGEMENT PERSONNEL

- I. Enhancing the competencies of the Board and attracting as well as retaining talented employees for role of KMPs are the basis for the Nomination and Remuneration Committee to nominate a candidate for appointment by the Board. When recommending a candidate for appointment, the Nomination and Remuneration Committee shall have regard to:
 - a. Assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;
 - b. The extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company;
 - c. The skills and experience that the appointee brings to the role of KMP/SMP and how an appointee will enhance the skill sets and experience of the Board as a whole;
 - d. The nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;
- II. **Personal Specifications:**
 - a. Degree holder in relevant disciplines;
 - b. Experience of management in a diverse organization;
 - c. Excellent interpersonal, communication and representational skills;
 - d. Demonstrable leadership skills;
 - e. Commitment to high standards of ethics, personal integrity and probity;
 - f. Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;
 - g. Having continuous professional development to refresh knowledge and skills.

Details of the personal specifications are provided in the **Annexure** hereto.

15. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

(A) General

The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, KMPs and other SMPs. The salary of Directors, Key Management Personnel and other Senior Management Personnel shall be based & determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The Nomination & Remuneration Committee shall determine individual remuneration packages for Directors, KMPs and SMPs of the Company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines. The Committee shall consult with the Chairman of the Board as it deems appropriate.

The remuneration/ compensation/ commission etc. to Directors and KMPs determined by the Committee will be recommended to the Board for its approval. The remuneration/ compensation/ commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required. Increments to the existing remuneration/ compensation structure of Directors and KMPs shall be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Directors.

Where any insurance is taken by the Company on behalf of its Directors, KMPs and SMPs for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

(B) Provisions under Companies Act, 2013 In Respect of Directors

- a. The remuneration and commission to be paid to Directors shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
- b. The total managerial remuneration payable by the Company to its Directors, including Managing Director and Whole Time Director (including its Manager, if any) in respect of any financial year shall not exceed eleven percent of the net profits of the Company computed as per the manner prescribed under the Act.
- c. The Company with the approval of the Shareholders and Central Government may authorise the payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V of the Act.
- d. The Company may with the approval of the shareholders authorise the payment of remuneration upto five percent of the net profits of the Company to any one Managing Director/Whole Time Director/Manager and ten percent in case of more than one such official.
- e. The Company may pay remuneration to its Directors, other than Managing Director and Whole Time Director upto one percent of the net profits of the Company, if there is a Managing Director or Whole Time Director or Manager and three percent of the net profits in any other case.
- f. If any Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.
- g. The net profits for the purpose of the above remuneration shall be computed in the manner referred to in Section 198 of the Companies Act, 2013.
- h. The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as

may be decided by the Board and profit related commission as may be approved by the members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other directors.

(C) Remuneration Composition

I. Remuneration to Executive Directors and KMPs

Fixed Pay:

- a. Executive Directors and KMPs shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
- b. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

Variable Components:

The Executive Directors and KMPs may participate in a performance linked variable pay scheme which will be based on the individual and company performance for the year, pursuant to which the Executive Directors and KMPs are entitled to performance-based variable remuneration.

II. Remuneration to Directors other than Executive Directors:

Sitting Fees:

- a. The Non- Executive / Independent Directors may receive remuneration by way of fees for attending meetings of Board or Committee thereof.
- b. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Commission:

The Non- Executive / Independent Directors may receive Commission on yearly basis as per the Policy of the Company with regards to the profits achieved by the Company.

III. Remuneration to Senior Management Personnel:

- a. The Nomination and Remuneration Committee may determine from time to time the remuneration payable to Senior Management Personnel including the increments payable as per the Policy.
- b. The authority of such determination of remuneration of the SMPs may be delegated to the Managing Director by the Nomination and Remuneration Committee as the Committee deems fit in this regard.
- c. The Managing Director shall from time to time intimate the Nomination and Remuneration Committee the remuneration payable to the Senior Management Personnel in case of delegation of authority to him by the Nomination and Remuneration Committee.

Fixed Pay:

- a. Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Nomination and Remuneration Committee. However, in case of Manager as defined under Companies Act, 2013, the remuneration shall be in accordance with the statutory provisions of the Companies Act, 2013, and the Rules made there under for the time being in force.
- b. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Nomination and Remuneration Committee.

Variable Components:

The Senior Management Personnel may participate in a performance linked variable pay scheme which will be based on the individual and Company performance for the year, pursuant to which the Senior Management Personnel are entitled to performance-based variable remuneration.

16. CRITERIA FOR EVALUATION OF DIRECTORS/ KMPs/SMPs OF THE COMPANY

- I. The evaluation of the Directors, KMPs and the SMPs of the Company shall be conducted on an annual basis.
- II. The following criteria may be considered in determining how effective the performances of the Directors/ KMPs / SMPs have been:
 - a. Leadership & stewardship abilities
 - b. Contributing to clearly define corporate objectives & plans
 - c. Communication of expectations & concerns clearly with subordinates
 - d. Obtain adequate, relevant & timely information from external sources.
 - e. Review & approval achievement of strategic and operational plans, objectives, budgets
 - f. Regular monitoring of corporate results against projections
 - g. Identify, monitor & mitigate significant corporate risks
 - h. Assess policies, structures & procedures
 - i. Direct, monitor & evaluate KMPs, SMPs
 - j. Review management's succession plan
 - k. Effective meetings
 - l. Assuring appropriate board size, composition, independence, structure
 - m. Clearly defining roles & monitoring activities of committees
 - n. Review of corporation's ethical conduct
- III. Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting of the Independent Directors.
- IV. The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

17. TERM OF APPOINTMENT AND LIMITS ON NUMBER OF DIRECTORSHIPS

I. Managing Director or Whole - Time Directors

The Company shall appoint or re-appoint any person as its Managing Director / Whole-Time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

II. Independent Directors

- a. An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- b. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.
Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- c. The maximum number of public companies in which a person can be appointed as a director shall not exceed ten.

For reckoning the limit of public companies in which a person can be appointed as Director, directorship in private companies that are either holding or subsidiary company of a public company shall be included.
- d. The appointment shall be subject to the other applicable provisions of Companies Act, 2013

18. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes, seminars and plant visits.

19. REMOVAL

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable laws, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP, subject to the provisions and compliance of the applicable laws, rules and regulations.

20. RETIREMENT

The Directors & KMPs shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company, while SMPs shall retire as per the prevailing policy of the Company. The Board will have the discretion to retain the Directors, KMPs, SMPs in the same position / remuneration or otherwise even after attaining the retirement age, in the best interest and benefit of the Company.

21. DISCLOSURES

The Company shall disclose the Policy on Nomination and Remuneration in the Board Report.

22. DEVIATION FROM THE POLICY

The Board may, in individual or collective case, deviate from this Policy, in its absolute discretion, if there are particular reasons to do so. In the event of any departure from the Policy, the Board shall record the reasons for such departure in the Board's minutes. However, the deviations made in the Policy shall not be in contradiction to the Companies Act, 2013, and any other laws or rules applicable thereto amended from time to time.

23. AMENDMENTS TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Annexure -

Personal Specification for Directors

1. Qualification

- a. Degree holder in relevant disciplines (e.g. management, accountancy, legal); or
- b. Recognised specialist

2. Experience

- a. Experience of management in a diverse organisation
- b. Experience in accounting and finance, administration, corporate and strategic planning or fund management
- c. Demonstrable ability to work effectively with a Board of Directors

3. Skills

- a. Excellent interpersonal, communication and representational skills
- b. Demonstrable leadership skills
- c. Extensive team building and management skills
- d. Strong influencing and negotiating skills
- e. Having continuous professional development to refresh knowledge and skills

4. Abilities and Attributes

- a. Commitment to high standards of ethics, personal integrity and probity
- b. Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace

5. Political inclinations and opinions.

ANNEXURE-E
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

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22 and ratio of the remuneration of each Director to the median remuneration of the employee of the Company for the financial year 2021-22 are as under:

Name of the Director	Designation	Remuneration In FY 2021-22	% increase in Remuneration in FY 2021-22	Ratio of remuneration of each director to median remuneration of employees
Mr. Atul Vasani	Managing Director	54,00,000	0%	20.51 : 1
Mrs. Jagruti Vasani	Whole Time Director	12,00,000	0%	4.56 : 1
Mr. Dewansh Ajay Vasani	Executive Director	7,83,871	100%	4.84:1
Mr. Ashvin Ganatra	Independent Director	-	-	-
Mr. Manish Ved	Independent Director	-	-	-
Mr. Pratik Jakhelia	Independent Director	-	-	-
Mr. Hemant Pathak	Chief Executive Officer	-	-	-
Mr. Ratnesh Singh	Chief Financial Officer	9,00,000	0%	3.38 : 1
Mr. Akshay Jharkhandi (Cessation W.E.F 18.10.2021)	Company Secretary & Compliance Officer	2,10,000	0%	1.37:1
Ms. Vishwa Mekhia (Appointed w.e.f. 20.12.2021)	Company Secretary & Compliance Officer	1,43,871	0%	1.64:1

- The median remuneration of employees of the Company during the financial year was **Rs. 2,63,267/-**
- Percentage increase in the median remuneration of employees in the financial year 2021-22: **1.65%**
- Number of permanent employees on the rolls of Company: **20 Employee**
- 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 percentile increase in the salaries of employees other than the managerial personnel in the financial year 2021-22 is **NIL** whereas the percentile increase in the managerial remuneration during the year is **NIL**.
- The key parameters for any variable component of remuneration availed by the directors: **NIL**
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

(ii) Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- Employees of Company, who were employed throughout the financial year, were in receipt of remuneration for that year which, in the aggregate, was not less than One Crore Two Lakhs Rupees: **NIL**
- Employees of Company, who were employed for a part of the financial year, were in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight Lakh and Fifty Thousand Rupees per month: **NIL**
- Employees who were employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: **NIL**
- The particulars of employees posted and working in a country outside India, not being directors or their relatives, drawing more than sixty lakh rupees per financial year or five lakh rupees per month, as the case may be, as may be decided by the Board – **NIL**.

Date: September 01, 2022

Place: Mumbai

For Vaishali Pharma Limited

SD/-	SD/-
Atul Vasani	Jagruti Vasani
Chairman &	Whole Time
Managing Director	Director
DIN:- 02107085	DIN:-02107094

ANNEXURE - F**MANAGEMENT DISCUSSION AND ANALYSIS****INDUSTRY STRUCTURE & DEVELOPMENTS**

The Company is into pharmaceutical business, mainly dealing in Active Pharmaceutical Ingredient, pharmaceutical formulations, surgical products, Herbal & Nutraceutical Products, veterinary supplements operating in domestic and export market.

The success of the Company depends significantly on ability to commercialize new pharmaceutical products in India and across various markets around the world.

OPPORTUNITIES AND THREATS

Due to specialized technology involved, the possibility of further competition is minimal. However, lack of large market is its limitation.

The Company believes that it has a competitive edge in the market as the Company delivers timely and quality products to its customers. The Company has long standing relationship with many of its customers and vendors. The Company also believes that the real strength of the Company lies with its employees and they are the assets of the Company.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The business of the company is trading (including exports) of pharmaceuticals products. During the financial year 2021-22, revenue from operation is Rs. 75,82,08,213/-

OUTLOOK

The Company is continuously working on strengthening the business. The Company has been successfully executing major orders from various customers and it has been enjoying the confidence of all customers with repeat orders. The Company has been making consistent efforts for improving margins in majority products by reducing the various costs. The results of these initiatives are expected to improve the overall profitability of the Company further during the coming years.

RISKS & CONCERNS

Risk is a potential event or non-event, the occurrence or non-occurrence of which, can adversely affect the objectives or strategy of the Company or result in opportunities being missed. The global pharma industry due to the nature of business carried out is potentially exposed to inherent risks such as product safety & quality issues, intellectual property tangles, inappropriate marketing practices, volatility of exchange rates of rupee against US dollar, etc. thereby leading to penalties, product recalls, brand loss and revenue loss.

Although the comprehensive eradication of risks associated with the business of the Company is unfeasible, constant efforts are made to analyze their potential impact, assess the changes to risk environment and define actions to mitigate their adverse impact.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has strong and adequate internal control system suitable to its size and nature of business. The internal audit is done by an independent firm of Chartered Accountants. Internal audits are regularly carried out to review the internal control systems. The systems ensure protection of assets and proper recording of transactions. The internal audit reports along with recommendations contained therein are reviewed by the Audit Committee of the Board. It is a regular practice to review the same by the Audit Committee.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review, the operating revenue including other income of the Company is Rs. 77,60,89,328/- for current year as compared to Rs. 55,58,29,915/- in previous year. Your Directors are hopeful to improve the growth rate in turnover. The Company generated funds of Rs. 5,72,83,715/- as compared to Rs. 1,40,45,239/- in previous year.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONTS, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company had cordial relations with its employees and all problems were solved across the table in a very congenial atmosphere. Your Directors wish to place on record their appreciation to all its employees for their sustained efforts and valuable contribution.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREOF (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR)

1.	Debtors Turnover	: 1.21
2.	Inventory Turnover	: 104.34
3.	Interest Coverage Ratio	: 3.33
4.	Current Ratio	: 1.47
5.	Debt Equity Ratio	: 1.97
6.	Operating Profit Margin	: 0.11
7.	Net Profit Margin or sector-specific equivalent ratios, as applicable	: 0.052

Nil impact of Bad Debts written off

The following significant changes in key financial ratios was recorded:

- The Debtors Turnover Ratio significantly decrease to 1.21;
- The Inventory Turnover Ratio significantly increase to 104.34;
- The Interest Coverage Ratio significantly increase to 3.33;
- The Current Ratio significantly decrease to 1.47;
- The Debt Equity Ratio significantly increase to 1.97;
- The Net Profit Margin or Sector – Specific equivalent ratios increased to 0.052

Apart from above there is no changes in other Key Financial Ratios

DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF.

The Return on Net Worth in current year is 0.38 and in the previous year was 0.10.

During the period under review the Return on Net Worth significantly increased to 0.38,

Due to profit the Companies Net Worth has increased to 0.38.

NOTE

Certain statement in the management discussion and analysis may be forward looking within the meaning of applicable securities law and regulations and actual results may differ materially from those expressed or implied. Factors that would make differences to Company's operations include competition, price realization, forex market, changes in government policies and regulations, tax regimes, economic development within India and the countries in which the Company conducts business and other incidental factors.

Date: September 01, 2022

Place: Mumbai

For Vaishali Pharma Limited

SD/-	SD/-
Atul Vasani	Jagruti Vasani
Chairman &	Whole Time
Managing Director	Director
DIN:- 02107085	DIN:-02107094

ANNEXURE - 1**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT
PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director, Executive Directors, Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I, confirm that the Company has in respect of the year ended March 31, 2022, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, Chief Executive Officer, Chief Operating Officer, Company Secretary as on March 31, 2022.

For Vaishali Pharma Limited
Sd/-
Hemant Pathak
CEO

ANNEXURE - 2**CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCE**

To the Members

Vaishali Pharma Limited

CIN: L52310MH2008PLC181632

This report contains details of compliance of conditions of Corporate Governance by Vaishali Pharma Limited ('the Company') for the year ended March 31, 2022 as stipulated in regulations 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

My examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Pursuant to the requirements of the Listing Regulations, it is my responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2022.

Opinion

In my opinion, and to the best of my information and according to explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

Restriction on use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations and it should not be used by any other person or for any other purpose.

Accordingly, I do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without my prior consent in writing.

For M/s. Disha & Associates,

Sd/-

Disha Shah

Practicing Company Secretary

Proprietor

Membership No: A34831/ COP No: 22710

UDIN: A034831D000899717

Date: September 01, 2022

Place: Mumbai

ANNEXURE – 3
CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To the Members

Vaishali Pharma Limited

CIN: L52310MH2008PLC181632

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Vaishali Pharma Limited** having registered office at 706 to 709, 7th Floor, Aravali Business Center, R. C. Patel Road, Off Sodawala Lane, Borivali West Mumbai-400092 (hereinafter referred to as “the Company”), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs.

Sr. No.	Name of Director	DIN	Original Date of Appointment	Date of Cessation
1.	Atul Arvind Vasani	02107085	25/04/2008	-
2.	Jagruti Atul Vasani	02107094	12/11/2009	-
3.	Prataprai Panachand Gandhi	07832673	25/05/2017	12/07/2021
4.	Dewansh Ajay Vasani	08111804	26/04/2018	-
5.	Ashvin Jamnadas Ganatra	08653815	31/12/2019	-
6.	Manish Bhagwandas Ved	08654674	31/12/2019	-
7.	Pratik Vikram Jakhelia	07726752	10/07/2021	-

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

For M/s. Disha & Associates,

Sd/-

Disha Shah

Practicing Company Secretary

Proprietor

Membership No: A34831/ COP No: 22710

UDIN: A034831D000899761

Date: September 01, 2022

Place: Mumbai

Independent Auditor's Report

To the Members of Vaishali Pharma Limited

Report on the Audit of the Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to report that fact. We have nothing to report in this regards.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, 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, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The company has no pending litigation as at 31 March 2022, hence its financial position is not affected;
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

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

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

For Raman S. Shah & Associates

Chartered Accountants

Firm's Registration No.: 119891W

Sd/-

Santosh A. Sankhe

Partner

Membership No.: 100976

UDIN:- 22100976ANOLPY6223

Place: Mumbai

Date: 30th May 2022

Vaishali Pharma Limited**Annexure A to the Independent Auditors' Report**

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

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

- i)** In respect of the Company's Property, Plant & Equipment
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of intangibles assets.
 - (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
 - (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
 - (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii)**
 - (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.
 - (b) During any point of time of 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. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- iii)**
 - (a) During the year the company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity.
 - (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies are not prejudicial to the Company's interest.
 - (c) in respect of loans and advances in the nature of loans, company has not granted loans and advances in the nature of loans. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
 - (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

- (e) The Company had not granted loans to companies which had fallen due during the year. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv)** There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- v)** The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi)** The company is in business of trading of pharmaceutical products, maintenance of cost records as required under sub section 1 of section 148 of the Companies Act, 2013 not applicable to the company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- vii)**
 - (a) The Company is generally been regular in depositing with appropriate authorities 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 other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - (b) There is no dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute.
- viii)** The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix)**
 - (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- x)**
 - (a) The Company has not raised any money during the year by way of initial public offer/ further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
 - (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi)

- (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) According to the information available, the requirement to report on clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) According to the information available, the requirement to report on clause 3(xi)(c) of the Order is not applicable to the Company.

xii)

- (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.

xiii) Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards

xiv) According to the information the requirement to report on clause 3(xiv)(a) and (b) of the Order are not applicable to the Company.

xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi)

- (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained 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 as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) As per the information available, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

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

xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

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

xx) As per the information available, the requirement to report on clause 3(xx)(a) and (b) of the Order are not applicable to the Company.

For Raman S. Shah & Associates

Chartered Accountants

Firm's Registration No.: 119891W

Sd/-

Santosh A. Sankhe

Partner

Membership No.: 100976

UDIN:- 22100976ANOLPY6223

Place: Mumbai

Date: 30th May 2022

Annexure B to the Independent Auditors' Report – 31 March 2022

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

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

Opinion

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

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

Management's and Board of Directors' Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

For Raman S. Shah & Associates
Chartered Accountants

Firm's Registration No.: 119891W

Sd/-

Santosh A. Sankhe

Partner

Membership No.: 100976

UDIN:- 22100976ANOLPY6223

Place: Mumbai

Date: 30th May 2022

Balance Sheet as at March 31, 2022

		(Amount in Rs.)	
Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	4	8,579,583	7,197,763
(b) Right of Use Assets	5	455,558	2,508,568
(c) Intangible assets	6	2,767,672	2,482,376
(d) Intangible assets under development		4,924,330	453,096
(e) Financial assets			
(i) Investments			
(a) Other investments	7	4,314,725	4,314,725
(ii) Other financial assets	8A	22,180,471	21,201,882
(f) Deferred tax asset (net)	9C	1,606,818	1,480,490
(g) Other non - current assets	10A	7,158,064	8,663,466
Total non-current assets		51,987,221	48,302,366
2 Current assets			
(a) Inventories	11	6,289,579	5,882,113
(b) Financial assets			
(i) Trade receivables	12	585,054,467	667,307,268
(ii) Cash and cash equivalents	13	11,622,837	3,134,932
(iii) Bank balances other than (ii) above	14	1,929,718	1,524,964
(iv) Other financial assets	8B	118,604,341	118,152,040
(c) Other current assets	10B	40,751,450	16,953,123
Total current assets		764,252,392	812,954,440
Total Assets		816,239,613	861,256,806
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Share capital	15	105,462,130	105,462,130
(b) Other equity		158,079,660	118,723,508
Equity attributable to the owners of the Company		263,541,790	224,185,638
2 LIABILITIES			
2a Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16A	31,062,347	40,329,401
(ii) Lease Liabilities	17	375,308	2,263,596
(b) Provisions	18A	1,891,359	1,849,647
Total non-current liabilities		33,329,014	44,442,644
2b Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16B	176,559,080	135,412,007
(ii) Lease Liabilities	17	116,905	492,214
(iii) Trade payables	19		
- Total outstanding dues of Micro, Small and Medium Enterprises		16,143,922	30,796,384
- Total outstanding dues of creditors other than Micro, Small and Medium Enterprises		267,663,420	374,569,622
(iv) Other financial liabilities	20	5,639,066	3,988,692
(b) Provisions	18B	348,892	175,787
(c) Income Tax Liabilities (Net)		12,716,645	3,766,014
(d) Other current liabilities	21	40,180,879	43,427,802
Total current liabilities		519,368,810	592,628,522
Total Equity and Liabilities		816,239,613	861,256,806
Significant Accounting Policies	3		

The notes are an integral part of these standalone financial statements

As per our report of even date attached
For Raman S. Shah & Associates
Chartered Accountants
Firm Registration No. 119891W

Sd/-
Santosh A. Sankhe
Partner
Membership No. 100976

Mumbai, May 30, 2022

For and on behalf of the Board
Vaishali Pharma Limited
CIN : L52310MH2008PLC181632

Sd/-
Atul Arvind Vasani
Chairman & Managing
Director
(DIN: 02107085)

Sd/-
Ratnesh Singh
Chief Financial
Officer

Sd/-
Jagruti Atul Vasani
Whole-time
Director
(DIN: 02107094)

Sd/-
Vishwa Mekhia
Company Secretary &
Compliance Officer

Statement of Profit and Loss for the year ended March 31, 2022

		(Amount in Rs.)	
	Note	Year ended March 31, 2022	Year ended March 31, 2021
I Revenue from operations	22	758,208,213	537,738,876
II Other income	23	17,881,115	18,091,039
III Total Income (I + II)		776,089,328	555,829,915
IV Expenses			
(a) Purchases of stock-in-trade		635,413,358	458,596,203
(b) Changes in inventories of finished goods, stock-in-trade and work-in progress	24	(407,466)	2,918,532
(c) Employee benefits expense	25	20,991,638	18,476,604
(d) Finance costs	26	24,588,280	26,106,920
(e) Depreciation and amortisation expense	27	4,563,055	4,269,335
(f) Other expenses	28	33,656,749	31,417,082
Total expenses		718,805,614	541,784,676
V Profit before tax (III - IV)		57,283,715	14,045,239
VI Tax expense			
Current tax		14,547,935	3,788,305
Adjustment of tax relating to earlier periods		2,681,010	-
Deferred tax (credit) / charge		(181,694)	(205,633)
VII Profit/ (Loss) for the year (V - VI)		40,236,464	10,462,567
VIII Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans : (Losses)/ Gains		220,055	(122,691)
(b) Income tax relating to items that will not be reclassified to profit or loss -(Debit)/ Credit		(55,366)	31,900
Other Comprehensive Income for the year (VIII)		164,689	(90,791)
IX Total Comprehensive Income for the year (VII + VIII)		40,401,153	10,371,776
X Earnings per equity share (for continuing operations):			
Equity share of par value of Rs.10/- each			
Basic / Diluted	31	3.82	0.99

The notes are an integral part of these financial statements

As per our report of even date attached
For Raman S. Shah & Associates
 Chartered Accountants
 Firm Registration No. 119891W

Sd/-
Santosh A. Sankhe
 Partner
 Membership No. 100976

Mumbai, May 30, 2022

For and on behalf of the Board
 Vaishali Pharma Limited
 CIN : L52310MH2008PLC181632

Sd/-
Atul Arvind Vasani
 Chairman & Managing
 Director
 (DIN: 02107085)

Sd/-
Ratnesh Singh
 Chief Financial
 Officer

Sd/-
Jagruti Atul Vasani
 Whole-time
 Director
 (DIN: 02107094)

Sd/-
Vishwa Mekhia
 Company Secretary &
 Compliance Officer

Statement of changes in equity for the year ended March 31, 2022

A Equity share capital				
Balance as at March 31, 2020				105,462,130
Changes in equity share capital during the year				-
Balance as at March 31, 2021				105,462,130
Changes in equity share capital during the year				-
Balance as at March 31, 2022				105,462,130
-				
	Reserves and Surplus		Items of OCI	Total Other Equity
	Securities Premium Reserve	Retained Earnings	Remeasurement of Defined benefit plan	
C Other equity				
Balance as at March 31, 2020	82,020,944	25,189,226	1,141,561	108,351,731
Profit for the year		10,462,567		10,462,567
Other comprehensive income	-	-	(90,791)	(90,791)
Total Comprehensive Income for the year	-	10,462,567	(90,791)	10,371,776
Issue of Bonus Equity Shares		-	-	-
Share issue expenses				-
Balance as at March 31, 2021	82,020,944	35,651,793	1,050,770	118,723,507
Profit for the year		40,236,464		40,236,464
Other comprehensive income	-	-	164,689	164,689
Total Comprehensive Income for the year	-	40,236,464	164,689	40,401,153
Issue of Bonus Equity Shares		-	-	-
Share issue expenses	(1,045,000)	-	-	(1,045,000)
Balance as at March 31, 2022	80,975,944	75,888,256	1,215,459	158,079,660

As per our report of even date attached
For Raman S. Shah & Associates
Chartered Accountants

Sd/-
Santosh A. Sankhe
Partner
Membership No. 100976

Mumbai, May 30, 2022

For and on behalf of the Board
Vaishali Pharma Limited
CIN : L52310MH2008PLC181632

Sd/-
Atul Arvind Vasani
Chairman & Managing
Director
(DIN: 02107085)

Sd/-
Ratnesh Singh
Chief Financial
Officer

Sd/-
Jagruti Atul Vasani
Whole-time
Director
(DIN: 02107094)

Sd/-
Vishwa Mekhia
Company Secretary &
Compliance Officer

Statement of cash flows for the year ended March 31, 2022

(Amount in Rs.)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from operating activities		
Profit for the year (before tax)	57,283,715	14,045,239
Adjustments for:		
Finance costs recognised in profit and loss	24,588,280	26,106,920
Bad debts and Other receivable written off	-	18,207,000
Sundry balances written back	(473,430)	(1,524,492)
Interest income recognised in profit and loss	(12,975,143)	(12,581,713)
Dividend income	(75)	-
Depreciation and amortisation of non-current assets	4,563,055	4,269,335
Operating profit before working capital changes	72,986,401	48,522,289
<i>Movements in working capital:</i>		
(Increase)/Decrease in trade receivables	82,252,801	(215,223,287)
(Increase)/Decrease in inventories	(407,466)	2,918,532
(Increase)/Decrease in other current and non-current financial assets	11,364,111	4,594,715
(Increase)/Decrease in other current and non-current assets	(22,292,926)	853,823
Increase/(Decrease) in trade payables	(121,085,231)	170,544,906
Increase/(Decrease) in provisions, current and non-current liabilities	(1,353,319)	8,531,320
Cash generated from operations	21,464,372	20,742,298
Less: Income taxes paid	(8,278,314)	(631,136)
Net cash generated from operating activities (A)	13,186,058	20,111,162
Cash flows from investing activities		
Purchase of PPE and intangible assets	(8,648,398)	(1,260,088)
Interest received	180,141	156,897
Dividend from non-current investments	75	-
Net cash generated from / (used in) investing activities (B)	(8,468,182)	(1,103,191)
Cash flows from financing activities		
Proceeds/(Payments) from non-current borrowings net	(18,818,874)	9,388,736
Proceeds/(Payments) from short term borrowing net	50,698,893	(13,134)
Share Issue expenses	(1,045,000)	-
Repayment of Lease Liabilities	(2,263,597)	(1,320,796)
Finance cost paid	(24,396,639)	(26,170,986)
Net cash used in financing activities (C)	4,174,783	(18,116,180)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	8,892,659	891,791
Cash and cash equivalents at the beginning of the year	4,659,896	3,768,105
Cash and cash equivalents at the end of the year (Refer note 13 & 14)	13,552,555	4,659,896

As per our report of even date attached
For Raman S. Shah & Associates
 Chartered Accountants
 Firm Registration No. 119891W

For and on behalf of the Board
 Vaishali Pharma Limited
 CIN : L52310MH2008PLC181632

Sd/-
Santosh A. Sankhe
 Partner
 Membership No. 100976

Mumbai, May 30, 2022

Sd/-
Atul Arvind Vasani
 Chairman & Managing
 Director
 (DIN: 02107085)

Sd/-
Jagruti Atul Vasani
 Chairman & Managing
 Director
 (DIN: 02107085)

Sd/-
Ratnesh Singh
 Chief Financial
 Officer

Sd/-
Vishwa Mekhia
 Company Secretary &
 Compliance Officer

1. Background

Vaishali Pharma Limited ("the Company") is a public limited company domiciled in India and incorporated on 25th April, 2008 under the provisions of the Companies Act, 1956. The Company is primarily engaged in the marketing of pharmaceutical products including active pharmaceutical ingredients.

The company was listed on 22 August 2017 in NSE – Emerge (SME) and then got migrated to Mainboard of National Stock Exchange on 15th January 2020.

2. Basis of preparation

2.1. Statement of compliance with Ind AS

The financial statements (on standalone basis) of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The Company had prepared its standalone financial statements in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounts) Rules 2014 (referred as "Indian GAAP"). The Company's annual financial statements are prepared complying in all material respects with the Ind AS notified under Section 133 of the Companies Act, 2013.

2.2. Overall consideration

The standalone financial statements have been prepared on going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. These financial statements are prepared under the historical cost convention unless otherwise indicated.

The standalone financial statement has been prepared considering all Ind AS notified by MCA till reporting date i.e. March 31, 2022. The significant accounting policies used in preparing the financial statements are set out in note 3 of the notes to the standalone financial statement.

2.3. Functional and presentation of currency

The financial statements are prepared in Indian Rupees which is also the Company's functional currency.

2.4. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 – Unadjusted quoted price in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purpose using methods as prescribed in “Ind AS 113 Fair Value Measurement”.

2.5. **Use of significant accounting estimates, judgements and assumptions**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of financial statements and reported amounts of income and expenses for the periods presented. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Significant estimates and critical judgement in applying these accounting policies are described below:

- i) **Impairment of financial assets**
The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on industry practice, Company’s past history and existing market conditions as well as forward looking estimates at the end of each reporting period.
- ii) **Contingencies**
Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies / claim / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.
- iii) **Income taxes**

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the statement of profit and loss.

- iv) **Measurement of defined benefit plan & other long term benefits**
The cost of the defined benefit gratuity plan / other long term benefits and the present value of the gratuity obligation / other long term benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation / other long term benefits is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- v) **Impairment of non-financial assets**
The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of a) fair value of assets less cost of disposal and b) its value in use. Value in use is the present value of future cash flows expected to derive from an assets or Cash-Generating Unit (CGU).
- vi) **Leases**
Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

Based on the assessment done at each balance sheet date, recognised impairment loss is further provided or reversed depending on changes in circumstances. After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life. If the conditions leading to recognition of impairment losses no longer exist or have decreased, impairment losses recognised are reversed to the extent it does not exceed the carrying amount that would have been determined after considering depreciation / amortisation had no impairment loss been recognised in earlier years.

3. Significant Accounting Policies

3.1. Presentation and disclosure of standalone financial statement

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in the division II of Schedule III of the Companies Act, 2013 for a company whose financial statements are made in compliance with the Companies (India Accounting Standards) Rules, 2015.

Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current / non-current classification of assets and liabilities.

3.2. Property, Plant and Equipment and Depreciation

Recognition and measurement

Properties plant and equipment are stated at their cost of acquisition. Cost of an item of property, plant and equipment includes purchase price including non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/decommissioning of the asset.

Parts (major components) of an item of property, plant and equipment having different useful lives are accounted as separate items of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance Sheet Date.

Depreciation and useful lives

Depreciation on the property, plant and equipment (other than freehold land and capital work in progress) is provided on written own value (WDV) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013.

Building on leasehold lands and improvements to building on leasehold land / premises are amortized over the period of lease or useful life whichever is lower.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is de-recognised.

3.3. Intangible assets and amortisation

Recognition and measurement

Intangible assets are recognized only if it is probable that the future economic benefits attributable to asset will flow to the Company and the cost of asset can be measured reliably. Intangible assets are stated at cost of acquisition/development less accumulated amortization and accumulated impairment loss if any.

Cost of an intangible asset includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use.

Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.

Amortization and useful lives

Computer softwares are amortized over 3-5 years on written down value basis. Intangible Rights are amortized over the period of right to use. Amortization methods and useful lives are reviewed at each financial year end and adjusted prospectively.

In case of assets purchased during the year, amortization on such assets is calculated on pro-rata basis from the date of such addition

3.4. Inventories

Inventories consisting of stock-in-trade are valued at cost or net realisable value, whichever is lower. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

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

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory includes estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

3.5. Revenue recognition **Sale of goods**

Revenue from sale of goods is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, net of returns and allowances, trade discounts and volume rebates and excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and the receivable is recognized when it becomes unconditional.

Revenue from sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable and are also netted off for probable saleable and non-saleable return of goods from the customers, estimated on the basis of historical data of such returns.

Income from Services

Revenue from rendering of services is recognised over time where the Company satisfies the performance obligation over time or point in time where the Company satisfies the performance obligation at a point in time.

Advance from customers

Advance from Customers: when a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised and disclosed as advances from customers.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Export Incentive

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported, and no significant uncertainty exist regarding its ultimate collection.

3.6. Foreign currency transaction

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. As at the Balance Sheet date, foreign currency monetary items are translated at closing exchange rate. Exchange difference arising on settlement or translation of foreign currency monetary items are recognised as income or expense in the year in which they arise.

Foreign currency non-monetary items which are carried at historical cost are reported using the exchange rate at the date of transactions.

3.7. Employee benefits

- **Short term employee benefits**
All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the period in which the employee renders the related service.
- **Post-employment benefits & other long term benefits**
The company has considered valuation of long term employee benefits as per the certificate received from actuarial valuer. For gratuity plan, re-measurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Such re-measurements are not reclassified to statement of profit and loss in subsequent periods.

The interest cost on defined benefit obligation is recognised under finance cost.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions for other employee benefit plan [other than gratuity] are recognized immediately in the Statement of Profit and Loss as income or expense.

3.8. Borrowing cost

Borrowing costs (net of interest income on temporary investments) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Ancillary cost of borrowings in respect of loans not disbursed are carried forward and accounted as borrowing cost in the year of disbursement of loan. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

3.9. Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

Where Company is lessee

"The Company enters into an arrangement for lease of office buildings. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

- a) control the use of an identified asset,
- b) obtain substantially all the economic benefits from use of the identified asset, and
- c) direct the use of the identified asset"

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Company applies Ind AS 36 to determine whether an RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

Where Company is lessor

Leases under which the Company is a lessor, are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

3.10. Taxes on income

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Provision for current tax is made as per the provisions of Income Tax Act, 1961.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where the Company has unused tax losses and unused tax credits, deferred tax assets are recognised only if it is probable that they can be utilized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises previously unrecognised deferred tax assets to the extent that it has become probable that future taxable profit allow deferred tax assets to be recovered.

3.11. Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalent as calculated above also includes outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.12. Cash flow statement

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

3.13. Provisions, contingent liabilities, contingent assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which

a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

3.14. Earnings per share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.15. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.15.1. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other income” line item.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the ‘Reserve for equity instruments through other comprehensive income’. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument or a financial guarantee. Dividends on these investments in equity instruments are recognised in profit or loss when the Company’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the ‘Other income’ line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the ‘Other income’ line item. Dividend on financial assets at FVTPL is recognised when the Company’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the

dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model based on 'simplified approach' for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit and loss.

De-recognition of financial asset

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.15.2. Financial liability and equity instrument Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of

direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's

credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Reclassification

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in profit or loss.

Recent accounting pronouncements

Reclassification and disclosures consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24th March 2021 to increase the transparency and provide additional disclosures to users of the financial statements. These amendments were applied w.e.f 1st April, 2021. Consequent to above, the Company has disclosed the required relevant disclosure and changed the classification/presentation of the following:

- a) Security deposits – now included in other financial assets instead of loans
- b) Lease liabilities – now disclosed as separate line item on the face of balance sheet instead of other financial liabilities

New amendments issued but not effective

Ministry of Corporate Affairs (“MCA”) has vide notification dated 23rd March, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022, which amends certain accounting standards, and are effective from 1st April, 2022. These amendments are not expected to have a material impact on the Company or future reporting periods and on foreseeable future transactions.

4 - Property, Plant and Equipment

(Amount in Rs.)

Particulars	Building	Office equipment	Furniture & fixtures	Computer Equipments	Vehicles	Total
Gross Carrying Value						
Balance as at March 31, 2020	72,50,291	11,11,646	50,31,935	4,68,892	5,16,387	1,43,79,151
Additions	-	1,42,740	-	1,91,443	-	3,34,183
Disposals	-	-	-	-	-	-
Balance as at March 31, 2021	72,50,291	12,54,386	50,31,935	6,60,335	5,16,387	1,47,13,334
Additions	-	1,93,257	-	82,386	23,66,541	26,42,184
Disposals	-	-	-	-	-	-
Balance as at March 31, 2022	72,50,291	14,47,643	50,31,935	7,42,721	28,82,928	1,73,55,518
Accumulated Depreciation						
Balance as at March 31, 2020	13,03,773	8,87,417	34,74,322	4,44,933	4,37,067	65,47,511
Depreciation expense	2,87,486	1,47,963	4,04,355	1,03,006	25,250	9,68,060
Disposals	-	-	-	-	-	-
Balance as at March 31, 2021	15,91,259	10,35,380	38,78,677	5,47,939	4,62,317	75,15,571
Depreciation expense	2,73,568	1,37,590	2,99,384	1,00,162	4,49,660	12,60,364
Disposals	-	-	-	-	-	-
Balance as at March 31, 2022	18,64,827	11,72,971	41,78,061	6,48,102	9,11,977	87,75,935
Carrying amount						
Balance as at March 31, 2021	56,59,032	2,19,006	11,53,258	1,12,396	54,070	71,97,763
Balance as at March 31, 2022	53,85,464	2,74,672	8,53,874	94,619	19,70,951	85,79,583

5 - Right of Use Assets

Particulars	Building	Total
Gross carrying value:		
Balance as at March 31, 2020	57,77,630	57,77,630
Additions	6,35,664	6,35,664
Disposals	-	-
Balance as at March 31, 2021	64,13,294	64,13,294
Additions	-	-
Disposals	-	-
Balance as at March 31, 2022	64,13,294	64,13,294
Accumulated Depreciation		
Balance as at March 31, 2020	19,25,877	19,25,877
Depreciation expense	19,78,849	19,78,849
Disposals	-	-
Balance as at March 31, 2021	39,04,726	39,04,726
Depreciation expense	20,53,010	20,53,010
Disposals	-	-
Balance as at March 31, 2022	59,57,736	59,57,736
Net book value as at March 31, 2021	25,08,568	25,08,568
Net book value as at March 31, 2022	4,55,558	4,55,558

6 - Intangible assets

(Amount in Rs.)

Particulars	Computer Software	Intangible Rights	Total
Cost or Deemed Cost			
Balance as at March 31, 2020	2,43,592	68,80,459	71,24,051
Additions	5,000	6,00,000	6,05,000
Balance as at March 31, 2021	2,48,592	74,80,459	77,29,051
Additions	-	15,34,980	15,34,980
Balance as at March 31, 2022	2,48,592	90,15,439	92,64,031
Amortisation			
Balance as at March 31, 2020	2,22,855	37,01,394	39,24,249
Amortisation expense	25,737	12,96,689	13,22,426
Balance as at March 31, 2021	2,48,592	49,98,083	52,46,675
Amortisation expense	-	12,49,684	12,49,684
Balance as at March 31, 2022	2,48,592	62,47,767	64,96,359
Carrying Amount			
Balance as at March 31, 2021	-	24,82,376	24,82,376
Balance as at March 31, 2022	-	27,67,672	27,67,672
Intangible assets under development			Total
Balance as at 31st March 2021			4,53,096
Balance as at 31st March 2022			49,24,330

6 - Details of Intangible Work in progress

The table below provides details regarding the intangible work in progress ageing schedule as at March 31, 2022

Particulars	Less than 1 year	1-2 years	2-3 years	More the 3 years	Total
Intangible assets under development	49,24,330	-	-	-	49,24,330
Intangibles temporary Suspended	-	-	-	-	-
Total	49,24,330	-	-	-	49,24,330

The table below provides details regarding the intangible work in progress ageing schedule as at March 31, 2021

Amount in Rs.					
Particulars	Less than 1 year	1-2 years	2-3 years	More the 3 years	Total
Intangible assets under development	4,53,096	-	-	-	4,53,096
Intangibles temporary Suspended	-	-	-	-	-
Total	4,53,096	-	-	-	4,53,096

There is no Intangibles under work in progress, whose completion is either overdue or has exceeded its cost compared to its original cost as on March 31, 2022 and March 31, 2021.

7 - Investments

	As at March 31, 2022		As at March 31, 2021	
	Nos.	Amount	Nos.	Amount
Non-current				
Unquoted (at Cost)				
Equity shares of Janata Sahakari Bank Limited of Rs. 100 each	43,130	43,13,000	43,130	43,13,000
Equity shares of City Cooperative Bank Limited of Rs. 10 each	100	1,000	100	1,000
Equity shares of Shamrao Vithal Co-operative Bank Limited of Rs. 10 each		725		725
Sub-total		43,14,725		43,14,725
Aggregate carrying value of unquoted investments (Net of provision) - Non current		43,14,725		43,14,725

Note :

1. The company has obtained equity shares of Janata Sahakari Bank Limited in pursuant to working capital loan obtained from the same bank, hence the fair value of such share certificate will be equal to face value.

8 - Other Financial Assets

(Amount in Rs.)

	As at March 31, 2022	As at March 31, 2021
8A Non-current		
Unsecured, Considered Good unless otherwise stated)		
Security Deposits	98,55,337	95,55,233
Interest receivable on Margin money deposit	58,25,134	51,46,649
Other interest receivables		
Bank deposits with original maturity of more than twelve (12) months	65,00,000	65,00,000
Non-current total	2,21,80,471	2,12,01,882
8B Current		
Unsecured, Considered Good unless otherwise stated)		
Advance recoverable in cash or kind	11,86,04,341	11,81,52,040
Current total	11,86,04,341	11,81,52,040
Total	14,07,84,812	13,93,53,922

For the financial assets that are measured at amortised cost, the fair values are not materially different from their carrying amounts, since they are either of short term nature or interest receivable is close to current market rates. (Refer Note 29B)

9 - Income Taxes

A Income Tax Expense in the Statement of Profit and Loss comprises :

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current Income Taxes	1,45,47,935	37,88,305
Deferred Income Taxes	(1,81,694)	(2,05,633)
Income Tax Expense (net)	1,43,66,240	35,82,672

B A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is as below:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before income tax	5,72,83,715	1,40,45,239
Applicable income tax rate	25.16%	25.16%
Computed expected tax expense	1,44,12,583	35,33,782
Disallowance under Income tax	(46,343)	48,890
Income tax expense charged to the Statement of Profit and Loss	1,43,66,240	35,82,672

C Components of deferred income tax assets and liabilities arising on account of temporary differences are:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Deferred Income Tax Asset		
Timing difference on tangible and intangible assets depreciation and amortisation	10,32,307	9,07,142
Timing difference on gratuity expense	5,63,826	5,09,761
Timing difference on leases	9,225	62,226
Timing difference on non payment of statutory dues	1,460	1,359
Total Deferred Income Tax Asset (net)	16,06,818	14,80,489

D Reconciliation of Deferred Tax movement during the year

(Amount in Rs.)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening Differed Tax Assets	14,80,489	12,42,956
Deferred Tax Assets recognised through profit and loss on timing difference	1,81,694	2,05,633
Deferred Tax Assets recognised through OCI on employee benefits	(55,366)	31,900
Total Deferred Income Tax Asset (net)	16,06,817	14,80,489

10 - Other Assets

	As at March 31, 2022	As at March 31, 2021
10A Non-current		
VAT receivable	44,80,119	52,86,390
Other Receivables	26,16,699	33,72,686
Prepaid expenses	61,246	4,390
Non-current total	71,58,064	86,63,467
10B Current		
Export benefit receivables	31,79,507	48,37,722
Advances to Suppliers	3,33,49,867	89,17,443
Prepaid expenses	6,60,086	47,756
Balances with Customs, Port Trust, Central Excise etc.	35,61,989	31,50,203
Current total	4,07,51,450	1,69,53,124
Total	4,79,09,514	2,56,16,590

11 - Inventories

	As at March 31, 2022	As at March 31, 2021
Inventories (lower of cost and net realisable value)		
Stock-in-trade (Refer Note 35)	62,89,579	58,82,113
Total	62,89,579	58,82,113

12 - Trade receivables

Ageing for trade receivable from the due date of payment for each of the category is as at March 31, 2022 as follows :

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Unsecured, considered good						
Undisputed - Current year	23,78,02,552	4,24,62,913	5,36,47,142	4,75,90,017	20,35,51,843	58,50,54,467
Undisputed - previous year	(32,95,88,514)	(3,89,74,551)	(2,84,30,538)	(8,44,39,226)	(18,58,74,440)	(66,73,07,268)
Disputed - Current year	-	-	-	-	-	-
Disputed - previous year	-	-	-	-	-	-
Considered Doubtful						
Undisputed - Current year	-	-	-	-	-	-
Undisputed - previous year	-	-	-	-	-	-
Disputed - Current year	-	-	-	-	-	-
Disputed - previous year	-	-	-	-	-	-
Total - Current Year	23,78,02,552	4,24,62,913	5,36,47,142	4,75,90,017	20,35,51,843	58,50,54,467
Total - Previous Year	(32,95,88,514)	(3,89,74,551)	(2,84,30,538)	(8,44,39,226)	(18,58,74,440)	(66,73,07,268)

Note

- 1 The Company's exposure to credit, liquidity and market risks, and loss allowances related to Trade Receivables is disclosed in Note 29.

Provision Matrix

The Company has robust policy of provisioning the debtors. The Overdue debtors above 1 year is critically reviewed and necessary provision between 50% to 100% is done on case to case basis post evaluation.

13 - Cash and cash equivalents

(Amount in Rs.)

	As at March 31, 2022	As at March 31, 2021
Cash on hand		
- In Indian Currency	22,66,457	22,82,433
Balances with Banks		
- In current accounts	93,56,380	8,52,499
	1,16,22,837	31,34,932

14 - Bank balances other than Cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Balance with bank earmarked as margin money	19,29,718	15,24,964
	19,29,718	15,24,964

15 - Equity Share capital

	As at March 31, 2022		As at March 31, 2021	
	Numbers	Amount	Numbers	Amount
Authorised Share Capital				
Equity shares of Rs.10/- each	2,20,00,000	22,00,00,000	1,10,00,000	11,00,00,000
Non-cumulative Redeemable Preference Shares of Re. 1 each				
		22,00,00,000		11,00,00,000
Issued, subscribed and fully paid up				
Equity share capital				
Equity shares of Rs.10/- each	1,05,46,213	10,54,62,130	1,05,46,213	10,54,62,130
	1,05,46,213	10,54,62,130	1,05,46,213	10,54,62,130

(a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the period:

	March 31, 2022		March 31, 2021	
	No of shares	Amount	No of shares	Amount
Equity shares:				
At the beginning of the period	1,05,46,213	10,54,62,130	1,05,46,213	10,54,62,130
Add: Issued during the year	-	-	-	-
At the end of the period	1,05,46,213	10,54,62,130	1,05,46,213	10,54,62,130

Note

During the financial year 2016-17 the company had issued 25,00,000 bonus shares having face value of Rs. 10 per share amounting to Rs. 2,50,00,000 by utilising the Retained Earnings.

During the financial year 2017-18 the company has converted unsecured loans by issue of share capital. The company has issued 16,15,385 shares at a premium of Rs. 3 per share having a face value of Rs. 10 per share

The company has also issued 19,76,000 shares by way of Initial Public Offer at a premium of Rs. 62 per share in financial year 2017-18.

During the financial year 2019-20 the company had issued 39,54,828 bonus shares having face value of Rs. 10 per share amounting to Rs. 3,95,48,280 by utilising the Securities Premium Reserve.

(b) Rights and terms attached to equity shares

The Company has only one class of equity shares each having par value of Rs.10 per share. The holder of equity shares is entitled to one vote per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting rights. The Company declares and pays dividends on shares in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares of the company

Name of the Shareholders	As at March 31, 2022		As at March 31, 2021	
	No of shares	% holding in the class	No of shares	% holding in the class
Equity shares of Rs.10 each fully paid				
1) Mr. Atul Arvind Vasani	22,62,023	21.45%	54,44,616	51.63%
2) Mr. Nupur Anil Shah	5,52,500	5.24%	-	-

(c) Details of share held by promoters of the company

Name of the Promoters	As at March 31, 2022		As at March 31, 2021		% Changes during the Year
	No of shares	% holding in the class	No of shares	% holding in the class	
Equity shares of Rs.10 each fully paid					
1) Mr. Atul Arvind Vasani	22,62,023	21.45%	54,44,616	51.63%	-30.18%
2) Mrs. Jagruti Atul Vasani	4,79,992	4.55%	4,79,992	4.55%	0.00%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

16 - Financial liabilities

	As at March 31, 2022	As at March 31, 2021
16A Non- Current Borrowings		
Secured:		
Term Loan		
- from Banks	2,75,91,679	4,53,69,014
Secured		
- from Non Banking Financial Company	1,04,75,190	1,13,85,355
Unsecured		
- from Non Banking Financial Company	26,18,125	27,49,499
Total Non-Current Borrowings	4,06,84,994	5,95,03,868
Less : Current portion of long term borrowings disclosed under the head other current liabilities	96,22,648	1,91,74,467
Non- Current Borrowings (as per balance sheet)	3,10,62,347	4,03,29,401
16B Current Borrowings		
Secured		
Cash credit from banks	11,22,36,303	11,62,29,789
Unsecured		
Loans from Related Party (Refer Note 32)	5,47,00,130	7,751
Current portion of long term borrowings	96,22,648	1,91,74,467
Current Borrowings (as per balance sheet)	17,65,59,080	13,54,12,007

16 - Financial liabilities

Borrowing

Note:-

Non-Current Borrowing

- Working Capital Term Loan from Janata Sahakari Bank Ltd is secured by the collateral security by equitable mortgage of assets owned by Directors and their family members and by lien of Fixed Deposit placed by the company with the bank repayable in 60 monthly installments commencing from March 2017, and carries an interest rate of 13.00%
- Working Capital Term Loan from Janata Sahakari Bank Ltd is secured by the collateral security by equitable mortgage of assets owned by Directors and their family members and by lien of Fixed Deposit placed by the company with the bank repayable in 84 monthly installments commencing from January 2019, and carries an interest rate of 13.00%
- Term Loan taken from L&T Housing Finance Ltd (NBFC) is secured by mortgage of immovable property and is repayable in 120 monthly installments commencing from March 2015 and April 2017, and carries an effective interest rate of 12.25% & 11.50%
- Unsecured loan from International Financial Services Ltd is unsecured and is repayable on demand, and carries interest rate of 21.00%
- The unsecured loan taken from directors is interest free. The loan is re-payable on demand..

Bank name	Rate of interest p.a	No. of instalments pending	Installment Amount	Commencement from
Janata Sahakari Bank Ltd, Pune	13.50%	5	5,25,000	Mar-17
Janata Sahakari Bank Ltd, Pune	13.50%	43	5,16,000	Mar-18
L & T Housing Finance	12.25%	48	2,52,886	Mar-15
L & T Housing Finance	16.60%	73	89,982	Apr-17
L & T Housing Finance	14.00%	36	88,862	Oct-20

- There is no default in repayment of Loans.

Current Borrowing

- Cash Credit facility from Janata Sahakari Bank Ltd, Pune secured against primary security of hypothecation of stock & book debts & equitable mortgage of properties owned by directors & their relatives, fixed deposits liened to the facilities & personal guarantee of directors & owners of the properties.

Note 17: Lease Liabilities

(Amount in Rs.)

(a) Break up of current and non-current lease liabilities as at 31st March, 2022		
Particulars	As at March 31, 2022	As at March 31, 2021
Non-current lease liabilities	3,75,308	22,63,596
Current lease liabilities	1,16,905	4,92,214
Total	4,92,213	27,55,810

(b) The movement in lease liabilities during the year ended 31st March, 2022 is as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	27,55,810	40,76,606
Additions	-	6,35,664
Finance cost accrued during the year	1,84,403	3,93,540
Payment of lease liabilities	(24,48,000)	(23,50,000)
Balance at the end	4,92,213	27,55,810

18 - Provisions

(Amount in Rs.)

	As at March 31, 2022	As at March 31, 2021
18A Non-current		
Provision for employee benefits Gratuity (Refer Note 25)	18,91,359	18,49,647
Non-current total	18,91,359	18,49,647
18B Current		
Provision for employee benefits Gratuity (Refer Note 25)	3,48,892	1,75,787
Current total	3,48,892	1,75,787
Total	22,40,251	20,25,434

19 - Trade payables

Ageing for trade payables from due date of payment for each of the category is as at March 31, 2022 as follows :

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables					
Undisputed					
Due to MSME - Current Year	1,23,05,184.00	19,62,962.00	5,76,576.00	12,99,200.00	1,61,43,922.00
Due to MSME - Previous Year	(2,83,29,197.00)	(6,48,207.00)	-	(18,18,980.00)	(3,07,96,384.00)
Due to Party's Other than MSME - Current Year	17,96,70,092.77	29,30,303.00	4,07,84,335.00	4,42,78,689.00	26,76,63,419.77
Due to party's other than MSME - Previous Year	(27,37,61,281.81)	(4,83,52,516.00)	(2,71,07,260.00)	(2,53,48,564.00)	(37,45,69,621.81)
Undisputed					
Due to MSME - Current Year	-	-	-	-	-
Due to MSME - Previous Year	-	-	-	-	-
Due to Party's Other than MSME - Current Year	-	-	-	-	-
Due to party's other than MSME - Previous Year	-	-	-	-	-
(Includes creditors for goods and expenses)					
Total - Current Year	19,19,75,276.77	48,93,265.00	4,13,60,911.00	4,55,77,889.00	28,38,07,341.77
Total - Previous Year	(30,20,90,478.81)	(4,90,00,723.00)	(2,71,07,260.00)	(2,71,67,544.00)	(40,53,66,005.81)

* The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) has been determined to the extent such parties have been identified on the basis of information available with the Company.

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Principal amount and interest :					
Principal amount due					
Principal amount not due					
Interest due	-	-	-	-	-
Interest paid by Buyer in terms of section 16 of MSMED Act	-	-	-	-	-
Amount paid beyond the appointed day	-	-	-	-	-
Interest due and payable to supplier, for payment already made under MSMED Act	-	-	-	-	-
Amount of Interest accrued and remaining unpaid at the end of accounting year	-	-	-	-	-
Amount of further interest remaining due and payable even in succeeding years	-	-	-	-	-

20 - Other financial liabilities

(Amount in Rs.)

	As at March 31, 2022	As at March 31, 2021
Current		
Employee payables (Refer note 32)	36,44,286	31,66,843
Interest accrued but not due on borrowings	1,91,642	-
Accrual for expenses (Refer note 32)	18,03,138	8,21,849
	56,39,066	39,88,692

For the financial liabilities that are measured at amortised cost, the fair values are not materially different from their carrying amounts, since they are of short term nature. (Refer Note 29B)

21 - Other liabilities

	As at March 31, 2022	As at March 31, 2021
Current		
Advances from customers	2,50,23,939	2,10,74,126
Statutory Dues	1,51,56,940	2,23,53,675
	4,01,80,879	4,34,27,802

22 - Revenue from Operations

	Year ended March 31, 2022	Year ended March 31, 2021
Sale of Products		
(i) Stock-in-trade	71,53,67,721	52,30,76,922
Other operating revenue		
(i) Commission Income	4,10,04,492	1,02,70,177
(ii) Export Incentive	18,36,000	43,91,777
	75,82,08,213	53,77,38,876

23 - Other income

	Year ended March 31, 2022	Year ended March 31, 2021
Interest income earned on financial assets not designated as at FVTPL		
Bank deposits	8,58,626	9,24,028
Other financial assets	1,21,16,517	1,16,57,685
Dividend income on equity shares at FVTPL	75	-
Foreign currency transactions and translation gain (net)	44,32,467	39,84,833
Miscellaneous Income	4,73,430	15,24,492
	1,78,81,115	1,80,91,039

24 - Changes in inventories of finished goods, stock-in-trade and work-in-progress

	Year ended March 31, 2022	Year ended March 31, 2021
Opening inventories		
Stock-in-trade	58,82,113	88,00,645
	58,82,113	88,00,645
Closing inventories		
Stock-in-trade	62,89,579	58,82,113
	62,89,579	58,82,113
Total	(4,07,466)	29,18,532

25 - Employee benefits expense

	(Amount in Rs.)	
	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	1,20,66,756	1,09,99,936
Directors Remuneration (Refer note)	73,83,871	66,00,000
Gratuity Expenses	4,34,872	3,69,367
Contribution to provident funds and other funds	4,77,348	4,40,763
Employees' welfare expenses	6,28,791	66,538
	2,09,91,638	1,84,76,604

Employee benefit plans

25A Gratuity and other post-employment benefit plans

The Company operates a defined gratuity plan for its employees. Under the gratuity plan, every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. The scheme is unfunded.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the respective plans.

Statement of profit and loss

Net employee benefit expenses recognised in the employee cost

Actuarial Risk	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.
Investment risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.
Legislative Risk	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/ regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	Valuation as at		Valuation as at	
	Year ended March 31, 2022		Year ended March 31, 2021	
Discount rate(s)	7.25%		6.80%	
Expected rate(s) of salary increase	7%		7%	
Mortality rates	Age(Years)	Rates (p.a.)	Age(Years)	Rates (p.a.)
	20	0.09%	20	0.09%
	30	0.10%	30	0.10%
	40	0.17%	40	0.17%
	50	0.44%	50	0.44%
	60	1.12%	60	1.12%

Amounts recognised in the Statement of profit and loss in respect of these defined benefit plans are as follows.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Service cost:		
Current service cost	3,03,119	2,69,305
Past service cost and gain from settlements	-	-
Interest on net defined benefit asset	1,31,753	1,00,062
Components of defined benefit costs recognised in profit or loss	4,34,872	3,69,367
Actuarial (gains) / losses arising from changes in financial assumptions	(1,14,746)	11,806
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from experience adjustments	(1,05,309)	1,10,885
Components of defined benefit costs recognised in other comprehensive income	(2,20,055)	1,22,691

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The re-measurement of the net defined benefit liability is included in other comprehensive income.

Movements in the present value of the defined benefit obligation are as follows.

	Year ended March 31, 2022	Year ended March 31, 2021
A)		
Opening defined benefit obligation	20,25,434	15,33,376
Current service cost	3,03,119	2,69,305
Interest cost	1,31,753	1,00,062
Re-measurement (gains)/losses:		
Actuarial gains and losses arising from changes in financial assumptions	(1,14,746)	11,806
Actuarial gains and losses arising from changes in demographic assumptions	-	-
Actuarial gains and losses arising from experience adjustments	(1,05,309)	1,10,885
Past service cost, including losses/(gains) on curtailments	-	-
Benefits paid	-	-
Closing defined benefit obligation	22,40,251	20,25,434

25B Sensitivity Analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation (DBO) at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

	Year Ended 31st March, 2022		Year Ended 31st March, 2021	
Particulars	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on DBO	-5.22%	4.64%	-5.59%	4.88%
Impact of decrease in 50 bps on DBO	5.72%	-4.40%	6.14%	-4.83%

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

The average duration of the benefit obligation at 31st March 2022 is 12.86 years, (as at 31st March 2021: 13.05 years).

Projected Plan Cash Flow :

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date :

Maturity Profile	2021-22	2020-21
Expected benefits for year 1	348892	175787
Expected benefits for year 2	80892	200694
Expected benefits for year 3	259074	67462
Expected benefits for year 4	74277	246370
Expected benefits for year 5	78202	62582
Expected benefits for year 6 and above	485488	327846

26 - Finance costs

	Year ended March 31, 2022	Year ended March 31, 2021
Interest expenses on short term borrowings, bank overdraft and others	2,41,94,740.26	2,57,13,380.07
Interest on unwinding of leases liability	3,93,540	3,93,540
Other borrowing costs		
	2,45,88,280	2,61,06,920

27 - Depreciation and amortisation expense

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of Property, Plant and Equipment pertaining to continuing operations (Refer Note 4)	12,60,361	9,68,060
Depreciation on Right of use asset (Refer Note 5)	20,53,010	19,78,849
Amortisation of Intangible assets (Refer Note 6)	12,49,684	13,22,426
	45,63,055	42,69,335

28 - Other expenses

	Year ended March 31, 2022	Year ended March 31, 2021
Repairs and Maintenance	1,62,757	1,81,498
Brokerage and Commission	1,12,39,413	15,89,868
Rent (Refer note 32)	2,78,087	2,45,520
Insurance	1,16,705	66,851
Bad debts written off	-	1,82,07,000
Rates and Taxes	1,44,801	3,22,722
Advertisement and Sales Promotion Expenses	8,60,081	6,62,917
Travelling and Conveyance	11,92,234	3,77,964
Carriage and Freight	1,46,32,947	51,66,343
Director Sitting Fees	89,100	-
Printing & Stationery	3,28,576	2,29,466
Office expenses	2,36,300	2,21,885
Interest and penalty	2,99,527	1,49,831
Postage, Telephone and Electricity	9,99,709	6,33,942
Legal, Professional and Consultancy Charges (Refer note 28A)	30,63,702	33,24,386
Donations	11,000	-
Miscellaneous Expenses	1,810	36,888
	3,36,56,749	3,14,17,082

28A Legal and professional expenses include:

	Year ended March 31, 2022	Year ended March 31, 2021
Auditors' remuneration and expenses		
Statutory Auditor's Remuneration	75,000	75,000
Half Yearly Limited Review	50,000	50,000
Tax Auditors Fees		
Taxation matters	50,000	50,000
Others		
Fees for other audit related services	-	-

29 - Risk management

29A Capital Risk

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimise cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted).

29B Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income & expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are as disclosed in Note no. 3 to the financial statements.

Particulars	(Amount in Rs.)	
	As at March 31, 2022	As at March 31, 2021
Financial assets		
Measured at Fair value through other comprehensive income		
Investments	43,14,725	43,14,725
Measured at amortised cost		
Cash and bank balances	1,16,22,837	31,34,932
Trade receivable	58,50,54,467	66,73,07,268
Security Deposits	98,55,337	95,55,233
Margin Money	19,29,718	15,24,964
Interest receivable on Margin Money deposit	58,25,134	51,46,649
Fixed Deposit with bank	65,00,000	65,00,000
Advance Recoverable in cash or kind	11,86,04,341	11,81,52,040
Financial liabilities		
Measured at amortised cost		
Borrowings		
Long Term Borrowings	3,10,62,347	4,03,29,401
Short Term Borrowings	11,22,36,303	11,62,29,789
Directors' loan	5,47,00,130	7,751
Lease Liabilities	4,92,213	27,55,810
Measured at amortised cost		
Trade payable	28,38,07,342	40,53,66,006
Current Maturities of Long Term Borrowings	96,22,648	1,91,74,467
Employee Benefits payable	36,44,286	31,66,843
Accrual for expenses	18,03,138	8,21,849
Interest accrued but not due on borrowings	1,91,642	-

The management considers that the carrying amount of financials assets & financial liabilities recognised in the financial statement approximate their fair values.

29C Financial Risk management objectives and policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company's financial liabilities comprise of borrowings, trade payable and other liabilities to manage its operation and financial assets includes trade receivables and other receivables etc. that arise from its operation.

The Company has constituted a Risk Management Committee consisting of majority of directors and senior managerial personnel. The Company has a robust Business Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business segments.

The Company has instituted a self governed Risk Management framework based on identification of potential risk areas, evaluation of risk intensity, and clearcut risk mitigation policies, plans and procedures both at the enterprise and operating levels. The framework seeks to facilitate a common organisational understanding of the exposure to various risks and uncertainties at an early stage, followed by timely and effective mitigation. The Audit Committee of the Board reviews the risk management framework at periodic intervals. Our risk management procedures ensure that the management controls various business related risks through means of a properly defined framework.

29D Market Risk

The Company operates internationally and a major portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk to the extent that there is mismatch between the currencies in which its sales and services and purchases from overseas suppliers in various foreign currencies. Market Risk is the risk that changes in market prices such as foreign exchange rates will effect groups income or value of its holding financial assets/ instruments.

The Company also holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the Rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are favourably affected as the Rupee appreciates/ depreciates against US dollar (USD)

The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities at the end of the reporting period which are hedged are as follows.

Particulars	(Amount in USD)			
	Assets		Liabilities	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Trade receivables	3,70,000	2,90,000	-	-

- (i) This is mainly attributable to the exposure outstanding on foreign currency receivables in the Company at the end of the reporting period.
(ii) The Company hedges its net exposure in foreign currencies and as such the profit or loss of the company is not subject to foreign exchange fluctuation.

The unhedged foreign currency exposures of the company are as follows :

Particulars	(Amount in USD)			
	Assets		Liabilities	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Trade receivables	9,15,734.00	8,61,099	-	-

29E Credit risk

Credit risk refers to the risk of default on its obligation by the customer / counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is carrying value of respective financial assets.

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The group uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors such as default risk of industry, credit default swap quotes, credit ratings from international credit rating agencies and historical experience for customers.

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in shares of co-operative banks.

29F Liquidity Risk

The Company's principle sources of liquidity are cash and cash equivalents, current investments and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company closely monitors its liquidity position and maintains adequate source of funding.

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

Particulars	(Amount in Rs.)			
	As at 31st March 2022	Less than 1 year	1-5 years	Above 5 years
Borrowings	4,06,84,994	96,22,648	3,10,62,347	8,13,69,989
Current Borrowings	11,22,36,303	11,22,36,303	-	22,44,72,605
Lease Liabilities	4,92,213	4,92,213	-	9,84,426
Trade Payables	28,38,07,342	28,38,07,342	-	56,76,14,684
Other Financial Liabilities	39,88,692	39,88,692	-	79,77,385

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31st March,2021:

Particulars	(Amount in Rs.)			
	As at 31st March 2021	Less than 1 year	1-5 years	Above 5 years
Borrowings	5,95,03,868	1,91,74,467	4,03,29,401	-
Current Borrowings	11,62,29,789	11,62,29,789	-	-
Lease Liabilities	27,55,810	4,92,213	22,63,597	-
Trade Payables	40,53,66,006	40,53,66,006	-	-
Other Financial Liabilities	39,88,692	39,88,692	-	-

30 - Segment Information

The Company is primarily engaged in only one type of business i.e. marketing of pharmaceutical products including active pharmaceutical ingredients and there are no separate reportable segments.

31 - Earnings per share

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Basic / Diluted earnings per share		
From continuing operations attributable to the owners of the company	3.82	0.99
Total basic earnings per share attributable to the owners of the company	3.82	0.99

Basic / Diluted earnings per share

The earnings and weighted average number of equity share used in the calculations of basic earnings per share are as follows :

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the year attributable to the owners of the company	4,02,36,464	1,04,62,567
Earnings used in the calculation of basic earnings per share from continuing operations	4,02,36,464	1,04,62,567

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Weighted average number of equity shares for the purpose of basic / diluted earnings per share*	1,05,46,213	1,05,46,213

During the year ended March 31, 2020, the Company has issued bonus shares in the proportion of 5:3 i.e. for every five (5) shares held, three (3) fully paid bonus equity shares of Rs. 10/- each were issued.

The bonus issue was approved by the shareholders of the Company in October 2019, through Postal Ballot/e-voting.

Subsequently, the Company allotted 39,54,828 equity shares to shareholders who held equity shares as on the record date. The Bonus issue was transferred from Securities Premium to the Share capital.

EPS adjusted for the year prior to the bonus issue.

32 - Information on related party transactions as required by Indian Accounting Standard 24 (Ind AS 24) on related parties disclosed ended 31st March 2021

A Key Managerial Personnel ("KMP")

Mr. Atul Vasani	Chairman and Managing Director
Mrs. Jagruti Vasani	Whole Time Director
Mr. Dewansh Vasani	Executive Director (change of designation w.e.f. Aug 06, 2021)
Mr. Hemant Pathak	Chief Executive Officer
Mr. Ratnesh Singh	Chief Financial Officer
Mr. Akshay Jharkhandi	Company Secretary (resigned on Oct 18, 2021)
Ms. Vishwa Mekhia	Company Secretary (appointed on Dec 20, 2021)

B Relatives of Key Managerial Personnel ("KMP") with whom transactions have taken place during the year

Mrs. Manjula Vasani	Mother of Mr. Atul Vasani
Ms. Priyanka Vasani	Daughter of Mr. Atul Vasani
Ms. Vaishali Vasani	Sister of Mr. Atul Vasani
Mr. Ajay Vasani	Brother of Mr. Atul Vasani
Mr. Kevin Vasani	Son of Mr. Atul Vasani

C Entities over which Key Management Personnel and their relatives have significant influence and with whom transactions have taken place during the year ("Entities")

Arochem Industries	25% partnership of Mr. Atul Vasani
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Details of Transactions with Related Parties

Sr No	Particulars	Year ended March 31, 2022			
		Key Management Personnel	Relatives of Key Management Personnel	Entities	Total
		a	b	c	
1	Remuneration	73,83,871 (66,00,000)	- -	- -	73,83,871 (66,00,000)
2	Salary paid	12,43,968 (10,32,883)	37,47,833 (38,18,600)	- -	49,91,801 (48,51,483)
3	Rent	17,40,000 (17,40,000)	5,40,000 (7,80,000)	- -	22,80,000 (25,20,000)
4	Advances given	- -	- -	- -	- -
5	Loan taken	5,47,00,130 -	- -	- -	5,47,00,130 -
6	Loan repaid	1,83,611 (5,000)	- -	- -	1,83,611 (5,000)
7	Material Purchased	- -	- -	- -	- -
8	Material Sold	9,080 -	- -	- -	9,080 -

Figures in the brackets are the comparative figures of the previous year

Balance due from / to the related parties

Sr No	Particulars	As at March 31, 2022			
		Key Managerial Personnel	Relatives of KMP	Other Related Parties	Total
1	Loan Payable	5,47,00,130			5,47,00,130
2	Rent Payable	10,27,445	1,74,978		12,02,423
3	Remuneration Payable	36,64,132	7,16,496		43,80,628
4	Advances given	1,41,579	40,712		1,82,291
5	Deposits given	7,50,000	2,50,000		10,00,000

Sr No	Particulars	As at March 31, 2021			
		Key Managerial Personnel	Relatives of KMP	Other Related Parties	Total
1	Loan Payable	7,751			7,751
2	Rent Payable	7,65,406	5,16,000		12,81,406
3	Remuneration Payable	1,64,564	4,10,450		5,75,014
4	Advances given	9,26,295	21,11,480		30,37,775
5	Deposits given	7,50,000	2,50,000		10,00,000

33A - Leases

Particulars		As at 31st March 2022	As at 31st March 2021
Minimum lease rental payments			
1	Payable not later than one year	1,68,000	28,68,000
2	Payable later than one year and not later than five years	-	1,68,000
3	Payable later than five years	-	-

- The lease agreement provides for an option to Company to renew the lease period at the end of the non-cancellable period. There are no exceptional/restrictive covenants in the lease agreements.
- Further the company has entered into cancellable operating lease for office premises and godown. Tenures of leases generally vary from one year to five years. Terms of the lease include operating terms for renewal, terms of cancellation, etc.
- Lease payments in respect of the above leases are recognised in the Statement of Profit and Loss under the head Rent Expenses.

33B - Contingent Liabilities

As per the management of the company there are no contingent liabilities which are required to be disclosed in the notes to the financial statements.

34 - Ratios

Sr no	Particulars	As at 31st March 2022	As at 31st March 2021	Variance in %
1	Current Ratio Current Ratio = Current Assets/Current Liabilities	1.47	1.37	7%
2	Debt-Equity Ratio Debt-Equity Ratio = Debt/Equity	0.79	0.78	0%
3	Debt Service Coverage Ratio(DSCR) DSCR = Net Operating Income/Total Debt Services	2.23	1.43	56%
4	Return on Equity Ratio Return on Equity Ratio = Net Income/ Share Holder's Equity	0.15	0.05	231%
5	Inventory Turnover Ratio Inventory Turnover Ratio = Cost of Goods Sold/Average Inventory	104.34	62.86	66%
6	Trade Receivable Turnover Ratio Trade Receivable Turnover Ratio = Net Credit Sales/Avg Account Receivable	1.21	0.94	29%
7	Trade payable Turnover Ratio Trade payable Turnover Ratio = Net Credit Purchases/Avg Account Payable	1.31	0.88	49%
8	Net Capital Turnover Ratio Net Capital Turnover Ratio = Total Sales/Shares holders Equity	2.94	2.48	19%
9	Net Profit Ratio Net Profit Ratio = Net Profit/Sales	0.05	0.02	171%
10	Return on Capital Employed Return on Capital Employed = EBIT/(Shareholders Equity+Long Term Liabilities)	0.28	0.15	83%
11	Return on Investment Return on Investment = Net Income/Cost of Investment*100	9.33	2.42	285%

35 Previous year numbers have been regrouped / restated to match with the current year's classification

As per our report of even date attached

For Raman S. Shah & Associates

Chartered Accountants
Firm Registration No. 119891W

Sd/-

Santosh A. Sankhe

Partner
Membership No. 100976

Mumbai, May 30, 2022

Sd/-

Ratnesh Singh
Chief Financial
Officer

Sd/-

Vishwa Mekhia
Company Secretary &
Compliance Officer

For and on behalf of the Board
Vaishali Pharma Limited
CIN : L52310MH2008PLC181632

Sd/-

Atul Arvind Vasani
Chairman & Managing
Director
(DIN: 02107085)

Sd/-

Jagruti Atul Vasani
Whole-time
Director
(DIN: 02107094)

Way Ahead

Way Ahead

Increased Global Presence

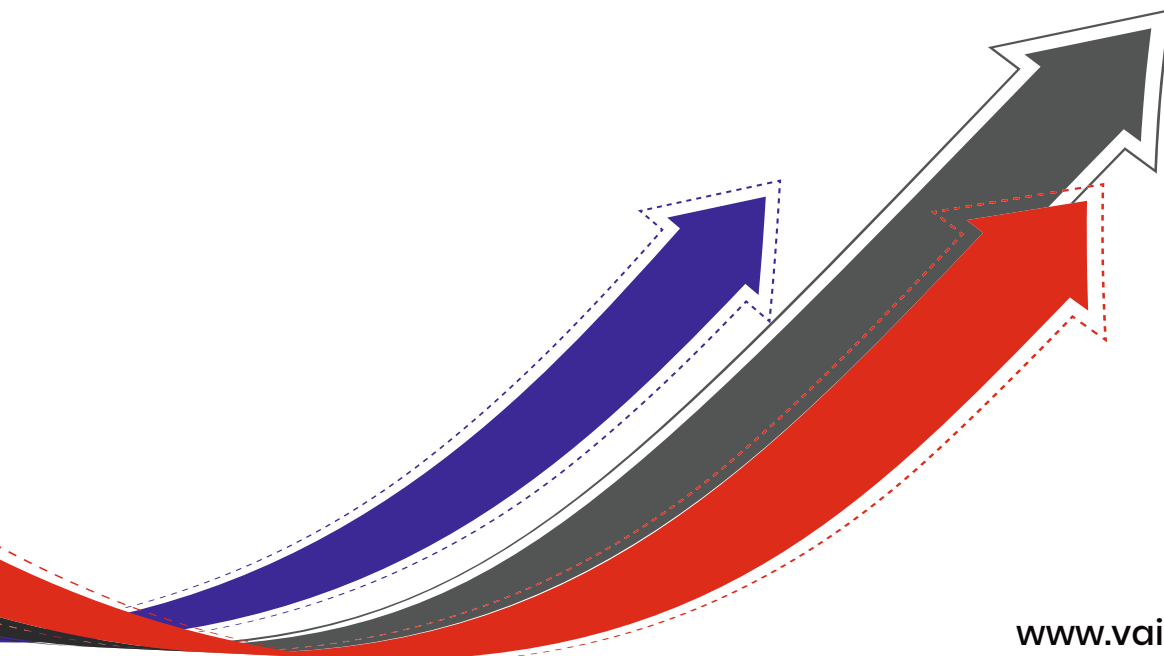
- Currently have presence in Asian, Middle East, African, CIS and Latin American Countries.
- Applied for 200 registrations in 35+ countries, out of which received 250+ approvals and remaining in process that will boost export operation.

Leveraging Market Skills And Relationships

- Continuous focus on leveraging market skills and relationship in organization.
- Training of Executives & Professionals
- Impart innovative and technical skills in people & to give importance

Market Expansion

- Nutraceuticals is newly introduced segment in Pharmaceuticals, and is one of fastest growing vertical in India & Other Countries. Nutraceuticals are entirely based on dietary supplements, Nutritional food additives and Immunity Boosters.
- To explore potential in Domestic market and plans to introduce many new molecules in 2022.
- Also, plans to expand by registering many more products in International market.





REGISTERED OFFICE:

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