

2023

ANNUAL REPORT 2022-2023

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PHARMAIDS PHARMACEUTICALS
LIMITED

34th Annual report

Corporate Information

Independent Directors

Mr. Mopperthy Sudheer
Mr. P N Vijay
Mr. Methuku Nagesh

Non-Executive and Non-Independent Director

Mr. Venkata Rao Sadhanala

Executive Directors

Mr. Venu Madhava Kaparthy
Ms. Mini Manikantan

Chief Financial Officer

Mr. Balagangadhara B C

Company Secretary, Compliance officer & Head-Legal

Mr. Kaushik Kumar

Listing

BSE Limited

Corporate Identification Number

L52520KA1989PLC173979

Bankers

Canara Bank
ICICI Bank

Secretarial Auditor

M/s Kashinath Sahu & Co, Practising Company
Secretary

Statutory Auditor

M/s PPKG & CO., Chartered Accountants

Registrar and Share Transfer Agent

M/s Venture Capital and Corporate Investments
Private Limited

“Aurum”, Door No.4-50/P-II/57/4F &5F, Plot No.
57, 4th & 5th floors, Jayabheri Enclave Phase- II
Gachibowli Hyderabad - 500032

Phone No. 404-23818475,23868275,35164940

Website – www.vccipl.com

Registered Office Address

Unit #201, Brigade Rubix, 20/14, HMT Factory
Road, Peenya Plantation, Bangalore 560013 India

Telephone No.- 080- 49784319

Email- Id - compliance@pharmaids.com

Website – www.pharmaids.com

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About this report

We are pleased to present the Thirty Fourth Annual Report, for the financial year 2022-23. This report provides an overview of your company's operations, financial and non-financial performance during the year. Further, in this report, we have highlighted the key opportunities and challenges facing our industry, as well as our policies and procedures for ensuring compliance and good governance. The report aims to provide a detailed insight into our financial and non-financial disclosures, encompassing our leadership, culture, and strategy of our value creation process to our stakeholders.

Responsibility statement

The Board firmly believes that this report is a fair representation of your company's financial, non-financial and operational performance and address all material topics relevant to the company for FY 2022-23. The board acknowledges that contents of this report have been prepared by respective functions and under the guidance of the management.

About Pharmaid

Incorporated in March 1989, we are a Public Limited company listed on BSE since 1992. With a unique business strategy, a modest investment and with a bold vision to be a global player in this business by providing high quality innovation and research, development, and manufacturing services to our partners. We have onboarded a team having thorough scientific, management and operational experience. We have also been able to bring in Independent Board members with excellent & longstanding experience. PPL intends to work for clients around the globe, delivering innovation that benefits immediate and extended stakeholders.

We have a strong commitment to adhere to corporate governance framework focused on quality, safety, ethics, client satisfaction and data integrity. PPL is exploring organic and inorganic growth opportunities to achieve this endeavour.

We embrace innovation—bringing ideas, products and services to life for well-being of people around the world. We believe in collaboration, that would help us to cater to the well-being of the society.

We aspire to create an environment in which people can realise their full potential through collaborative work and continuous learning.

NOTICE
34th ANNUAL GENERAL MEETING

Notice is hereby given that the 34th Annual General Meeting of the Members of M/s Pharmaids Pharmaceuticals Limited ("the Company") will be held on Friday, September 22, 2023, at 12:30 P.M. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact following business mentioned below:

Ordinary Business:

1. To consider and adopt the Audited Financial Statements (Standalone and Consolidated) for the Financial Year ended March 31, 2023, and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Mini Manikantan (DIN: 09663184), who retires by rotation and being eligible, offers herself for re-appointment.
3. Re-appointment of Statutory Auditors of the Company for a consecutive term of five years:

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

“RESOLVED THAT pursuant to provision of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification thereof for the time being in force and as may be enacted from time to time), approval of the members of the Company be and is hereby accorded for reappointment of M/s. PPKG & Company, Chartered Accountants (Firm Registration Number 009655S) as Statutory Auditors of the Company to hold office for further consecutive term of five years from the conclusion of 34th Annual General Meeting until the conclusion of 39th Annual General Meeting of the Company at an Annual Fess of Rs. 2,00,000/- (Rupees Two Lakh Only) exclusive of Taxes, if any and reimbursement of out of pocket expenses incurred by them on actual basis and be revised as decided by the Audit Committee/Board in consultation with the Auditors, which fee may be paid on a progressive billing basis to be agreed between the Auditor and the Audit Committee/Board or such other officer of the Company as may be approved by the Board/Committee.

RESOLVED FURTHER THAT the Board, in consultation with the Audit Committee, be and is hereby authorised to alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors of the Company.

Special Business:

4. **Appointment of Mr. Shreedhara Shetty (DIN: 02776638) as a Non-Executive Non-Independent Director**

*To consider and if thought fit, to pass the following Resolution, with or without Modification, as **Ordinary Resolution**:*

RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Articles of Association of the company, on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors for appointment of Mr. Shreedhara Shetty (DIN: 02776638) as an Additional Director in the capacity of a Non-Executive Non-Independent Director of the Company w.e.f. 29.08.2023, and in respect of whom the Company has received a notice in writing in terms of Section 160(1) of the Act and who holds office as such up to the date of ensuing Annual General Meeting, be and is hereby, appointed as an Non-Executive Non-Independent Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to perform and execute all such acts, deeds, matters and things, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto.”

5. **To approve Material Related Party Transaction limits with Anugraha Chemicals (“The firm”)**

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

“RESOLVED THAT pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), the applicable provisions of the Companies Act, 2013 ('Act'), if any, read with related rules, if any, each as amended from time to time, and the Company's Policy on Related Party Transaction(s), the approval of the Shareholders be and is hereby accorded to the Board of Directors of Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to enter into/continue to enter Material related party transaction(s)/ contract(s)/ arrangement(s)/ agreement(s)/Loans/ Advances (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with Anugraha Chemicals (“the Firm”), a related party of the

Company, for the financial year 2023-24 on such terms and conditions as may be agreed between the Company and Anugraha Chemicals, subject to a maximum of Rs. 15,00,00,000/- (Rupees Fifteen Crore Only) through transaction(s)/ contract(s)/ arrangement(s)/ agreement(s), subject to such transaction(s)/ contract(s)/ arrangement(s)/agreement (s), being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Shareholders or otherwise to the end and intent that the Shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred to any Director(s) or Chief Financial Officer or Company Secretary or any other Officer(s) / Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board, or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects.”

6. **To approve availing shareholders loan from Mr. Shankarappa Nagaraja Vinaya Babu, shareholder of the company which will be considered as material related party transaction.**

*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 179, 180(1)(c) and 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and Regulation 23 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (‘SEBI Listing Regulations’), and the applicable provisions of the Companies Act, 2013 (‘Act’), if any, read with related rules, if any, each as amended from time to time, and the Company’s

Policy on Related Party Transaction(s), the approval of the Shareholders be and is hereby accorded to the Board of Directors of Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to enter into/continue to enter Material related party transaction(s)/ contract(s)/ arrangement(s)/ agreement(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with Mr. Shankarappa Nagaraja Vinaya Babu, a Shareholder and related party of the Company, for the financial year 2023-24 on such terms and conditions as may be agreed between the Company and Mr. Shankarappa Nagaraja Vinaya Babu, subject to a maximum of Rs. 7,50,00,000/- (Rupees Seven Crore Fifty Lakh Only) through transaction(s)/ contract(s)/ arrangement(s)/ agreement(s)/ Loans/ Advances, subject to such transaction(s)/ contract(s)/ arrangement(s)/agreement (s), being carried out at arm’s length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Shareholders or otherwise to the end and intent that the Shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred to any Director(s) or Chief Financial Officer or Company Secretary or any other Officer(s) / Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board, or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects.”

7. To approve investments, loans, Guarantees and security in excess limits specified in under section 186 of Companies Act, 2013

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

“RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modifications or amendments thereto or re-enactments thereof) and in terms of Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by the Resolution) to give any loan(s) to any other body corporate or person and/or give any guarantee(s) or provide any security(ies) in connection with any loan(s) to any other body corporate or person and/ or to make any investments or acquisition by way of subscription, purchase or otherwise, the securities (including equity shares, preference shares, debentures, or any other kind of instruments, whether convertible or not) of other body corporate, whether in India or outside India, as may be considered appropriate, beneficial and in the interest of the Company, provided that the aggregate of the loans and investments so far made in and the amount or which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 40,00,00,000/- (Rupees Forty Crore Only) over and above the limits available to the Company as prescribed under Section 186 of the Companies Act, 2013.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers conferred on it by or under the aforesaid resolution to any Director or to the Company Secretary, as it may consider appropriate in order to give effect to the resolution.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company, including filing of necessary forms and returns with the Ministry of Corporate Affairs and other concerned Authorities and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the resolution.”

BY ORDER OF THE BOARD OF DIRECTORS

Sd/-

**KAUSHIK KUMAR
COMPANY SECRETARY**

Date: 29.08.2023 Place: Bangalore

CIN: L52520KA1989PLC173979

**Regd. Office: Unit 201, 2nd Floor, Brigade Rubix, 20/14 HMT Factory Main Road, Peenya
Plantation Bangalore, Karnataka - 560013**

NOTES:

1. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of the Special Business and the details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') entered with the Stock Exchanges and Secretarial Standard on General Meeting (SS-2) in respect of the Directors seeking appointment / re-appointment at this Annual General Meeting is annexed hereto.
2. In terms of Section 152 of the Companies Act, 2013, Ms. Mini Manikantan (DIN: 09663184) retires by rotation at the Meeting and being eligible, offers herself for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company recommends her re-appointment.
3. The Ministry of Corporate Affairs ("MCA") has vide its Circular dated January 13, 2020 read with the Circulars dated April 8, 2020, April 13, 2020, May 5, 2020 and December 28, 2022 (collectively referred to as "MCA Circulars") and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (collectively referred to as "SEBI Circulars"), permitted the holding of the Annual General Meeting ("AGM") through VC, without the physical presence of the Members at a common venue. Hence, in compliance with the MCA Circulars and SEBI Circulars, the 34th AGM of the Company is being held through VC / OAVM on Friday, September 22, 2023 at 12:30 P.M. (IST).

In compliance of Section 20 of the Companies Act, 2013 and further to the aforesaid MCA Circulars and SEBI Circulars, notice of the 34th AGM along with the Annual Report 2022-23 is being sent only through electronic mode to the Members whose e-mail addresses are registered with the Company / Depositories. Members may note that the Notice and the Annual Report 2022-23 will also be available on the Company's Website: <http://www.pharmaids.com/> Website of the Stock Exchange i.e., BSE Limited: <https://www.bseindia.com> and on the Website of CDSL: <https://www.evotingindia.com>

4. Green Initiative: To support the Green Initiative, Members who have not registered their e-mail address are requested to register their e-mail address for receiving all the communications including Annual Report, Notices, Circulars etc. from the Company electronically.
5. 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 and SEBI 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, Attendance Slip and Route Map are not annexed to this Notice.
6. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC / OAVM. Corporate Members intending to authorise

their Representatives to participate and vote at the AGM are requested to upload a copy of the Board Resolution / Authorisation Letter on the E-Voting Portal or send to the Company at compliance@pharmaids.com with a copy marked to kaushik@pharmaids.com.

7. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the Quorum under Section 103 of the Act. As per Regulation 40 of the SEBI Listing Regulations, as amended, Securities of Listed Entities can be transferred only in Dematerialised form with effect from April 1, 2019, except in case of transmission or transposition of Securities. In view of this, Members holding Shares in Physical Form are requested to consider converting their holdings to Dematerialised form. Members can contact M/s Venture Capital and Corporate Investments Private Limited, Registrar and Share Transfer Agents of the Company, ("RTA" or "Registrar") situated at AURUM", 4th & 5th Floors, Plot No.57, Jayabheri Enclave Phase – II, Gachibowli, Hyderabad 500032, email: investor.relations@vccipl.com website of the Registrar: <https://www.vccipl.com/index.html> for assistance in this regard.
8. Members are requested to intimate changes, if any, pertaining to their Name, Postal Address, E-mail Address, Telephone / Mobile Numbers, Permanent Account Number, Mandates, Nominations, Power of Attorney, Bank Details viz., Name of the Bank, Branch Details, Bank Account Number, MICR Code, IFSC Code etc., to their Depository Participants ("DPs") in case the Shares are held in Electronic Form and Registrar / RTA in case the Shares are held in Physical Form.
 - a. **Registration of E-mail for Shareholders holding Physical Shares:** Members holding Shares in Physical Form and who have not registered their E-mail addresses may get their E-mail addresses registered with the Registrar, by referring to their website: <https://www.vccipl.com/index.html> and follow the Registration Process as guided therein. Members are requested to provide details such as Name, Folio Number, Certificate Number, PAN, Mobile Number and E-mail and also upload the image of Share Certificate in PDF or JPEG format. On submission of the details, an OTP will be received by the Member which needs to be entered in the link for verification.

For Permanent Registration for Demat Shareholders: It is clarified that for permanent registration of E-mail address, Members are requested to register their E-mail address, in respect of Demat holdings with the respective Depository Participant (DP) by follow the procedure as prescribed by the Depository Participant.
 - b. **For Temporary Registration for Demat Shareholders:** Members holding Shares in Physical Form and who have not registered their E-mail addresses may get their E-mail addresses registered with the Registrar, by referring to their website: <https://www.vccipl.com/index.html> and follow the Registration Process as guided therein. Members are requested to provide details such as Name, Folio Number, Certificate Number, PAN, Mobile Number and E-mail.
 - c. **Registration of Bank Details for Physical Shareholders:** Members holding Shares in Physical Form and who have not registered their Bank details can get the same registered with the Registrar, by clicking the <https://www.vccipl.com/index.html> and

follow the registration process as guided therein. Members are requested to provide details such as Name, Folio Number, Share Certificate Number, PAN, E-mail, along with the copy of the Cheque Leaf with the First named Member as mentioned on the Cheque Leaf containing Bank Name and Branch, Type of Account, Bank Account Number, MICR Details and IFSC code in PDF or JPEG format. It is very important that the Member should submit the request letter duly signed. The Registrar will verify the documents upload and will only take on records for all valid cases. On submission of the details, an OTP will be received by the Member which needs to be entered in the link for verification.

9. **Nomination:** Pursuant to Section 72 of the Companies Act, 2013, Members holding Shares in Physical Form are advised to file Nomination in the prescribed Form SH-13 with the Company's Share Transfer Agent. In respect of the Shares held in Dematerialised form, Members may please contact their respective Depository Participant.
10. **Consolidation of Physical Share Certificates:** Members holding Shares in Physical Form, in identical order of Names, in more than One Folio are requested to send to the Company or Registrar, 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.
11. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, the Company has provided a facility to its Members to cast their vote electronically, through the E-Voting services provided by Central Depository Services (India) Limited ("CDSL") on all the Resolutions set forth in this Notice. Members who have cast their Votes by remote E-Voting prior to the AGM may also participate in the AGM through VC but shall not be entitled to cast their Vote on such Resolutions again. The manner and process of E-Voting remotely by Members is provided in the instructions for E-Voting which forms part of this Notice.
12. A Person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date for dispatch of Notice and Annual Report i.e., August 30, 2023, will only be entitled for receipt of Annual Report.
13. **The Voting Rights of the Shareholders for voting through remote E-Voting at the AGM shall be in proportion to their share of the Paid-up Equity Share Capital of the Company as on Friday, September 15, 2023 ('Cut-Off Date'). A Person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date, only shall be entitled to avail the facility of remote E-Voting or of voting at the AGM and who is not a Member as on the Cut-off Date shall treat this Notice for information purposes only.**
14. **The Remote E-Voting Period will commence on Tuesday, September 19, 2023 (IST 09:00 A.M.) and will end on Thursday, September 21, 2023 (IST 05:00 P.M.). During this period, Members of the Company, holding Shares either in Physical Form or in Dematerialised form, as on the Cut-off Date i.e., on Friday, September 15, 2023 ('Cut-Off Date') shall be entitled to cast their vote by remote E-Voting. Once the Vote on a**

Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

15. The facility for Voting during the AGM will also be made available. Members present in the AGM through VC and who 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.
16. Any person who becomes a Member of the Company after sending the Notice and holding Shares as on the Cut-off date (September 15, 2023) may obtain the Login-id and Password by sending a request at helpdesk.evoting@cdslindia.com. However, if a Member is already registered with CDSL for remote E- Voting then he / she can use his / her existing User-id and Password for casting the Vote.
17. In case of Joint holders, the Joint holder who is higher in the order of Names, will be entitled to vote at the Meeting, if not already voted through remote E-Voting.
18. 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 mentioning their Name, Demat Account Number / Folio Number, E- mail, Mobile Number at compliance@pharmaids.com or kaushik@pharmaids.com on or before September 15, 2023. The same will be replied by the Company suitably.
19. The Board of Directors has appointed Mr. Kashinath Sahu, Practicing Company Secretary (Membership No. FCS 4790, COP No. 4807), Hyderabad as the Scrutinizer to scrutinize the remote E-Voting Process and voting during the AGM, in a fair and transparent manner.
20. The Scrutinizer shall immediately, after the conclusion of E-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 authorized by him in writing, who shall countersign the same. The Results declared along with the Scrutinizer's Report shall be placed on the Website of the Company and on the Website of CDSL immediately. The results will also be communicated to BSE Limited, where the Shares of the Company are listed.
21. To prevent fraudulent transactions, Members are advised to exercise Due Diligence and notify the Company of any change in address or Demise of any Member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic Statement of Holdings should be obtained from the concerned DPs and Holdings should be verified from time to time.
22. Instructions for attending the AGM through VC / OAVM:
 - i. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL E-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under Shareholders / Members login by using the remote E-Voting credentials. The link for VC/OAVM will be available in Shareholder / Members login where the EVSN of the Company is displayed.

- ii. Members may join the Meeting through Laptops, Smartphones, Tablets and I-Pads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptops 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 glitches.
 - iii. Shareholders who would like to express their views / ask questions during the Meeting may register themselves as a speaker by sending their request in advance prior to the Meeting Date latest by September 15, 2023 from their registered E-mail address mentioning their names, DP-ID and Client-ID / Folio Number, PAN and Mobile Number at compliance@pharmaids.com Only those Members who have pre-registered themselves as a speaker will be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
 - iv. Members are encouraged to submit their questions in advance with regard to the Financial Statements or any other matter to be placed at the 34th AGM, from their registered E-mail address, mentioning their Name, DP-ID and Client-ID Number / Folio Number and Mobile Number, to reach the Company's E-mail address at compliance@pharmaids.com before 5:00 P.M. (IST) on Friday, September 15, 2023. Such questions by the Members shall be suitably replied by the Company.
 - v. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting.
 - vi. **If any votes are cast by the Shareholders through the E-Voting available during the AGM and if the same Shareholders have not participated in the Meeting through VC / OAVM facility, then the votes cast by such Shareholders shall be considered as invalid, as the facility of E-Voting during the Meeting is available only to the Shareholders attending the Meeting.**
23. Subject to the receipt of Requisite number of Votes, the Resolutions forming part of the AGM Notices shall be deemed to be passed on the date of the AGM.

Voting through Electronic Means:

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 read with the Companies (Management and Administration) Rules, 2014 read with amendments or re-enactments made thereunder and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide the facility to exercise Members' Right to Vote at the 34th Annual General Meeting (AGM) by electronic means and the business may be transacted through E-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The Members attending the Meeting, who have not already cast their vote through Remote E-Voting shall be able to exercise their Voting Rights at the Meeting. The Members who have already cast their vote through Remote E-Voting may attend the Meeting but shall not

be entitled to cast their vote again at the AGM.

24. The instructions for Shareholders for Voting Electronically are as under:

- (i) The Voting Period commences on Tuesday, September 19, 2023 (IST 09:00 A.M.) and closes on Thursday, September 21, 2023 (IST 05:00 P.M.) during this period, the Shareholders of the Company, holding Shares either in Physical Form or in Dematerialized Form, as on the Cut-off Date (Record Date), Friday September 15, 2023 may cast their vote electronically. The E- Voting Module shall be disabled by CDSL for Voting thereafter.
- (ii) Shareholders who have already voted prior to the Meeting Date would not be entitled to vote at the Meeting.

Login method for E-Voting and Joining Virtual Meetings for Individual Shareholders holding Securities in Demat Mode:

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on "E- Voting Facility provided by Listed Companies", Individual Shareholders holding Securities in Demat mode are allowed to cast their vote through their Demat Account maintained with the Depositories and Depository Participants. Shareholders are advised to update their Mobile Number and E-mail in their Demat Accounts in order to access the E-Voting Facility. Pursuant to the above said SEBI Circular, Login method for E- Voting and joining Virtual Meetings for Individual Shareholders holding Securities in Demat mode CDSL /NSDL is given below:

Type of Shareholders	Login Method
Individual Shareholders Holding Securities in Demat Mode with CDSL	<ol style="list-style-type: none">1. Users who have opted for CDSL EASI / EASIEST facility, can login through their existing User-id and Password. The option will be made available to reach E-Voting page without any further authentication. The URL for Users to login to EASI / EASIEST are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System MYEASI.2. After successful login to the EASI / EASIEST User will be able to see the E-Voting option for eligible Companies where the E-Voting is in progress as per the information provided by Company. On clicking the E-Voting option, the User will be able to see the E-Voting page of the E-Voting Service Provider for casting your Vote during the remote E-Voting period or joining Virtual Meeting and Voting during the Meeting. Additionally, there are also links provided to access the system of all E-Voting Service Providers i.e. CDSL / NSDL / LINKINTIME etc., so that the User can visit the E-Voting Service Providers website directly.3. If the User is not registered for EASI / EASIEST, option to register is available at the following link:

	<p>web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4. Alternatively, the User can directly access E-Voting Page by providing Demat Account Number and PAN on E-Voting link available on www.cdslindia.com home page. The system will authenticate the User by sending OTP on the Registered Mobile and E-mail as recorded in the Demat Account. After successful authentication, the User will be able to see the E-Voting option where the E-Voting is in progress and also able to directly access the system of all the E-Voting Service Providers.</p>
<p>Individual Shareholders Holding Securities in Demat Mode with NSDL</p>	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the E-services website of NSDL. Open web browser by typing the following URL: https:// eservices.nsd.com either on a Personal Computer or on a Mobile. Once the Homepage of E-services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' Section. A new screen will open. You will have to enter your User-id and Password. After successful authentication, you will be able to see E-Voting Services. Click on "Access to E-Voting" under E-Voting Services and you will be able to see the E-Voting page. Click on Company name or E- Voting Service Provider name and you will be re-directed to E-Voting Service Provider website for casting your vote during the remote E-Voting period or joining Virtual Meeting and Voting during the Meeting. 2. If the User is not registered for IDeAS E-services, option to register is available at https://eservices.nsd.com/ Select "Register Online for “IDeAS” Portal or Click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the E-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the homepage of E-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User-id (i.e., your sixteen digit Demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository Site wherein you can see E-Voting page. Click on Company name or E-Voting Service Provider name and you will be redirected to E-Voting Service Provider Website for casting your Vote during the remote E-Voting period or joining Virtual Meeting and Voting during the Meeting.
<p>Individual Shareholders Holding Securities in Demat Mode Login through their Depository</p>	<p>You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for E-Voting facility. After Successful login, you will be able to see E-Voting option. Once you click on E-Voting option, you will be</p>

Participants	redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see E-Voting feature. Click on Company Name or E-Voting Service Provider name and you will be redirected to E-Voting Service Provider Website for casting your vote during the remote E-Voting period or joining Virtual Meeting and voting during the Meeting.
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Important note: Members who are unable to retrieve User-id/ Password are advised to use *Forgot User-id and Forgot Password* option available at above mentioned website.

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

Login type	Helpdesk details
Individual Shareholders Holding Securities in Demat Mode with CDSL	Members facing any technical issue in login can contact CDSL Helpdesk by sending a request at the following e-mail: helpdesk.evoting@cdslindia.com or Contact at 022 - 23058738 / 022 - 23058542 – 43
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

Login method for E-Voting for Physical Shareholders and Shareholders other than Individuals holding in the Demat Form

- a. The Shareholders should log on to the E-Voting Website: www.evotingindia.com
- b. Click on “SHAREHOLDERS” Module.
- c. Now enter your User-id
 - i. For CDSL: 16 Digits Beneficiary ID
 - ii. For NSDL: 8 Character DP-ID followed by 8 Digits Client-ID
 - iii. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- d. Next enter the ‘Image Verification’ as displayed and Click on Login.
- e. If you are holding Shares in Demat form and had logged on and had voted on an earlier E-Voting of any Company, then your existing password is to be used.
- f. If you are a first-time user follow the steps given below:

For Physical Shareholders and other than Individual Shareholders holding Shares in Demat Form

PAN	Enter your 10-digit alpha–numeric PAN issued by Income Tax Department (Applicable for both Demat Shareholders as well as Physical Shareholders) Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat Account or in the Company Records in order to login. If both the details are not recorded with the Depository or Company, please enter the Member-id / Folio Number in the ‘Dividend Bank Details’ field.

- g. After entering these details appropriately, click on ‘SUBMIT’ tab.
- h. Shareholders holding Shares in Physical Form will then directly reach the Company selection screen. However, Shareholders holding Shares in Demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the ‘New Password’ field. Kindly note that this password is to be also used by the Demat Holders for Voting for Resolutions of any other Company on which they are eligible to vote, provided that the Company opts for E-Voting through CDSL Platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- i. For Shareholders holding shares in Physical Form, the details can be used only for E-Voting on the Resolutions contained in this Notice.
- j. Click on the EVSN of the relevant Company (‘Pharmaids Pharmaceuticals Limited’) on which you choose to vote.
- k. On the Voting Page, you will see ‘RESOLUTION DESCRIPTION’ and against the same the option ‘YES/NO’ for Voting. Select the option ‘YES’ or ‘NO’ as desired. The option ‘YES’ implies that you assent to the Resolution and option ‘NO’ implies that you dissent to the Resolution.
- l. Click on the ‘RESOLUTIONS FILE LINK’ if you wish to view the entire Resolution details.
- m. After selecting the Resolution, you have decided to vote on, click on ‘SUBMIT’. A Confirmation Box will be displayed. If you wish to confirm your vote, click on ‘OK’, else to change your vote, click on ‘CANCEL’ and accordingly modify your vote.
- n. Once you ‘CONFIRM’ your vote on the resolution, you will not be allowed to modify your Vote.
- o. You can also take a print of the votes cast by clicking on ‘Click here to Print’ option on the Voting Page.
- p. If a Demat Account Holder has forgotten the login password, then enter the User-id and the ‘Image Verification Code’ and click on Forgot Password and enter the details as prompted by the system.

Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting:

- Non – Individual Shareholders (i.e., Other than Individuals, HUF, NRI etc.) and Custodians are required to log on to the website: www.evotingindia.com and register themselves in the ‘CORPORATES’ Module.
- A Scanned copy of the Registration Form bearing the Stamp and Sign of the Entity should be mailed to helpdesk.evoting@cdslindia.com
- After receiving the login details, a Compliance User should be created using the Admin login and Password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The List of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A Scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- Alternatively Non – Individual Shareholders are required to send the relevant Board Resolution / Authority Letter etc. together with the Attested Specimen Signature of the Duly Authorized Signatory who are authorized to vote, to the Scrutinizer and to the Company at the E-mail address: compliance@oharmaids.com if they have voted from individual tab and not uploaded same in the CDSL E-Voting System for the Scrutinizer to verify the same.

If you have any queries or issues regarding E-Voting from the CDSL E-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022 – 23058738 and 022 – 23058542 / 43

All grievances connected with the facility for Voting by electronic means may be addressed to Shri Rakesh Dalvi, Sr Manager, Central Depository Services (India) Limited (CDSL), Wing – A, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an E-mail to helpdesk.evoting@cdslindia.com or call on 022 – 23058542 / 43.

BY ORDER OF THE BOARD OF DIRECTORS

Sd/-

**KAUSHIK KUMAR
COMPANY SECRETARY**

Date: 29.08.2023

Place: Bangalore

CIN: L52520KA1989PLC173979

Regd. Office: Unit 201, 2nd Floor, Brigade Rubix,
20/14 HMT Factory Main Road, Peenya Plantation
Bangalore, Karnataka - 560013

**ANNEXURE TO AND FORMING PART OF THE NOTICE CONVENING THE
ANNUAL GENERAL MEETING OF THE COMPANY**

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3: Re-appointment of Statutory Auditors of the Company for a consecutive term of five years

This Explanatory Statement is in terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), though statutorily not required in terms of Section 102 of the Act.

The Members at the 29th Annual General Meeting (‘AGM’) of the Company held on Friday 28th September 2018, had approved appointment of M/s. PPKG & Company, Chartered Accountants (Firm Registration No. 009655S), as the Statutory Auditors of the Company to hold office from the conclusion of the 29th AGM till the conclusion of the 34th AGM of the Company. After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company (“Board”) has, based on the recommendation of the Audit Committee, proposed the re-appointment of M/s. PPKG & Company, Chartered Accountants as the Statutory Auditors of the Company, for the second consecutive term of five years from the conclusion of 34th AGM till the conclusion of 39th AGM of the Company to be held in the year 2028.

M/s. PPKG & Company, Chartered Accountants have consented to their re-appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder. M/s. PPKG & Company, Chartered Accountants was paid a fee of Rs. 1,00,000/- (Rupees One Lakh Only) for the audit of the financial statements of the Company for the financial year ended March 31, 2023 plus applicable taxes. The Board, based on the fees proposal received from M/s. PPKG & Company, Chartered Accountants and on the recommendations of the Audit Committee, has agreed at an Annual Fess of Rs. 2,00,000/- (Rupees Two Lakh Only) exclusive of Taxes, if any and reimbursement of out-of-pocket expenses incurred by them on actual basis. The Board, in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in this resolution at Item No. 3 of the accompanying Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

Item No. 4: Appointment of Mr. Shreedhara Shetty (DIN: 02776638) as a Non-Executive Non- Independent Director

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Shreedhara Shetty (DIN: 02776638) as an Additional Director under Non-Independent Director (Non-Executive Category) on 29.08.2023. The Company has also received a notice in writing from a Member proposing the candidature of Mr. Shreedhara Shetty (DIN: 02776638) to be appointed as a Non-Executive Non- Independent Director of the Company.

The Board believes that Mr. Shreedhara Shetty's extensive experience, expertise, and background in the business and industry will be instrumental in contributing to the strategic direction and growth of the Company. His professional achievements and leadership track record, as outlined in his profile provided herewith, demonstrate his capability to provide valuable insights and guidance to the Board.

Mr. Shreedhara Shetty's appointment is subject to the Shareholders approval at the Annual General Meeting (AGM) of the Company. Brief Profile of Mr. Shreedhara Shetty is provided below:

Brief Profile of Mr. Shreedhara Shetty:

Mr. Shreedhara Shetty is a seasoned professional with 27 years of global experience in various leadership roles. Throughout his career, he has demonstrated expertise in customer-facing sales leadership, multicultural team management, mergers and acquisitions, and building strategic relationships with leading clients. Given below is a brief profile highlighting his key accomplishments and career milestones:

Educational Qualification	Post Graduate Diploma in Industrial Engineering (PGDIE) from the <i>Indian Institute of Management Mumbai</i> , Bachelor of Engineering (BE) in Metallurgical Engineering from the <i>Indian Institute of Science (IISC)</i> , and Bachelor of Science with majors in Physics, Mathematics, and Chemistry from the University of Mysore.
Professional Background	Mr. Shreedhara Shetty spent a significant part of his career at <i>Wipro Technologies</i> , where he worked from 1990 to 2009. He began his journey at Wipro as an Associate Consultant and steadily climbed the corporate ladder, holding positions such as project manager, regional manager based in Chicago and Milwaukee, and Senior VP in the UK. In his role as Senior VP, he played a pivotal role in growing the telecom business tenfold in six years, from \$39 million to around \$400 million.

Leadership Achievements	Mr. Shreedhara Shetty successfully built and led multicultural sales teams across the United States, Japan, Europe, and India. He played a key role in managing mergers and acquisitions, taking responsibility for integrating acquired entities in the US, Europe, and India. He developed strategic relationships with leading global clients and led hunting teams selling IT Services, Telecom & Product Engineering Services, BPO, and KPO services. His leadership contributions extended to managing business operations and launching new ventures.
Entrepreneurship and Consulting	Since 2013, Mr. Shreedhara Shetty has been nurturing his passion for entrepreneurship through his organization, Religent Global. Religent Global focuses on creating predictable outcomes and derisking strategies for enterprises in an increasingly disruptive world. He also consults and advises international MNCs looking to expand their presence in India and vice versa, helping Indian startups go global and target international markets.
Mentorship and Speaking Engagements	Currently, Mr. Shreedhara Shetty serves as a coach and mentor to startup founders in various domains, including entrepreneurship, product marketing, sales management, investments, and bootstrapping. He sits on the boards of several technology startups, guiding budding entrepreneurs in scaling their businesses. He is a sought-after speaker at industry conclaves, startup events, and business summits, where he shares his knowledge and insights as an entrepreneur and global sales and marketing leader.

Overall, Mr. Shreedhara Shetty's extensive experience, leadership acumen, and commitment to mentoring and entrepreneurship make him a notable figure in the business world. His journey from Wipro to founding Religent Global reflects his dedication to creating a difference in the ever-evolving business landscape.

Considering the vast experience he possesses, the Board considers that having him on Board would be of immense benefit to the Company and it is desirable to appoint Mr. Shreedhara Shetty (DIN: 02776638) as Non-Executive Non-Independent Director of the Company.

Mr. Shreedhara Shetty (DIN: 02776638) is not disqualified from being appointed as Directors in terms of Section 164 of the Act and has consented to act as Non-Executive Non-Independent Director of the Company. In the opinion of the Board, he is a person of integrity and possesses relevant expertise and experience. Further, he fulfils the conditions specified in the Act and the LODR Regulations for appointment as a Non-Executive Non-Independent Director and he is not debarred from accessing the capital markets and/or restrained from holding position of directors in any listed company.

In compliance with the provisions of Section 152 of the Companies Act, 2013 (“the Act”) read with the applicable rules made thereunder and applicable provisions of LODR Regulations, the appointment of Mr. Shreedhara Shetty (DIN: 02776638) as a Non-Executive Non-Independent Director with effect from 29.08.2023 is now being placed before the Members for their approval as a special resolution.

The Board recommends the Resolution at Item No. 4 of this Notice for approval of the Members.

The letter of appointment of Mr. Shreedhara Shetty (DIN: 02776638) setting out the terms and conditions of appointment is being made available for inspection by the Members through electronic mode. Additional information in respect of Mr. Shreedhara Shetty (DIN: 02776638), pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at Annexure A to this Notice.

None of the Directors or Key Managerial Personnel or their respective relatives is concerned or interested in the Resolution at Item No. 4 of the Notice.

Preamble to item No. 5 & 6 – Approval of Material Related Party Transaction

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (‘SEBI Listing Regulations’), as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective from April 1, 2022, states that all Material Related Party Transaction with an aggregate value exceeding 1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, shall require approval of shareholders by means of an Ordinary Resolution. The said limits are applicable even if the transactions are in the ordinary course of business of the concerned company and at an arm’s length basis. The amended Regulation 2(1) (zc) of the SEBI Listing Regulations has also enhanced the definition of related party transaction which now includes a transaction involving a transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand, regardless of whether a price is charged or not.

Since the quantum of transactions to be entered with all the related parties mentioned in the item No.5 & 6, exceeds 10% of the annual consolidated turnover based on March 31, 2023 financials of the Company, the Material Related Party Transactions requires approval of the Shareholders by an Ordinary Resolution and in respect of voting on such resolution(s), all the related parties shall abstain from voting, irrespective of whether the entity or person is a party to the particular

transaction or not, pursuant to Regulation 23(7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In furtherance of its business activities, the Company have entered into / will enter into transactions / contract(s) / agreement(s) / arrangement(s) with its related parties in terms of Regulation 2(1) (zc)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulations”).

All related party transactions of the Company are at arm’s length. Further, all related party transactions are undertaken after obtaining prior approval of the Audit Committee. All related party transactions have been approved by the Audit Committee after satisfying itself that the related party transactions are at arm’s length. The Audit Committee of the Company reviews on a quarterly basis, the details of all related party transactions entered into by the Company during the previous quarter, pursuant to its approvals. It is in the above context that Resolutions Nos. 5 to 6 are placed for the approval of the Shareholders of the Company.

Item No. 5: To approve Material Related Party Transaction limits with Anugraha Chemicals (“The firm”)

Anugraha Chemicals, a Partnership Firm, registered under the Karnataka Partnership (Registration of firms), Rules, 1954, was established in 1991 and has a rich experience of over two and half decades in the pharmaceutical industry. Anugraha Chemicals are engaged in Contract Manufacturing and Manufacturing of APIs, Intermediaries and Fine Chemicals.

The Board at its meeting held on January 17, 2023, approved the investment in the Firm by acquiring 51% stake in multiple tranches. In this regard the Company vide its investment through different tranches has acquired 36.17% of partnership interest out of the said proposed investment of 51% till date. With the aforementioned investment taken into consideration, the firm is an Associate of the Company as per INDAS and considered as Related Party of the Company as defined under Section 2 (76) of the Companies Act, 2013 and under applicable accounting standards.

Considering the nature of business of your Company and the relevance of the transactions in the business, your Company works closely with Anugraha Chemicals to achieve its objective of GMP Manufacturing on the other hand it will help the Firm to reach out the larger market and acquire large customer base. The transactions are of continuous in nature and are at an arm’s length. Further, the Company and Anugraha Chemicals, being part of the Pharmaceuticals Industry, these transactions not only help smoothen business operations for both, but also ensure consistent flow and generation of revenue and business for the company to cater to their business requirements.

The Management has provided the Audit Committee with the relevant details, as required under law, for the proposed RPT including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into Related Party Transaction with Anugraha Chemicals for an aggregate value of up to Rs. 15,00,00,000/- (Fifteen Crore Only) to be entered for the financial year 2023-2024.

Based on the information on the proposed transactions, the Audit Committee has noted that the said transactions will be on an arms' length basis. Accordingly, the Audit Committee has approved entering into the said transactions and the Board of the Company has reviewed and recommended that the approval of the Shareholders be also sought for the resolution contained at Item No.5 herein. The Board, therefore, recommends the passing of the Ordinary Resolution at Item No.5 of the Notice, for the approval of the Shareholders.

Details of the proposed transactions with Anugraha Chemicals, being a related party of the Company and the summary of information provided by the Management to the Audit Committee, are as follows:

Information pursuant to SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021

S. No.	Description	Details
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	As per regulation 2(ZB) of SEBI (Listing Obligations and Disclosure Requirements), 2015, Anugraha Chemicals ("the firm") is an Associate of Pharmaids Pharmaceuticals Limited as per IND AS 24. Hence, the company and the Firm are related parties.
2	Name of the director or key managerial personnel who is related, if any and nature of relationship	None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested financially or otherwise in the Item No. 5 of the Notice.
3	Type, material terms and particulars of the proposed transactions.	<ul style="list-style-type: none"> • Purchase or sale of goods and rendering and / or availing of the Services for business purpose at arm length and in ordinary course of business. • Any transfer of resources, services or obligations to meet its objectives/requirements.
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the company is operating in. Monetary value of transactions up to a maximum of Rs. 15,00,00,000/- (Fifteen Crores Only) for the financial year 2023-2024 through purchase or sale of goods and rendering and / or availing of the Services for business purpose at arm length and in ordinary course of business

		and transfer of resources, services or obligations to meet objectives/requirements.
5	Tenure of the transaction	Financial Year 2023-24
6	Value of the transaction	Rs. 15,00,00,000/- (Fifteen Crore Only)
7	Percentage of Pharmaids annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction. (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	The annual consolidate turnover as on March 31, 2023, stood at NIL and hence the percentage of consolidated turnover represented by the value of the proposed transaction is NIL.
8	Justification for the transaction	For the purpose of achieving the business objectives and continuity in operations and to smoothen business operations for both the Parties. Purchase or sale of goods and rendering and / or availing of the Services for business for both the parties in ordinary course of business.
9	Details of the valuation report or external party report (if any) if any such report has been relied upon;	The transactions do not contemplate any valuation.
10	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
A	Details of the source of funds in connection with the proposed transaction	From the existing available funds in the Company or/ and further issuance of Specified Securities.
B	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment: <ul style="list-style-type: none"> • Nature of indebtedness • cost of funds • Tenure 	Not Applicable
C	Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security)	To be determined on case-to-case basis

D	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
11	Any other relevant information	<ul style="list-style-type: none"> • The transactions are proposed to be entered for the purpose of achieving the business objectives and continuity in operations. • All these transactions will be executed on an arm's length basis.

None of the Directors/ Key Managerial Personnel of the company/ their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the notice.

The Directors recommend the resolution for approval by the members.

Item No. 6: To approve availing shareholders loan from Mr. Shankarappa Nagaraja Vinaya Babu, shareholder of the company which will be considered as material related party transaction

Pursuant to the amended Regulation 2(1) (zb) of the SEBI Listing Regulations has broadened the scope of the Related Party definition which now includes any person or any entity, holding equity shares of ten per cent or more, effective from April 1, 2023. Consequently, our company's shareholder, Mr. Shankarappa Nagaraja Vinaya Babu, with a 24.20% equity ownership, thereby qualifying as a Related Party under the aforementioned criteria.

In addition to the approval sought in item no. 6 above, the Company is proposing to avail loan from Mr. Shankarappa Nagaraja Vinaya Babu who holds 24.20% equity shares of the Company. The said transaction would be considered as Material Related Party Transaction in terms of the provisions of regulation 23 of SEBI (LODR) Regulations, 2015.

As per the provisions of section 73 of the Companies Act, 2013 read with Rule 3 of the Companies (Acceptance of Deposits) Rules, 2014, a company can accept Loan from its members not exceeding 35% of the Paid-up Share Capital, Free Reserves and Securities Premium.

The Management has provided the Audit Committee with the relevant details, as required under law, for the proposed RPT including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into Related Party Transaction with Mr. Shankarappa Nagaraja Vinaya Babu for an aggregate value of up to Rs. 7,50,00,000/- (Seven Crore Fifty Lakh Only) to be entered for the financial year 2023-2024.

Based on the information on the proposed transactions, the Audit Committee has noted that the said transactions will be on an arms' length basis of the Company. Accordingly, the Audit Committee has approved entering into the said transactions and the Board of the Company has reviewed and recommended the same for the approval of the Shareholders. The Board, therefore, recommends the passing of the Ordinary Resolution at Item No.7 of the Notice, for the approval of the Shareholders.

Details of the proposed transactions with Mr. Shankarappa Nagaraja Vinaya Babu, being a related party of the Company and the summary of information provided by the Management to the Audit Committee, are as follows:

Information pursuant to SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021.

S. No.	Description	Details
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Mr. Shankarappa Nagaraja Vinaya Babu, with a 24.20% equity ownership, thereby qualifying as a Related Party under Regulation 2(1) (zb) the SEBI Listing Regulations. Hence, the Company and Mr. Shankarappa Nagaraja Vinaya Babu are related parties.
2	Name of the director or key managerial personnel who is related, if any and nature of relationship	None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested financially or otherwise in the Item No.6 of the Notice.
3	Type material terms and particulars of the proposed transactions.	Any transfer of resources, services or obligations to meet its objectives/requirements.
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the company is operating in. Monetary value of transactions up to a maximum of Rs. 7,50,00,000/- (Seven Crore Fifty Lakh Only) for the financial year 2023-2024 through transfer of resources, services or obligations to meet objectives/requirements.
5	Tenure of the transaction	For the financial year 2023-2024.
6	Value of the transaction	Rs. 7,50,00,000/- (Seven Crore Fifty Lakh Only)
7	Percentage of Pharmaids annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction.	The annual consolidate turnover of the company as on 31 st March 2022, stood at NIL and hence the percentage of consolidated turnover represented by the value of the proposed transaction is NIL.

	(and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	
8	Justification for the transaction	For the purpose of achieving the business objectives and continuity in operations.
9	Details of the valuation report or external party report (if any) if any such report has been relied upon;	The transactions do not contemplate any valuation.
10	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
A	Details of the source of funds in connection with the proposed transaction	Not Applicable
B	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment: Nature of indebtedness cost of funds and tenure	Not Applicable
C	Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security)	To be determined on case-to-case basis
D	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
11	Any other relevant information	<ul style="list-style-type: none"> • The transactions are proposed to be entered for the purpose of achieving the business objectives and continuity in operations. • All these transactions will be executed on an arm's length basis.

None of the Directors/ Key Managerial Personnel of the company/ their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the notice.

The Directors recommend the resolution for approval by the members.

Item No.7: To approve investments, loans, Guarantees and security in excess limits specified in under section 186 of Companies Act, 2013

As part of requirement under various Contracts of the company and also to achieve long term strategic and business objectives, Company proposes to invest in other bodies corporate or grant loans, give corporate guarantees or provide securities to other persons or other body corporate as and when required. Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account, whichever is higher.

Accordingly, the Board of Directors of the Company proposes to seek approval of shareholders by way of special resolution to authorize the Board to exercise powers for an amount not exceeding Rs. 40,00,00,000/- (Rupees Forty Crore Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

None of the Directors/ Key Managerial Personnel of the company/ their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the notice.

The Directors recommend the resolution for approval by the members.

‘Annexure – A’ to the Notice

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

(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on ‘General Meetings’ issued by the Institute of Company Secretaries of India]

Name of the Director	Mini Manikantan	Shreedhara Shetty
Director Identification Number (DIN)	09663184	02776638
Date of Birth	22/11/1984	05/03/1959
Age	37	64
Date of First Appointment / Re-appointment on the Board	09/07/2022	29/08/2023
Qualifications	Master’s in Business, Management, Advance financial accounting and Administration and human Rights	Postgraduate (PGDIE) in Industrial Engineering, BE in Metallurgical Engineering and Bachelor of Science in (Physics, Maths & Chemistry)
Experience	15 Years	27 years
Terms and Conditions of Appointment	Appointed as Whole Time Director on the Board, liable to retire by rotation and retiring by rotation at this AGM	Being appointed as Non-Executive Non-Independent Director liable to retire by rotation w.e.f 29 th August 2023 subject to approval of the shareholders
Nature of Expertise in Specific Functional Areas	Over 15+ years of experience in the Pharmaceutical industry and has led the Strategic alliance, Portfolio Management	27+ years of global experience in customer-facing sales leadership, multicultural team management, mergers and acquisitions, and building strategic relationships with leading clients
Remuneration last Drawn	Rs. 16,64,515/- in Financial Year 2022-23	Nil
Number of Meetings of the Board attended during the Year	She has attended 9 meetings of the Board during the year	None

Inter-se Relationship with other Directors and Key Managerial Personnel	None	None
List of Directorship in Listed Entities	None (Not a director in any listed Company except Pharmaids Pharmaceuticals Limited)	None
Membership / Chairmanship of Committees of other Board (Listed)	Nil	Nil
Shareholding in Pharmaids Pharmaceuticals Limited	Nil	46,50,000 Equity Shares
Name of listed companies from which the person has resigned in past 3 years	None	None

BOARD'S REPORT

Dear members,

The Board of Directors presents the report of the Business and Operations of your Company together with the Audited Standalone and Consolidated financial statements for the financial year ended March 31, 2023.

FINANCIAL HIGHLIGHTS

The Company's Standalone and Consolidated Financial results for the year ended March 31, 2023, is summarised below:

(All Amounts in INR Lakhs)

Particulars	Standalone		Consolidated	
	For the year ended March 31		For the year ended March 31	
	2023	2022	2023	2022
Revenue	-	393.93	-	393.93
Other Income	-	1.51	-	1.51
Total Income	-	395.44	-	395.44
Expenses				
a) Cost of Material Consumed	-	-	-	-
b) Purchase of Stock in Trade	-	409.00	-	409.00
c) Changes in Inventories of Stock-in-Trade, Work in Progress and Finished Goods	88.76	(51.85)	88.76	(51.85)
d) Employee Benefit Expenses	113.11	4.44	113.11	4.44
e) Finance Cost	0.46	0.27	0.46	0.27
f) Depreciation and Amortisation Expenses	1.68	0.92	1.68	0.92
g) Other Expenses	786.75	18.63	786.75	18.63
Total Expenses	990.76	381.41	990.76	381.41
Profit/(loss) before Exceptional items and Tax	(990.76)	14.03	(990.76)	14.03
Exceptional Items	-	-	-	-
Profit/(loss) before tax	(990.76)	14.03	(990.76)	14.03
Tax expense:	-	-	-	-
(1) Current tax	-	-	-	-
(2) Deferred tax	(235.20)	(0.49)	(235.20)	(0.49)
Profit (Loss) for the period from continuing operations	(755.56)	14.52	(755.56)	14.52
Profit/(loss) from discontinued operations	-	-	-	-
Tax expense of discontinued operations	-	-	-	-
Profit/(loss) from discontinued operations (after tax)	-	-	-	-
Profit/(loss) for the period	(755.56)	14.52	(755.56)	14.52
Other Comprehensive Income	-	-	-	-
A (i) Items that will not be reclassified to profit or loss	-	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-

B (i) Items that will be reclassified to profit or loss	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)	-	-	(752.08)	14.52
Earnings per equity share Basic and Diluted	(5.86)	0.14	(5.83)	0.14

Note: The above figures are extracted from the audited standalone and consolidated financial statements of the Company prepared as per the Indian Accounting Standards (Ind AS).

PERFORMANCE REVIEW

On a Standalone basis, your Company's revenue from operations stood at Nil in the financial year 2022-23, as against Rs. 393.93 Lakhs in the corresponding previous period. The Board of your company is hopeful about the better performance in the coming years.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

During the year under review the management of the company have taken all the measures to present true and fair financial position of the company. During the said exercise management identified certain receivables which were long due. Diligent efforts were made to recover them, but despite the management's persuasion, it was determined that the funds could not be recovered. Consequently, the proposal for creation of provision for write-off, write-back and write-down the unrecoverable receivables, assets and payables respectively were placed before the Audit Committee and Board.

Based on the suggestion and assessment of the management, the Audit Committee and Board of Directors at their respective meetings, decided to create provision for write-off, write-back and write-down the unrecoverable receivables, assets and payables respectively. As a result of these, there was a net impact of Rs. 702.27 Lakhs in provision during the current reporting period financial year ended on March 31, 2023.

Apart from the above, no material changes have occurred after the end of the financial year to which financial statements relate and till the date of this Report which may impact on the financial position of the Company. (Standalone).

DIVIDEND

The board of directors of the company has not recommended any dividend on the equity shares of the company for the financial year ended March 31, 2023.

SHARE CAPITAL

Authorised share capital of the company as on March 31, 2023 is Rs.30,00,00,000/- (Rupees Thirty Crores only) divided into 30,00, 000 Equity Shares of Rs. 10/- each and the Paid-up Share Capital is Rs. 21,44,38,190/- (Rupees Twenty-One crore forty-four lakh thirty-eight thousand one hundred and ninety only) divided into 2,14,86,234 Equity shares of Rs. 10/- each.

During the year under review the company have raised funds through private placement as a result of which the capital of the company was increased as follows:

Type of Capital	Meeting	Date of Meeting	No. of Shares
Paid up capital	Board Meeting	December 06, 2022	Allotted 27,75,000 Equity Shares (consequent to the conversion of 27,75,000 share warrants out of 37,00,000 share warrants allotted on October 13, 2022) having face value of Rs. 10/- each at a premium of Rs. 5/- each on preferential basis
Authorised capital	Extraordinary General Meeting	December 31, 2022	Increase in Authorised Share Capital of the Company from 1,65,00,000 (One Crore Sixty-Five Lakhs Only) Equity Shares having face value of Rs. 10/- each to 3,00,00,000 (Three Crore) Equity Shares having face value of Rs. 10/- each
Paid up capital	Board Meeting	January 17, 2023	Allotted 84,00,000 equity shares at face value of Rs. 10/- each at a premium of Rs. 10/- each on preferential basis

Apart from the above, the Company did not raise any additional equity share capital during the year.

SUBSIDIARIES, JOINT VENTURES, AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, joint ventures, and associate companies as per Companies Act 2013.

During the year under review the Board at its meeting held on January 17, 2023 approved for investment in Anugraha Chemicals (“Firm”), a Partnership Firm registered under Karnataka Partnership (Registration of Firms) Rules, 1954 by acquiring 51% partnership interest in multiple tranches. Accordingly, your company acquired 25.5% stake as 1st tranche in the firm.

DEPOSITS

The Company has not accepted any deposits from the public and as such, no amount of principal or interest was outstanding as on the balance sheet date.

TRANSFER TO RESERVES

The Company has not proposed to transfer any amount to the General Reserve

DETAILS OF MATERIAL EVENTS DURING THE YEAR

A. Investment in Anugraha chemicals (“The Firm”):

As a part of In-organic growth your company have been identifying potential targets within the industry in which it operates. In the process company identified Anugraha Chemicals as one of the potential strategic targets.

Anugraha Chemicals is a Partnership Firm, Registered under the Karnataka Partnership (Registration of Firms), Rules 1954, engaged in the business of manufacture of bulk drug intermediaries and chemicals. The firm was incorporated vide a partnership deed entered by the partners therein, on May 10, 1990.

The company after having multiple discussions with the partners, carrying out extensive due diligence and with the approval from the Board of Directors has entered into an agreement on January 25, 2023 with the firm to acquire 51% stake by investing a sum of Rs. 5,14,08,000/- (Rupees Five Crore Fourteen Lakhs Eight Thousand Only) through multiple tranches in the said firm. Investment Agreement also provides for increase in PPL’s stake beyond 51% by additional investment for meeting the upgradation/business needs of Anugraha Chemicals.

In view of the same, your company has acquired 25.5% stake in Anugraha chemicals on February 1, 2023 as a first tranche of investment.

B. Private placement

1. Allotment of 37,00,000 share warrants of Rs. 10/- each at a premium of Rs.5/- each.

During the year under review, your Company allotted 37,00,000 share warrants convertible into equity shares having face value of Rs. 10/- each at a premium of Rs. 5/- (Rupees Five Only) each within a period of 18 months from the date of allotment of warrants, as per terms and conditions approved by members in 33rd Annual General Meeting held on August 20, 2022.

Further, the company received the request letter from the three allottees namely: Mr. Venu Madhava Kaparthy, Mr. Balagangadhara B C and Mr. Shankarappa Nagaraja Vinaya Babu intending to convert the 27,75,000 share warrants out of 37,00,000 share warrants into Equity shares.

Accordingly, Board at its meeting held on December 6, 2022, approved the Conversion and Allotment of 27,75,000 share warrants convertible into equity shares having face value of Rs. 10/- each at premium of Rs. 5/- (Rupees Five Only) from the above mentioned three allottees.

2. Issuance of 84,00,000 Equity shares of Rs. 10/- each at a premium of Rs.10/- each.

During the year under review, your Company approved the issuance of 84,00,00 Equity shares having face value of Rs. 10/- each at a premium of Rs. 10/- (Rupees Ten Only) with the aim of supporting the company's General Business Purpose, Business Expansion, and Working Capital Requirements, in accordance with the terms and conditions approved in Extraordinary General Meeting held on December 31, 2022.

Accordingly, Board at its meeting held on January 17, 2023, approved the Allotment of 84,00,000 Equity share having face value of Rs. 10/- each at premium of Rs. 10/- (Rupees Ten Only).

C. Acquisition of 5791 sq.mtrs (approx. 1.43 acres) of Land

Your Company to achieve its vision and mission have been exploring the growth opportunity in both ways i.e., Organic and Inorganic. As a part of Organic Growth Company has planned to setup Pharmaceuticals Manufacturing and Research & Development Unit.

The Board at its meeting held on February 13, 2023, approved for taking the land measuring 5791 sq. mtrs (approx. 1.43 acres) situated at Karnataka Industrial Area Development Board to Vaishnavi Enterprises, a proprietorship firm, located at Avverahalli (Dobbaspeta 4th Phase) Industrial Area, Sy. No. parts of 20 & 21/2, Village – K.G. Srinivasapura, Hobli, Sompura, Taluk Nelamangala, District – Bengaluru on lease-cum-sale basis.

D. Shifting of Registered office of the Company

The Shareholders of the Company at the 33rd Annual General Meeting held on August 20, 2022, approved for shifting of the Registered office of the company **from State of Telangana** i.e., 4-4-211/212/3, Inderbagh, Sultan Bazaar, Hyderabad — 500095 **To State of Karnataka** i.e., Unit 201, Second Floor, Brigade Rubix, 20/14 HMT Factory Main Road, Peenya Plantation, Bengaluru — 560013.

On approval of the Regional Director and ROC, the Registered Office of the Company is now shifted from State of Telangana i.e., 4-4-211/212/3, Inderbagh, Sultan Bazar, Hyderabad – 500095 to State of Karnataka i.e., Unit 201, Second Floor, Brigade Rubix, 20/14 HMT Factory Main Road, Peenya Plantation, Bengaluru — 560013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, in relation to financial statements of the company, your Directors wish to confirm that:

1. in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. your directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2023, and of the profit and loss of the company for that period; your directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
3. your Directors have prepared the annual accounts on a going concern basis.
4. your 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.
5. your directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The following are the Directors and Key Managerial Personnels of the company in accordance with the provisions of section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sl. No.	Name of the Key Managerial Personnel	Designation
1	Mr. Venu Madhava Kaparthy	Executive Director
2	Ms. Mini Manikantan	Executive Director
3	Mr. Mopperthy Sudheer	Independent Director
4	Mr. Pattadamai Natarajasarma Vijay	Independent Director
5	Mr. Venkat Rao Sadhanala	Non-Executive, Non-Independent Director
6	Mr. Methuku Nagesh	Independent Director
7	Mr. Balagangadhara B C	Chief financial officer
8	Mr. Kaushik Kumar	Company Secretary

Details of an Appointment and Change in the office of a Director's and KMP's

Details of Appointment			
Sl. No.	Name	Designation	Date of Appointment
1	Mr. Venu Madhava Kaparthy	Whole Time Director	May 05, 2022
2	Ms. Mini Manikantan	Whole Time Director	July 09, 2022
3	Mr. Methuku Nagesh	Independent Director	November 29, 2022
4	Mr. Pattadamai Natarajasarma Vijay	Independent Director	October 30, 2022
5	Mr. Balagangadhara B C	Chief Financial Officer	October 13, 2022
6	Mr. Kaushik Kumar	Company Secretary	October 13, 2022

Details of Resignation			
Sl. No.	Name	Designation	Date of Resignation
1	Mrs. Padmaja Kalyani Sadhanala	Whole Time Director	May 21, 2022
2	Mr. Vishwa Prasad	Whole Time Director	July 09, 2022
3	Mr. Vyasmurthi Madhavrao Shingatgeri	Independent Director	August 03, 2022
4	Mr. Veerareddy Vallpureddy	Independent Director	November 29, 2022
5	Mr. Chilam Shrikanth	Chief Financial Officer	October 13, 2022
6	Ms. Annie Jodhani	Company Secretary	October 13, 2022

Pursuant to Section 152 of the Companies Act and the Articles of Association of the Company, Ms. Mini Manikantan (DIN: 09663184), Whole Time Director is liable to retire by rotation at the ensuing AGM, and being eligible, offers herself for re-appointment.

The Nomination and Remuneration Committee and the Board of Directors at their Meetings held on August 29, 2023, recommended the re-appointment of Ms. Mini Manikantan for approval of the Members at the ensuing AGM of the Company.

The Board is of the opinion that Ms. Mini Manikantan possesses the requisite knowledge, skills, expertise and experience to contribute to the growth of the Company.

None of the Directors of the Company are disqualified under the provisions of the Companies Act, 2013 ('Act') or under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All Independent Directors have provided confirmation as contemplated under Section 149(7) of the Act. As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations,

2015, a certificate from the Company Secretary in practice, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, form's part this report.

In accordance with provisions of section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the Section 149 of Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, the independent directors possess appropriate balance of skills, experience and knowledge, as required.

The Company has devised the Policy for selection of Directors and determining Directors' independence and the Board on the recommendation of the Nomination & Remuneration Committee, has framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Nomination and Remuneration Policy can be viewed on the company's website at <http://www.pharmaids.com/images/p/Nomination-Remuneration-and-Evaluation-Policy.pdf>

BOARD EVALUATION

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be conducted by the Board of its own performance and that of its committees and individual Directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be conducted by the entire Board of Directors, excluding the Director being evaluated.

The Board evaluation was conducted through Questionnaire by way of internal Assessment.

Evaluation of Committee was based on criteria such as adequate independence of each Committee, Effectiveness of the committee, Independence of the committee from the board, Contribution to decisions of the board, frequency of meetings and time allocated to such discussions etc.

Evaluation of Board was based on criteria such as frequency of the meetings, time devoted for examining compliance issues, boards integrity towards financial reporting system, dissemination of information to members timely and regularly etc.

Evaluation Criteria for independent directors has been detailed in Corporate Governance Report which forms part of this annual report.

DISCLOSURES

Meetings of the Board

Eleven (11) Meetings of the Board of Directors were held during the year 2022-23. The particulars of the meetings held, and attendance of each Director are detailed in the Corporate Governance Report. The intervening gaps between the meetings were within the limits prescribed under the Act and the Listing Regulations.

Committees of the Board

The Company has duly constituted the Committees required under the Act read with the applicable Rules made thereunder and the Listing Regulations. As on March 31, 2023, the following Committees of the Board were functional:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee

Audit Committee

During the year under review, Mr. Veerareddy Vallapureddy demitted office as an Independent Director of the Company and consequently ceased to be the chairman and member of the Audit Committee. The Audit Committee presently comprises of the following members:

Sl.No.	Name	Designated
1	Mr. Pattadama Natarajasarma Vijay	Independent Director (Chairman)
2	Mr. Venu Madhava Kaparthy	Whole Time Director
3	Mr. Methuku Nagesh	Independent Director
4	Mr. Mopperty Sudheer	Independent Director

All the recommendations made by the Audit Committee were accepted by the Board.

Particulars of the meeting held, and attendance of each member of the committee are detailed in the Corporate Governance Report.

Nomination and Remuneration Committee

During the year under review, Mr. Veerareddy Vallapureddy demitted office as an Independent Director of the Company and consequently ceased to be the chairman and member of the Nomination and Remuneration Committee. The Nomination Remuneration Committee presently comprises of the following members.

Sl. No.	Name	Designated
1	Mr. Pattadama Natarajasarma Vijay	Independent Director (Chairman)
2	Mr. Venkat Rao Sadhanala	Non-executive and Non-Independent Director
3	Mr. Methuku Nagesh	Independent Director

Particulars of the meeting held, and attendance of each member of the committee are detailed in the Corporate Governance Report.

Stakeholders' Relationship (SR) Committee

During the year under review, Mr. Veerareddy Vallapureddy demitted office as an Independent Director of the Company and consequently ceased to be the chairman and member of the Stakeholders' Relationship Committee. The Stakeholders' Relationship Committee presently comprises of the following members.

Sl.No.	Name	Designated
1	Mr. Methuku Nagesh	Independent Director (Chairman)
2	Mr. Venu Madhava Kaparthy	Executive Director
3	Ms. Mini Manikantan	Executive Director

Particulars of the meeting held, and attendance of each member of the committee are detailed in the Corporate Governance Report.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

PPKG & Co, Chartered Accountants (Firm Registration No. 009655S) will complete their first term on conclusion of the ensuing Annual General Meeting.

The Auditors' Report does not contain any qualification, reservation, adverse remark, or disclaimer. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Secretarial Auditors

In terms of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to appoint Secretarial Auditor, who shall be a Company Secretary in practice, to conduct Secretarial Audit of the Company.

The Board of Directors at their meeting held on August 04, 2023, based on the consent received from M/s Kashinath & Co., Practising Company Secretaries, appointed M/s Kashinath & Co., Practising, Company Secretaries (Certificate of Practice No. 4807), as Secretarial Auditor of the Company to conduct Secretarial Audit for the Financial Year ended March 31, 2024.

In terms of Section 204 of the Act and Regulation 24A of the Listing Regulations read with the SEBI Circular, the Report given by the Secretarial Auditors is annexed as **Annexure 4** and forms an integral part of this Report.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark, or disclaimer. During the year, the Secretarial Auditors have not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3) (ca) of the Act.

Internal Auditors

Pursuant to Section 138 of the Companies Act, 2013 read with Rule 13 of The Companies (Accounts) Rules, 2014, the Board of Directors, based on the recommendation of the Audit Committee, have appointed Mr. T N Raghavendra, Practising Chartered Accountant as an Internal Auditor of the Company for the financial year 2023-2024.

SECRETARIAL STANDARDS

The Company has followed the applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to ‘Meetings of the Board of Directors’ and ‘General Meetings’, respectively.

INVESTOR EDUCATION AND PROTECTION FUND

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans or guarantee during the financial year 2022-2023, as per section 186 of the Companies Act, 2013.

The particulars of investments along with the purpose for which the investment made is given under the material events held during year and also form part of the Notes to the financial statements provided in this Annual Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Your Company place on record their deep appreciation for the contribution made by the employees of the Company at all levels. A Note on Human Resources is provided in the **Management Discussion and Analysis (“MDA”)** Report, which forms part of this Report.

The information about employee’s particulars as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is annexed as **Annexure 3** and forms part of this Report.

In terms of Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and other particulars of the employees is annexed as **Annexure 3.1** and forms part of this Report.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (“POSH Act”) and Rules made thereunder, the Company has in place a policy which mandates no tolerance against any conduct amounting to sexual harassment of women at workplace. The Company has constituted “Internal Complaints Committee” to redress and resolve any complaints arising at respectable workplace.

RISK MANAGEMENT

Business Risk Evaluation and Management is an ongoing process within the Organization. In Compliance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, your Company has a robust Risk Management Framework to identify, monitor and minimize risks as also identify business opportunities.

INTERNAL FINANCIAL CONTROLS

Internal financial controls are essential to ensure the accuracy and integrity of its financial information.

Your Company has an adequate system of internal controls with clearly defined authority limits. Internal controls ensure that the Company's assets are protected against loss from unauthorised use or disposition and all transactions are authorised, recorded, and reported in conformity with generally accepted accounting principles. These systems are designed to ensure accuracy and reliability of accounting data, promotion of operational efficiency and adherence to the prescribed management principles. These policies are periodically reviewed to meet business requirements.

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

VIGIL MECHANISM AND WHISTLE-BLOWER POLICY

The Board of Directors have established robust Vigil Mechanism and a Whistle-blower policy for Directors and **Employee** to report genuine concerns in compliance of Section 177(9) and (10) of Companies Act, 2013 and the regulation 22 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Our Company Believes in promoting fair, transparent, ethical, and professional work environment. The company has adopted the code of conduct which provides an environment that promotes responsible and protected whistle blowing. All the employees including Directors and External Parties such as consultants, vendors, suppliers, **dealers**, customers and contractors working for and/ or on behalf of any of the Group entities are covered under the Whistle-blower policy.

The Vigil Mechanism and Whistle-blower policy is available on the Company's website and can be accessed at [Whistle Blower Policy \(pharmaids.com\)](http://pharmaids.com).

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, we would like to confirm that, our company has not entered into any contracts/arrangements or transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. As required under the Companies Act, 2013, the prescribed Form AOC 2 is appended as **Annexure 1** to the Boards's report. There were no material significant related party transactions which could have potential conflict with the interests of the Company at large.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is available on the Company's website and can be accessed at <http://www.pharmaids.com/images/p/HRP%2003%20Related%20Party%20Transactions%20Policy.pdf>

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure 2** to this Report.

CORPORATE GOVERNANCE

The Company adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India ("SEBI"). The report on Corporate Governance for the year 2023 along with general shareholder information as stipulated under the Listing Regulations forms part of the Annual Report. M/s Kashinath & Co., Practising Company Secretary (Certificate of Practice No. 4807) of the Company, has issued a certificate confirming the compliance with the provisions of Corporate Governance by the Company for the year ended March 31, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V to the SEBI Listing Regulations, and the same is attached along with the report on corporate governance.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under the Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented in a separate section forming part of the Annual Report.

MAINTENANCE OF COST RECORDS

The provisions relating to maintenance of Cost records under Section 148 of Companies Act, 2013 are not applicable to the Company.

CODE OF PREVENTION OF INSIDER TRADING

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a **comprehensive** Code of Conduct to regulate, monitor and report trading by insiders & designated persons and procedures for fair disclosure of Unpublished Price Sensitive Information.

The Company has also adopted the Policy for determination of Legitimate Purposes and Policy for Inquiry in case of leak or suspected leak of unpublished price sensitive information in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 and can be accessed at <http://www.pharmaids.com/images/p/HRP%2004%20Policy%20for%20Prevention%20of%20Insider%20Trading%20Policy.pdf>

ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Companies Act, 2013 read with the Rules made thereunder, the draft Annual **Return** prepared as per Section 92(3) of the Companies Act, 2013 in Form MGT-7 has been placed on the website of the Company at www.pharmaids.com

GENERAL

Your directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

- i. Details relating to deposits covered under Chapter V of the Act.
- ii. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- iii. Issue of shares (including sweat equity shares) to employee of the company under any scheme.
- iv. Our company does not have any subsidiaries. Hence, none of the Whole-time Directors of the company receive any remunerations or commission from any of its subsidiaries.
- v. There have been no Companies, which have become/ceased to be subsidiaries, Joint Ventures or Associate Companies during the year under review. However, the Company acquired 25.5 % stake in Anugraha Chemicals (The “Firm”), a Partnership Firm, registered under Karnataka Partnership (Registration of Firms) Rules, 1954. As per Indian Accounting Standard, said Firm is an Associate of the Company. Details of the same has been provided under heading “Details of Material events During the Year”.
- vi. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company’s operation in future.
- vii. No frauds have been reported by the Auditors to the Audit Committee or the Board.
- viii. There has been no change in the nature of business of the Company.
- ix. There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- x. There was no instance of one-time settlement with any bank or Financial Institution.

ACKNOWLEDGEMENT AND APPRECIATIONS

The Board of Directors wish to place on record its deep sense of appreciation for the committed services by all the employees of the Company. The Board of Directors would also like to express their sincere appreciation for the assistance and guidance received from the banks, government and regulatory authorities, stock exchanges, customers, vendors and members during the year under review.

By order of the Board of Directors

Date: 29.08.2023
Place: Bangalore

Sd/-
Venu Madhava Kaparthy
Whole Time Director
(DIN: 00021699)

Sd/-
Sadhanala Venkata Rao
Director
(DIN: 02906370)

ANNEXURE [1] to Board's Report

FORM AOC 2

Particulars of Contracts / Arrangements made with Related Parties.

[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto.

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

There were no contracts or arrangements or transactions entered with related parties during the year ended March 31, 2023.

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

There were no material contracts or arrangements or transactions entered with related parties during the year ended March 31, 2023.

By order of the Board of Directors

**Sd/-
Venu Madhava Kaparthy
Whole Time Director
(DIN: 00021699)**

**Sd/-
Sadhanala Venkata Rao
Director
(DIN: 02906370)**

**Date: 29.08.2023
Place: Bangalore**

ANNEXURE [2] to Board's Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTFLOW

(Pursuant to the provisions of Section 134(3) (m) of the Companies Act, 2013 read with the Rule 8(2) of the Companies (Accounts) Rules, 2014)

A. CONSERVATION OF ENERGY

i. **Steps taken or impact on conservation of energy.**

Our Company recognizes the importance of energy management and hence, towards optimum utilization of energy company has taken proactive steps to conserve energy.

ii. **Steps taken to utilize alternate sources of energy.**

Currently our company has not yet taken any steps towards utilizing alternate sources of energy. However, we are open to explore a various available option in future to promote environmental sustainability.

iii. **Capital investment on energy conservation equipment's.**

No specific investment has been made in equipment for energy conservation. Despite not making a specific investment our company has implemented sustainable practices and encouraged energy efficient **behaviours** among employees. The company is still working towards conserving energy and reducing their environmental impact.

B. TECHNOLOGY ABSORPTION

Our Company relies on in-house knowledge and expertise for our operations and therefore no outside technology is being used. As a result, currently company does not have any plans for technology absorption, but we are committed to staying up to date with the latest industry advancements through ongoing research and development for improving quality of our products and all the activities that are directed to achieve the aforesaid goals.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO-

Particulars	Current Year	Previous Year
Earnings	-	-
Outgo	-	-

By order of the Board of Directors

Date: 29.08.2023
Place: Bangalore

Sd/-
Venu Madhava Kaparthy
Whole Time Director
(DIN: 00021699)

Sd/-
Sadhanala Venkata Rao
Director
(DIN: 02906370)

ANNEXURE [3] to Board's Report

Information required under Section 197 of the Companies Act, 2013 read with Rule 5 of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Directors Name	Total remuneration	Ratio of Remuneration to MRE ¹
Padmaja Kalyani Sadhanala ²	NA	-
Vishwa prasad sadhanala ³	NA	-
Vyasmurthi Madhavrao Shingatgeri ⁴	NA	-
Veerareddy Vallapureddy ⁵	NA	-
Venu Madhava Kaparthy ⁶	27,00,000	7.15
Mini Manikantan ⁷	16,64,516	4.41
Mopperthy Sudheer ⁸	NA	-
Pattamadai Natarajasarma Vijay ⁹	2,08,333	0.55
Methuku Nagesh ¹⁰	1,69,444	0.45
Venkata Rao Sadhanala ¹¹	NA	-

- The aforesaid details are calculated on the basis of remuneration for the financial year 2022-2023.
- Median remuneration of the Company for all its employee is Rs. 3,75,500 /-for the financial year 2022-2023.
- Median remuneration of the Company for all its employee is Rs. 2,16,000 /-for the financial year 2022-2023

¹ MRE = Median Remuneration of employees

² Padmaja Kalyani Sadhanala retired as Executive Director effective May 21, 2022, and has voluntarily chose not to receive any remuneration for her services rendered to the Company

³ Vishwa prasad Sadhanala retired as Executive Director effective July 09, 2022, and has voluntarily chose not to receive any remuneration for his services rendered to the Company

⁴ Vyasmurthi Madhavrao Shingatgeri retired as Independent Director effective August 03, 2022, and has voluntarily chose not to receive any remuneration for his services rendered to the Company.

⁵ Veerareddy Vallapureddy retired as Independent Director effective November 29, 2022, and has voluntarily chose not to receive any remuneration for his services rendered to the Company.

⁶ Venu Madhava Kaparthy was appointed as Executive Director effective May 05, 2022

⁷ Mini Manikantan was appointed as Executive Director effective July 09, 2022

⁸ Mopperthy Sudheer voluntarily chose not to receive any remuneration for his services rendered to the Company.

⁹ Pattamadai Natarajasarma Vijay was appointed as Independent Director effective October 30, 2022

¹⁰ Methuku Nagesh was appointed as Independent Director effective November 29, 2022

¹¹ Venkata Rao Sadhanala voluntarily chose not to receive any remuneration for his services rendered to the Company.

B. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year:

The remuneration for Directors, the Chief Financial Officer, and the Company Secretary remained unchanged during the financial year 2022-23.

C. The percentage increase in the Median remuneration of all employees in the financial year 2022-2023:

Particulars	2021-22	2022-23	Change (%)
Median remuneration of all employees per annum	216000	375500	74%

D. The number of permanent employees on the rolls of Company as on March 31, 2023:

Executive	8
Staff	1
Total	9

E. Average percentile increased 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 annual increase is NIL.

Increase in the managerial remuneration for the year is NIL.

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

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

ANNEXURE [3.1] to Board's Report

Information as per Rule 5 of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Top 10 employees in terms of remuneration drawn during the year:

Name of the employee	Designation	Age	Qualification	Experience (in years)	Remuneration	Date of Joining	Previous employment
Dr. Prasad S	Group Chief - Strategy and Operational Excellence	47	BVSc & AH, MVSc, PhD.	18	25,04,855	22-Jul-22	Bioneds India Pvt Ltd
¹ Chilam Srikanth	Chief Financial officer	43	B.com	8	63,871	-	-
² Annie Jodhani	Company Secretary	30	Company Secretary	5	2,00,223	-	-
Kaushik Kumar	Company Secretary	34	Company Secretary, LLB & B.com	6	8,54,838	13-10-2022	NovoJuris
Balagangadhara B C	Chief Financial officer	41	B.com, ICWA (inter)	17	18,72,580	13-10-2022	Bioneds India Pvt Ltd
Shivakumar K J	Finance Manager	45	M.Phil.	20	3,77,500	01-Nov-22	Bioneds India Pvt Ltd
Ingreed Anisha	Assistant Manager - Admin & Purchase	26	BCA	4	2,20,000	01-Jul-22	Bioneds India Pvt Ltd
Shivalingaiah	Driver	38	Secondary Education	12	2,00,000	01-Aug-22	Bioneds India Pvt Ltd
Prakash Alva P	R&D – General Manager	48	M.Sc.	22	1,75,000	01-Mar-23	Anthem Biosciences Pvt Ltd

¹Chilam Srikanth retired as Chief Financial Officer effective October 13, 2022

²Annie Jodhani retired as Company Secretary effective October 13, 2022

- The afore mentioned employees have / had permanent employment contracts with the Company.
- Employees mentioned above are neither relatives of any directors of the Company, except Balagangadhara B C none of the other above mentioned employees hold 2% or more of the paid-up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

By order of the Board of Directors

Date: 29.08.2023
Place: Bangalore

Sd/-
Venu Madhava Kaparthy
Whole Time Director
(DIN: 00021699)

Sd/-
Sadhanala Venkata Rao
Director
(DIN: 02906370)

ANNEXURE [4] to Board's Report

FORM MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to section 204(1) of the companies Act, 2013 3 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Pharmaids Pharmaceuticals Limited

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- v. The following Regulations 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 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the Audit Period);
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period); and
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- a) Factories Act, 1948
- b) Payment of Wages Act, 1936, and Rules made thereunder
- c) The Minimum Wages Act, 1948, and rules made thereunder
- d) Employees state insurance Act 1948 and rules made thereunder
- e) The employees provident fund and miscellaneous provisions Act 1952 and rules made thereunder
- f) Drugs and Cosmetics Act, 1940
- g) Drugs and Magic remedies (Objectionable Advertisement) Act 1954
- h) Narcotic Drugs and psychotropic Substances Act, 1985
- i) The Trademarks Act, 1999

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

- i. Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India; and
- ii. Listing Agreements entered into by the Company with Bombay stock exchange.

During the Audit Period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

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

- b) Adequate notice is given to all directors to schedule the meetings of the Board and Committee. Except where consent of directors was received for scheduling meeting at a shorter notice, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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.

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

**For M/s Kashinath Sahu & Co.,
Practising Company Secretaries**

Sd/-

**CS Kashinath Sahu
Practicing Company Secretary
FCS: 4790 CP: 4807
UDIN No.: F004790E000845762
Peer Review No: 2957 / 2023**

**Date: 23.08.2023
Place: Hyderabad**

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

To,

The Members,

Pharmaids Pharmaceuticals Limited

Our Secretarial Audit Report for the year ended on March 31, 2023 of even date is to be read along with this letter.

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

**For M/s Kashinath Sahu & Co.,
Practising Company Secretaries**

Sd/-

**CS Kashinath Sahu
(Proprietor)**

FCS: 4790 CP: 4807

UDIN No.: F004790E000845762

Peer Review No: 2957 / 2023

Date: 23.08.2023

Place: Hyderabad

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Industry overview and Developments

After responding to the Covid 19 pandemic for the past two years, the global pharmaceuticals industry is now facing a “new normal” in 2023 that will require changes in commercial strategy and execution. Growth prospects are being impacted by several key issues.

The Pharmaceuticals industry is a vital component of the healthcare sector, dedicated to developing, producing, and marketing drugs for the prevention, treatment, and cure of diseases. The industry has experienced significant growth and development over the past few decades, due to several factors including advancements in technology, increased demand for healthcare services, and growing awareness and diagnosis of diseases.

The prominent pharma industry trends include Increasing focus on research and development (R&D) to create new and innovative drugs, Amalgamation of Artificial Intelligence in developing automated algorithms which will help in producing seedier, more precise, and reproducible results.

The industry is also facing challenges from emerging competitors, particularly in the form of generic drug manufacturers. Despite these challenges, the pharmaceuticals industry is projected to continue growing in the coming years, driven by increasing demand for healthcare services, the emergence of new markets in developing countries, and ongoing R&D efforts to develop new and more effective drugs.

B. Opportunities and Challenges

Growing demand for health care services has transformed the industry with increasing digitization, and traction of e-pharmacy and pharmacy chains. Increased healthcare coverage and better policy support are likely to boost growth whereas adverse regulation could impact in a negative way. With aging populations and increasing in the disease, the demand for health care services, including pharmaceuticals is expected to grow. As the pharmaceuticals industry is heavily reliant on the R&D to create new and innovative drugs, by investing in R&D, our company can create a pipeline of new products that can meet the evolving needs of the patients and health care providers.

Over the past couple of years, there have been many challenges faces by the pharmaceutical industry. The pharmaceutical industry has emerged from the pandemic stronger in large due part to its role in researching, producing, and distributing Covid-related therapies and vaccines but also due to the nature of the industry. However, the industry is now facing a crossroads of upcoming challenges, including financial pressure from the impending patent cliff.

C. Global Pharma Market Performance

The global pharmaceuticals market has been performing well in recent years, with steady growth and increasing demand for healthcare products.

The market is driven by several factors, including the increasing prevalence of chronic diseases such as cancer, diabetes, and cardiovascular diseases, as well as the growing aging population. Advances in technology and innovation are also contributing to the growth of the market, with new drugs and therapies being developed to treat previously untreatable conditions.

Despite the positive outlook for the pharmaceuticals market, the industry also faces challenges such as increasing regulatory scrutiny and pricing pressures, as well as the need to demonstrate the value and cost-effectiveness of their products. Nevertheless, pharmaceuticals companies continue to invest in research and development to drive innovation and develop new products to meet the evolving needs of their customers.

D. Pharma Outlook: Positive Factors

The New Financial Year comes with a new set of challenges. As a pharmaceuticals company, we are optimistic about the industry outlook in the coming years. The global pharmaceuticals market is expected to continue to grow, driven by an aging population, rising chronic diseases, and increased healthcare spending. We are committed to investing in innovation and R&D to develop new products and maintain our competitive edge in the industry. We see significant growth opportunities in emerging markets, where there is a large and growing population, rising incomes, and increasing healthcare spending.

In addition, we recognize the increasing importance of digital health technologies in the industry. We are actively exploring ways to incorporate these technologies into our business to improve our strategic goal to achieve our desired results.

E. Policy Support

Governments recognize the critical role that the pharmaceuticals industry plays in providing essential healthcare products and in driving economic growth, and as such, are implementing policies and initiatives to support its development.

At the national level, governments are streamlining regulatory processes and creating a favourable business environment for pharmaceutical companies through measures such as tax incentives, funding for research and development, and investments in healthcare infrastructure. These initiatives are creating opportunities for us to invest in innovation and expand our operations.

F. Review of Operations

The company has consistently grown above market in the last several years by keeping a clear focus on providing scientific, trusted products, backed by expert clinical support.

The company's position has been enhanced through consistent scientific engagement with doctors, increasing geographic penetration.

G. Increasing Investment

Increasing Investments in R&D and Acquisitions are driving the Sector's growth.

H. Risks and Concerns

As a pharmaceuticals company, it is important to acknowledge the risks and concerns facing in our industry. These include regulatory changes, patent expirations, pricing pressures, competition from generics, and increased scrutiny on drug pricing and marketing practices. Additionally, the ongoing COVID-19 pandemic has disrupted global supply chains and created uncertainty in the

market. It is essential that we continue to monitor these risks and adapt our strategies to address them, while maintaining our commitment to providing innovative and effective healthcare solutions. Our goal is to mitigate these risks and navigate the challenges facing our industry with transparency and resilience.

Another concern is the potential for legal and regulatory challenges. The pharmaceuticals industry is heavily regulated, and companies must adhere to strict guidelines and regulations related to drug development, manufacturing, and marketing. Non-compliance with these regulations can result in significant fines and penalties, as well as damage to the company's reputation. Furthermore, lawsuits related to drug efficacy, safety, and potential side effects can result in significant legal costs and settlements.

We also closely monitor policy changes and developments in the industry to stay ahead of potential challenges. Overall, we remain committed to navigating the risks and challenges of the pharmaceuticals industry while maintaining a strong focus on innovation and quality outcomes.

I. Company Overview

As a pharmaceuticals company, we understand the importance of conducting regular and thorough reviews of our operations to ensure we are meeting our commitments to our stakeholders, including customers, employees, and investors. Our overviews include evaluating our performance against industry benchmarks, identifying areas for improvement, and implementing measures to enhance our business practices and maintain our position in the healthcare industry. We are committed to ongoing improvement and remain vigilant in our efforts to ensure the safety, efficacy, and quality of our products and services.

J. Performance and Operations Review

Operating Results

The Company's Revenues stood at Nil during the year under review, PAT at Rs. -755.56 Lakhs as against the corresponding Previous Year, there was revenue of Rs.393.93 Lakhs and the PAT was Rs.14.52 Lakhs. Your directors are giving their best efforts for exploring more business opportunities so as to increase the growth and profitability of the Company, in the years to come.

K. Internal Control Systems and Adequacy

The Company has established comprehensive Internal Control Systems with well-defined compliance guidelines, enabling smooth operations with a reasonable level of assurance. These internal controls serve to protect the Company's assets, monitor cost structures, ensure sound financial and accounting controls, and adhere to accounting standards.

The system incorporates continuous monitoring, routine reporting, checks and balances, purchase policies, authorization and delegation procedures, and regular audits. To support these internal controls, the Company maintains an Internal Audit Team and conducts periodic reviews under the management's supervision. The Audit Committee convenes regularly to assess the adequacy and scope of the internal audit function, discuss significant findings, and address any abnormal occurrences. The system undergoes continuous improvement and modification to align with changes in business conditions, statutory requirements, and accounting standards.

L. Material Development in Human Resources / Industrial Relations Front

The Number of Employees as on 31st March' 2023 was 9 (Nine).

The Company's growth is predominantly attributed to the competence and quality of its human resources. Our work environment fosters a challenging and performance-oriented atmosphere, acknowledging employees' potential by offering ample opportunities. We have diligently refined our hiring process to ensure discipline and effectiveness. Prioritizing the acquisition and retention of talent aligned with the Company's goals remains a key focus area.

M. Details of Significant change in the Key Financial Ratios:

Ratios	Current Period 2022-23	Previous Period 2021-22	% Variance	Reason for Variance
Debtors Turnover Ratio (in times)	0.00	2.08	(100.00)	The Debtors Turnover ratio has been reduced from 2.08 to 0.00 as no sales were made during FY 2022-23
Return on Equity Ratio (In %)	- 0.34	0.02	(100.00)	Return on Equity is -0.34 because the company has incurred losses in FY 2022-23
Inventory Turnover (in times)	0.00	5.10	(100.00)	The Inventory Turnover ratio has been reduced from 5.10 to 0 as no sales were made during FY 2022-23
Current Ratio (in times)	8.22	1.09	651.72	The Significant Change in Current ratio is due to excess increase in Current Assets of the Company, whereas the Current Liabilities have been reduced when compared to Previous Year
Debit Equity Ratio (in times)	0.00	0.00	-	The Debt equity ratio in both Financial Years remains Nil as there are no Long Term Debts of the company
Net profit Ratio	0.00	0.04	(100.00)	The Net Profit ratio is 0 as the company has incurred Losses in the Current year and also no sales were made during FY 2022-23
Operating Ratio	0.00	1.04	(100.00)	The Operating ratio has been reduced from 1.04 to 0 as no sales and Purchases were made during FY 2022-23
Return on Net worth Ratio (In Times)	-0.31	0.38	(100.00)	Return on Net worth Ratio is -0.31 because the company has incurred losses in FY 2022-23

By order of the Board of Directors

Date: 29.08.2023
Place: Bangalore

Sd/-
Venu Madhava Kaparthy
Whole Time Director
(DIN: 00021699)

Sd/-
Sadhanala Venkata Rao
Director
(DIN: 02906370)

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Schedule V(C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (“Listing Regulations”)]

1. Pharmaids’ s Philosophy on Corporate Governance

Pharmaids Pharmaceuticals Limited (‘PPL’) has shown a commitment towards effective Corporate Governance and has always been at the forefront of benchmarking its Internal Systems and Policies with Global Practices. PPL is committed to provide Fair, Transparent and Equitable Treatment to all its Stakeholders. At PPL, we have always sought to be a value driven organisation, where our growth and success is directed by our values. The Company has complied with the norms of Governance as provided in Chapter-IV and Schedule-II of the Listing Regulations, during the year under review.

2. Board of Directors

At Pharmaids, the Board provides guidance and strategic instructions to the Management in order to achieve overall objectives. The Board always acts in good faith, with due diligence and care and in the best interests of all stakeholders.

a. Composition and Category of Directors

The Composition of Board is in accordance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is also in line with the best practices of corporate governance. As on March 31, 2023, Pharmaids’ s Board consisted of 6 (Six) Directors. The name of each member of the Board along with the Designation/Category are as given below:

S. No.	Name of the Director	Designation/Category
1	Mr. Pattamadai Natarajasarma Vijay	Independent Non-executive Director
2	Mr. Mopperthy Sudheer	Independent Non-executive Director
3	Mr. Methuku Nagesh	Independent Non-executive Director
4	Mr. Venkata Rao Sadhanala	Promoter & Non- Executive Non-Independent Director
5	Mr. Venu Madhava Kaparthy	Executive Director
6	Ms. Mini Manikantan	Executive Director

The Board of Directors of the Company has an appropriate mix of executive, non-executive and independent directors with One Woman Director. Their detailed profiles are available on the Company’s website: <http://www.pharmaids.com/board-of-directors.html>

b. Attendance of each Director at the Meeting of the Board of Directors including last Annual General Meeting:

Name of the Director	Board Meetings Held during the year	Attendance at the Board Meetings	Attendance in last Annual General Meeting held on August 20, 2022
Mr. Venu Madhava Kaparthy ¹	11	10	Present
Ms. Mini Manikantan ²	11	09	Present
Mr. Venkata Rao Sadhanala	11	11	Present
Mr. Pattamadai Natarajasarma Vijay ³	11	05	NA
Mr. Mopperthy Sudheer	11	09	Present
Mr. Methuku Nagesh ⁴	11	03	NA
Mr. Veerareddy Vallapureddy ⁵	11	07	Present
Mr. Vyasmurthi Madhavrao Shingatgeri ⁶	11	03	NA
Ms. Sadhanala Padmaja Kalyani ⁷	11	0	NA
Mr. Sadhanala Vishwa Prasad ⁸	11	01	NA

- (1) *Appointed as an Executive Director with effect from May 21, 2022.*
- (2) *Appointed as an Executive Director with effect from July 09, 2022.*
- (3) *Appointed as an Independent Director with effect from October 31, 2022.*
- (4) *Appointed as an Independent Director with effect from November 29, 2022.*
- (5) *Resigned as an Independent Director with effect from November 29, 2022.*
- (6) *Resigned as an Independent Director with effect from August 03, 2022.*
- (7) *Resigned as a Whole Time Director with effect from May 21, 2022.*
- (8) *Resigned as a Whole Time Director with effect from July 09, 2022.*

c. Details of directorships / Committee Membership or Chairmanship as on March 31, 2023.

Name of the Director	Other Directorships	No. of Membership / Chairmanship in Audit/Stakeholder relationship Committee in other Companies (excluding Private Companies)		List of Directorship held in other listed Companies and Category of Directorship
		Member	Chairman	
Mr. Venu Madhava Kaparthy	1	0	0	0
Ms. Mini Manikantan	0	0	0	0

Mr. Venkata Rao Sadhanala	0	0	0	0
Mr. Pattamadai Natarajasarma Vijay	6	4	3	1. Dabur India Limited - Independent Director 2. Maharashtra Seamless Limited - Independent Director
Mr. Mopperthy Sudheer	0	0	0	0
Mr. Methuku Nagesh	0	0	0	0

d. Number of meetings of the Board of Directors held and dates on which held.

In the Financial year 2022-23, the Board of Directors met eleven times with a gap not exceeding 120 (one hundred and twenty) days. The dates on which the meetings were held are as follows:

May 21, 2022; July 9, 2022; July 22, 2022; August 4, 2022; October 13, 2022; October 31, 2022; November 9, 2022; November 29, 2022; December 6, 2022; January 17, 2023 and February 13, 2023.

e. Disclosure of relationships between directors inter-se.

There is no inter se relationship between the Directors as on March 31, 2023.

During the year under review, Mrs. Sadhanala Padmaja Kalyani, and Mr. Sadhanala Viswa Prasad resigned from the place of office of Director on May 21, 2022 and July 9, 2022 respectively, who were relatives of Mr. Sadhanala Venkata Rao, Promoter & Non-executive Director.

f. Number of shares and convertible instruments held by Non- Executive Directors as on March 31, 2023:

S. No.	Name of the Non-Executive Directors	No. of Equity Shares held (held singly or jointly as first holder)	Convertible instruments
1.	Mr. Venkata Rao Sadhanala	15,88,526	NIL
2.	Mr. Mopperthy Sudheer	NIL	NIL
3.	Mr. Methuku Nagesh	NIL	NIL
4.	Mr. Pattamadai Natarajasarma Vijay	NIL	NIL

g. Familiarisation programmes for Independent Directors.

Induction process enables newly appointed directors to familiarise themselves with the Company, Management and operations in the pharmaceutical industry. As a part of induction and continuing education program for Independent Directors, periodic presentations are conducted to inform the

Directors of the Company's business strategies, Short-term and long-term plans, operations and performance, legal and regulatory updates in the laws and regulations applicable to the Company.

The Directors are regularly upskill on the Company's policies and procedures, distribution channels, business model, cash and treasury management, accounting systems and internal financial controls, etc. The induction process for Non-Executive, Independent Directors includes interactive sessions with the Senior Management and Functional heads, etc.

Details of Familiarisation programs conducted by the Company are available on the website of the Company at <http://www.pharmaids.com/familiarization.html>

h. Core skills/expertise/competencies of the Directors.

Skill / Area of Expertise / Competence	Name of the Directors					
	Mr. Venu Madhava Kaparthy	Ms. Mini Manikantan	Mr. Venkata Rao Sadhanala	Mr. Mopperthy Sudheer	Mr. Methuku Nagesh	Mr. Pattamadai Natarajasarma Vijay
Finance, Law, Management, Administration	Yes	Yes	Yes	Yes	Yes	Yes
Technical Knowledge on Operations, Production	Yes	Yes	Yes	-	-	-
Corporate Governance, Strategic Management	Yes	Yes	Yes	Yes	Yes	Yes
International Marketing and Sales	Yes	Yes	Yes	-	-	Yes

i. Confirmation that in the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management.

The Board of Directors is in the opinion that, the Independent Directors of the company fulfil the conditions specified in Section 149 of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that they are independent of the Management.

- j. Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided.

During the year under review, Mr. Vyasmurthi Madhavrao Shingatgiri and Mr. Veerareddy Vallapureddy vide their respective resignation letters dated August 3, 2022 and November 29, 2022 resigned from the position of Independent Director of the Company.

Accordingly, their resignations were taken on note by the Board of Directors at their meeting held on August 4, 2022 and November 29, 2022. Both the directors resigned due to their personal reasons and other obligations. Further, they also confirmed that there were no other material reasons for their resignation apart from the reason mentioned herein above.

3. Audit committee

Brief description of the terms of reference:

The composition, role, terms of reference as well as powers of the Audit Committee are in compliance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

The Audit Committee functions as an interface between the Statutory and the Management and the Board of Directors. The terms of reference of Audit Committee are as per the framework prescribed under the Act and Rules thereunder and the Listing Regulations. The Audit Committee assists the Board in fulfilling its responsibilities of monitoring Financial Reporting processes; reviewing the Company's established systems and processes for Internal Financial Controls and Governance; and reviews the Company's Statutory and Internal Audit Processes.

Composition, Name of members and Chairperson:

The Committee comprises of 3 (Three) Directors, out of which 2 (Two) are Independent Directors. All the Members, including the Chairman of the Audit Committee are Financially Literate and have the ability to read and understand the Financial Statements. During the Financial Year 2022-2023, Seven Meetings of the Committee were held on May 21, 2022, July 22, 2022, November 8, 2022, December 6, 2022, January 17, 2023, February 13, 2023 and March 6, 2023.

Name of members and their attendance during the year are as under:

Name of the Members	Designation	Category	No. of meetings held during the year	Number of meetings attended
Mr. Veerareddy Vallapureddy ¹	Chairperson	Non-Executive - Independent Director	7	3
Mr. Mopperthy Sudheer ²	Member	Non-Executive - Independent Director	7	3
Mr. Viswa Prasad Sadhanala ³	Member	Executive Director	7	1
Mr. Venu Madhava Kaparthy ⁴	Member	Executive Director	7	6

Mr. Methuku Nagesh ⁵	Member	Non-Executive - Independent Director	7	4
Mr. Pattamadai Natarajasarma Vijay ⁶	Chairperson	Non-Executive - Independent Director	7	4

1. Ceased as a chairman and member of the Committee with effect from November 29, 2022.
2. Ceased as a member of the Committee with effect from November 29, 2022.
3. Ceased as a member of the Committee with effect from July 09, 2022.
4. Appointed as a member of the Committee with effect from July 09, 2022.
5. Appointed as a member of the Committee with effect from November 29, 2022.
6. Appointed as a Chairman and member of the Committee with effect from November 29, 2022.

The Chief Financial Officer of the Company attended all the Meetings as Invitees. The Company Secretary of the Company acts as the Secretary of the said Committee.

4. Nomination and Remuneration Committee:

Brief description of the terms of reference:

The composition, role, terms of reference as well as powers of the Nomination and Remuneration Committee are in compliance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. The terms of reference of the Committee include review and recommendation to the Board of Directors of the remuneration paid to the directors. The Committee meets as and when required to consider and recommend the appointment and remuneration of Directors and such other relevant matters as may be referred to it.

Composition, Name of members and Chairperson:

The Committee comprises of 3 (Three) Non – Executive Directors. Directors. During the Financial Year 2022-2023, Six Meetings of the Committee were held on May 21, 2022, July 9, 2022, August 4, 2022, October 13, 2022, October 30, 2022 and November 25, 2022.

Name of members and their attendance during the year are as under:

Name of the Director	Designation	Category	No. of meetings held during the year	Number of meetings attended
Mr. Veerareddy Vallapureddy ¹	Chairperson	Non-Executive - Independent Director	6	6
Mr. Mopperthy Sudheer ²	Member	Non-Executive - Independent Director	6	6
Mr. Vyasmurthi Madhavrao Shingatgeri ³	Member	Non-Executive - Independent Director	6	2

Mr. Sadhanala Venkata Rao ⁴	Member	Non-Executive - Non-Independent Director	6	3
Mr. Methuku Nagesh ⁵	Member	Non-Executive - Independent Director	6	0
Mr. Pattamadai Natarajasarma Vijay ⁶	Chairperson	Non-Executive - Independent Director	6	0

1. *Appointed as a Chairman and member of the Committee with effect from July 9, 2022 and ceased as a chairman and member of the Committee with effect from November 29, 2022.*
2. *Appointed as a member of the Committee with effect from July 9, 2022 and ceased as a member of the Committee with effect from November 29, 2022.*
3. *Appointed as a member of the Committee with effect from July 9, 2022 and ceased as a member of the Committee with effect from August 8, 2022.*
4. *Appointed as a member of the Committee with effect from November 29, 2022.*
5. *Appointed as a member of the Committee with effect from November 29, 2022.*
6. *Appointed as a Chairman and member of the Committee with effect from November 29, 2022.*

The Main Object of this Committee is to identify persons who are qualified to become Directors and who may be appointed in Senior Management of the Company, recommend to the Board their Appointment and Removal and shall carry out evaluation of every Director's Performance, recommend the Remuneration package of both the Executive and the Non – Executive Directors on the Board and also the remuneration of Senior Management, one level below the Board. The Committee reviews the Remuneration Package payable to the Executive Director(s) and recommends to the Board the same and acts in terms of reference of the Board, from time to time.

a. Performance Evaluation Criteria for Independent Directors

In terms of provisions of the Companies Act 2013 and Regulation 17(10) of SEBI Listing Regulations, the Board conducts an annual performance evaluation of its own performance, the performance of the Directors individually as well as the evaluation of the working of its Committees through questionnaire designed with quantitative assessment and the feedback based on ratings.

The Performance criteria for evaluation of Independent Directors is uploaded on the website and can be accessed at:

<http://www.pharmaids.com/images/p/Terms%20&%20Conditions%20of%20APPOINTMENT%20FOR%20INDEPENDENT%20DIRECTORS.pdf>

5. Stakeholders Relationship Committee

The composition, role, terms of reference as well as powers of the Stakeholders Relationship Committee Meeting are in compliance with the provisions of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations.

The terms of reference of the Committee include Redressal of Grievances of Shareholders, Dealing with complaints related to transfer of Shares and Performing various functions relating to the interests of Shareholders / Investors of the Company as may be required under the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

Composition, Name of members and Chairperson:

The Committee is comprised of 3 (Three) Directors. In the Financial Year 2022 - 2023, 3 (Three) meetings of the Committee were held on May 21, 2022; July 22, 2022 and March 6, 2023.

Name of members and their attendance during the year are as under:

Name of the Director	Designation	Category	No. of meetings held during the year	Number of meetings attended
Mr. Veerareddy Vallapureddy ¹	Chairman	Independent Director	3	2
Mr. Sadhanala Viswa Prasad ²	Member	Executive Director	3	1
Ms. Padmaja Kalyani Sadhanala ³	Member	Executive Director	3	1
Mr. Venu Madhava Kaparthy ⁴	Member	Executive Director	3	2
Ms. Mini Manikantan ⁵	Member	Executive Director	3	2
Mr. Methuku Nagesh ⁶	Chairman	Independent Director	3	1

1. *Appointed as a Chairman and member of the Committee with effect from July 9, 2022 and ceased as a chairman and member of the Committee with effect from November 29, 2022.*
2. *Ceased as a member of the Committee with effect from July 9, 2022.*
3. *Ceased as a member of the Committee with effect from May 21, 2022.*
4. *Appointed as a member of the Committee with effect from July 9, 2022.*
5. *Appointed as a member of the Committee with effect from July 9, 2022.*
6. *Appointed as a Chairman and member of the Committee with effect from November 29, 2022*

Name and designation of the Compliance Officer:

Mr. Kaushik Kumar, Company Secretary & Head – Legal, has been appointed as the Compliance Officer of the Company.

Number of shareholders’ complaints received during the financial year:

No complaints were received during the year.

Number of pending complaints:

There were no complaints pending for redressal during the year under review. There were no pending transfers as on March 31, 2023.

In order to expedite the process and for effective resolution of grievances / complaints, the Committee has delegated powers to the Registrar and Share Transfer Agents i.e., M/s Venture Capital and Corporate Investments Pvt Ltd to redress all complaints / grievances / enquiries of the Shareholders / Investors. It redresses the grievances / complaints of the Shareholders / Investors under the supervision of Mr. Kaushik Kumar, Company Secretary and Compliance Officer of the Company. The Committee, along with the Registrars and Share Transfer Agents of the Company follows the Policy of attending to the complaints, if any, within Seven Days from the date of its Receipt.

As mandated by SEBI, the Quarterly Reconciliation of Share Capital Audit, highlighting the Reconciliation of Total Admitted Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vis-à-vis the Total Issued and Listed Capital is being carried out by the Practicing Company Secretary. This Audit confirms that the Total Issued and Paid-up Capital is in agreement with the Total Number of Shares held in Physical and Dematerialized form with NSDL and CDSL.

6. Corporate Social Responsibility Committee

The Provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to our Company.

7. Risk Management Committee

Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to forming of Risk Management Committee, is not applicable to the Company during the Financial Year under review.

8. Remuneration of Directors

The Management determines individual remuneration packages for Directors, KMPs and Senior Officials of the Company. Subsequently, the Nomination and Remuneration Committee will consider these determinations and other 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 and provide its recommendations to the Board. The Nomination and Remuneration Committee consults with the Board as it deems appropriate.

The Non-Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company. The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the Remuneration Payable to the Non –

Executive Directors of the Company, within the overall limits approved by the Shareholders, as per provisions of the Companies Act, 2013.

The details of Remuneration paid/payable to the Directors of the Company for the year ended March 31, 2023 are given below: -

Directors	For the year ended March 31, 2023						
	Salary / Remuneration (in Lakhs)	Bonus (in Lakhs)	Benefits	Sitting Fees (in Lakhs)	Commission to Independent Directors (in Lakhs)	Professional Charges (in Lakhs)	Total (in Lakhs)
Mr. Pattamadai Natarajasarma Vijay	-	-	-	-	-	2.09	2.09
Mr. Methuku Nagesh	-	-	-	-	-	1.69	1.69
Mr. Mopperthy Sudheer*	0	-	-	-	-	-	0
Mr. Sadhanala Venkata Rao*	0	-	-	-	-	-	0
Mr. Venu Madhava Kaparthy	27.00	-	-	-	-	-	27
Ms. Mini Manikantan	16.65	-	-	-	-	-	16.65
Mr. Veerareddy Vallapureddy*	-	-	-	-	-	-	-
Mr. Vyasmurthi Madhavrao Shingatgeri*	-	-	-	-	-	-	-
Ms. Sadhanala Padmaja Kalyani*	-	-	-	-	-	-	-
Mr. Sadhanala Vishwa Prasad*	-	-	-	-	-	-	-

* Mr. Veerareddy Vallapureddy, Mr. Vyasmurthi Madhavrao Shingatgeri, Ms. Sadhanala Padmaja Kalyani, Mr. Sadhanala Vishwa Prasad, Mr. Sadhanala Venkata Rao and Mr. Mopperthy Sudheer choose not to receive any remuneration for their services rendered to the Company.

Presently, the Company does not have a stock options scheme for its directors.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high calibre talent. The Remuneration and

Nomination Policy is displayed on the Company's website at <http://www.pharmaids.com/policies.html>

9. General Body Meetings

The Annual General Meetings (AGMs) for Financial Year ended March 31, 2020; March 31, 2021 and March 31, 2022 was held through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) as detailed below:

Financial Year ended	Date of AGM	Day	Time	Special Resolutions passed at the AGM by the Shareholders
March 31, 2022	20-08-2022	Saturday	12.00 P.M.	<p>Special Resolution was passed at the AGM.</p> <ul style="list-style-type: none"> • Alteration to Memorandum to bring in line with Companies Act, 2013 and other changes. • Adoption of new set of Articles of Association to bring it in line with Companies Act, 2013. • Change in Registered Office of the Company. • Increase of Authorised Share Capital of the Company. • Issue of Share Warrants on Preferential Basis.
31 st March 2021	25-09-2021	Saturday	12:00 P.M.	No Special Resolution was passed at the AGM.
31 st March 2020	17-09-2020	Thursday	12:00 P.M.	No Special Resolution was passed at the AGM.

During the year, the Company has not passed any Resolution(s) through Postal Ballot.

10. Means of Communication

1. Quarterly Results:

The Quarterly, Half – Yearly and Annual Results of the Company were normally published by the Company in the newspapers within 48 hours from the conclusion of the Board Meeting.

The Annual Reports with the Audited Financial Statements are sent to the Shareholders through the permitted mode.

2. Newspapers wherein Financial Results normally published:

The Results are normally published by the Company in the newspapers in English version as well as in Regional Newspaper in the Vernacular language in all editions. During the year under review, the financial results of the company was published in The Indian mail (English Daily) and Nava Telangana (Telugu Daily) except the Annual Results, which was published in The Business Standard (English) and Hosa Diganta (Kannada Daily) due to change in Registered Office of the Company from the state of Telangana to the State of Karnataka.

3. Any website, where displayed:

The Results are also displayed on the Company's website: www.pharmaids.com.

4. Whether it also displays official news releases:

The Newsletters and Press Releases from time to time were also displayed on the Company's Website. News items are sent to the BSE Limited, where Shares of the Company are Listed, and the Exchange displays the same on their website.

11. General Shareholder information

- a. The 34th Annual General Meeting of the Company will be held on September 22, 2023 at Bengaluru through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) pursuant to the MCA Circular dated December 28, 2022 and as such there is no requirement to have venue for the AGM. For details, please refer to the Notice of this AGM.

S. No.	Particulars	Information
1	Financial Calendar	April 1, 2022 to March 31, 2023
2	Results for the Quarter ending	
	• June 30, 2022	July 22, 2022
	• September 30, 2022	November 9, 2022
	• December 31, 2022	February 13, 2023
	• March 31, 2023	May 29, 2023
3	Cut off Date	September 15, 2023
4	Dividend Payment Date	NA
5	Listing on Stock Exchange(s)	BSE Limited, Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001
6	Stock Code	524572
7	ISIN Code (NSDL/CDSL)	INE117D01018

- b. The Listing Fees for the Year 2022-23 has been paid to the above Stock Exchange.

- c. Market Price Data and Performance in comparison to Broad Based Indices i.e., SENSEX.
d. The Equity Shares of the Company were listed on the BSE Limited (BSE) on 13th July 1994.

The Monthly high and low of the Market Price of the Equity Shares of the Company having a Face Value of Rs.10/- each on the BSE for the period from 1st April 2022 to 31st March 2023 and comparison of performance to broad based indices i.e., SENSEX are as follows:

Month	BSE SENSEX PPL		Share Price		Number of Shares Traded	Turnover (Rs.)
	High Price	Low Price	High Price	Low Price		
April 2022	60,845.10	56,009.07	17.40	11.51	7,72,689	1,13,25,348
May 2022	57,184.21	52,632.48	14.36	11.00	2,86,797	35,33,764
June 2022	56,432.65	50,921.22	13.00	10.17	17,58,865	2,09,71,475
July 2022	57,619.27	52,094.25	14.40	10.40	3,92,397	47,28,104
August 2022	60,411.20	57,367.47	14.79	12.12	2,05,537	26,75,690
September 2022	60,676.12	56,147.23	14.50	12.90	2,60,190	35,59,542
October 2022	60,786.70	56,683.40	14.50	13.13	2,30,472	31,86,592
November 2022	63,303.01	60,425.47	19.73	11.00	6,90,194	1,11,51,716
December 2022	63,583.07	59,754.10	32.45	16.00	12,99,272	3,44,82,222
January 2023	61,343.96	58,699.20	28.75	24.60	1,56,992	41,93,786
February 2023	61,682.25	58,795.97	31.10	26.75	1,07,979	31,77,444
March 2023	60,498.48	57,084.91	27.00	21.81	40,389	9,37,868

I. Registrar and Transfer Agents and place for acceptance of documents:

M/s. Venture Capital & Corporate Investments Private Limited are the Registrar and Transfer Agent of the Company –

Address: "Aurum", Door No.4-50/P- II/57/4F & 5F, Plot No.57, 4th & 5th Floors, Jayabheri Enclave Phase - II Gachibowli, Telangana, Hyderabad - 500 032.

Phone No.: 040-23818475, 23868257, 35164940 E-mail: investor.relations@vccipl.com

Website: <https://www.vccipl.com/index.html>

II. Share Transfer System

The transfer of Demat Shares is done through the Depositories with no involvement of the Company. As regards, Transfer of Shares held in Physical Form, the Transfer Documents can be lodged with M/s Venture Capital and Corporate Investments Pvt Ltd at the above-mentioned address.

Hence, Shareholders holding Shares in Physical Form are requested to arrange for Dematerialisation of Shares at earliest to avoid any inconvenience for transferring those Shares.

III. Shareholding Pattern of the Company and Distribution of shareholding as on March 31, 2023

Category Code	Category of Shareholder	Number of Shareholders	Total Number of Shares	As a percentage of (A+B+C)
(A)	Promoter and Promoter Group	22	21,38,711	9.95%
(1)	Indian	-	-	-
(2)	Foreign	-	-	-
	Total (A)	22	21,38,711	9.95%
(B)	Public Shareholding			
(1)	Institutions	-	-	-
(2)	Non-Institutions	7,739	1,93,47,523	90.05%
	Total (B)	7,739	1,93,47,523	90.05%
(C)	Shares held by Custodians, against which Depository Receipts have been issued	-	-	-
(1)	Promoter and Promoter Group	-	-	-
(2)	Public	-	-	-
	Grand Total (A+B+C)	7,761	2,14,86,234	100%

IV. Distribution of Shareholding as on March 31, 2023

S No	Category	Cases	% of Cases	Amount	% Amount
1	Up to 1 – 5,000	7632	98.22%	22,23,243	10.35%
2	5,001 – 10,000	55	0.71%	3,93,316	1.83%
3	10,001 – 20,000	39	0.50%	6,09,648	2.84%
4	20,001 – 30,000	11	0.14%	2,64,545	1.23%
5	30,001 – 40,000	3	0.04%	1,09,594	0.51%
6	40,001 – 50,000	5	0.06%	2,31,318	1.08%
7	50,001 – 1,00,000	9	0.12%	6,08,363	2.83%
8	1,00,001 and above	16	0.21%	1,70,46,207	79.33%
	Total	7770	100.00%	2,14,86,234	100.00%

a. Dematerialisation of Shares and Liquidity:

As on March 31, 2023; 2,04,04,183 Equity Shares of Rs.10/- each representing 94.96 % of the Total Number of Shares are in Dematerialised Form. The Company's Shares are to be

compulsorily traded in Dematerialised form and are available for dematerializing on both the Depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company's Equity Shares are regularly traded on BSE in Dematerialised form. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's Equity Shares is INE117D01018.

b. Outstanding GDR / ADR / Warrants or any Convertible Instruments:

The Board of the Company at its meeting held on October 13, 2022, had allotted 37,00,000 share warrants having face value of Rs. 10/- each at a premium of Rs. 5/- (Rupees Five Only) convertible within a period of 18 months from the date of allotment of warrants, as per terms and conditions approved in AGM held on August 20, 2022, upon receiving of upfront 25% of the total consideration to five allottees.

The company received the request letter intending to convert the share warrants and remaining 75% of the total consideration from the following three allottees:

Sl. No.	Name of the Warrant Holder/Allottee	No. of Warrants Held	No. of Equity Shares upon Conversion	Price per warrant (Rs.)	Total Consideration	Application Money (Rs.)	Remaining 75% Received (Rs.)
1.	Venu Madhava Kaparthy	4,25,000	4,25,000	15.00	63,75,000	15,93,750	47,81,250
2.	Balagangadhara B C	6,50,000	6,50,000	15.00	97,50,000	24,37,500	73,12,500
3.	Shankarappa Nagaraja Vinaya Babu	17,00,000	17,00,000	15.00	2,55,00,000	63,75,000	1,91,25,000
	TOTAL	27,75,000	27,75,000	15.00	4,16,25,000	1,04,06,250	3,12,18,750

As on March 31, 2023, the Company have Outstanding Warrants from the remaining following two allottees:

Sl. No.	Name of the Warrant Holder/Allottee	No. of Warrants Held	No. of Equity Shares upon Conversion	Price per warrant (Rs.)	Total Consideration	Application Money (Rs.)	Remaining 75% Received (Rs.)
1.	S Prasad	4,25,000	4,25,000	15.00	63,75,000	15,93,750	-
2.	Mini Manikantan	5,00,000	5,00,000	15.00	75,00,000	18,75,000	-
	TOTAL	9,25,000	9,25,000	15.00	13,87,5000	34,68,750	-

c. Registered Office: Unit 201, 2nd Floor, Brigade Rubix, 20/14 HMT Factory Main Road, Peenya Plantation, Bangalore, Karnataka 560013.

d. Name and Designation of Compliance Officer: Mr. Kaushik Kumar, Company Secretary, is designated as the Compliance Officer of the Company.

e. Address for Correspondence: Unit #201, Brigade Rubix, 20/14, HMT Factory Road, Peenya Plantation, Bangalore 560013.

f. There is no Commodity Price Risk or Hedging Activities involved or applicable.

12. Other Disclosures

- a. There were no materially significant transactions with Related Parties during the financial year as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulation and hence do not attract obligation for making disclosure under the said provision. The Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. <http://www.pharmaids.com/policies.html>
- b. There were no cases of non – compliance by the Listed Entity, no penalties and strictures were imposed on the Listed Entity by the Stock Exchange(s) or the Board or any Statutory Authority, on any matter related to Capital Markets, during the last three years.
- c. The Whistle Blower (Vigil) Mechanism provides a channel to the Employees to report to the Management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or Policy and also provides for adequate safeguards against victimization of Employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases. No person has been denied access to the Chairman of the Audit Committee.
- d. The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company Rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by Whistle Blowers concerning its Employees. The Whistle Blower Policy of the Company is also posted on the website of the Company <http://www.pharmaids.com/policies.html>
- e. The Company has complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- f. The Policy for determining the Material Subsidiaries and RPT can be accessed at company website <http://www.pharmaids.com/policies.html>
- g. There is no Commodity Price Risk or Hedging Activities involved or applicable.
- h. During the Year under review, your Company has raised Funds through Preferential Allotment. The Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) are provided below:

Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Amount of Deviation/Variation for the quarter according to applicable object
<p>Allotment of 37,00,000 convertible share warrants having a face value of Rs. 10/- (Ten) each at a premium of Rs. 5/- (Five) each on preferential basis on 13th October 2022.</p> <p>To meet Working Capital Requirements and part-finance the business expansion programme</p>	NA	1,38,75,000/ -	NA	1,38,75,000/ -	NA
<p>Allotment of Equity Shares, consequent to the conversion of 27,75,000 Share warrants issued on preferential basis.</p> <p>To meet Working Capital Requirements and part-finance the business expansion programme</p>	NA	3,12,18,750/ -	NA	3,12,18,750/ -	NA
<p>Allotment of 84,00,000 equity shares at the face value of Rs. 10/- each at a premium of Rs. 10/- each on preferential issue basis</p> <p>General Business Purpose, Business Expansion & Working Capital Requirement</p>	NA	16,80,00,000 /-	NA	4,07,16,242/ -	NA

- i. Kashinath Sahu & Co., Company Secretaries, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed at the end of this report.

- j. All the recommendation of committees of the Board, were accepted by the Board during the year under review.
- k. Total fees paid by the entity and its subsidiary on consolidated basis to the statutory auditors is Rs. 1,00,000/- (Rupees One Lakh Only).
- l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has adopted a Policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under and has constituted Internal Complaints Committee (ICC) under the said Act. No complaint has been received by the ICC, during the Year as under:

Number of Complaints filed during the Financial Year	Nil
Number of Complaints disposed of during the Financial Year	Nil
Number of Complaints pending as on end of the Financial Year	Nil

- m. The Company does not have any 'Loans and advances' in the nature of loans to firms/companies in which directors are interested by name and amount.
- n. The Company does not have any material subsidiaries.

13. There was no non- compliance by the Company under any requirements of Corporate Governance Report as specified in sub-paras (2) to (10) of Para C of Schedule V of SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015.

14. Disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:

Sl. No.	Particulars	Regulation	Compliance status (Yes/No/NA)
1	Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
2	Board composition	17(1), 17(1A) & 17(1B)	Yes
3	Meeting of Board of directors	17(2)	Yes
4	Quorum of Board meeting	17(2A)	Yes
5	Review of Compliance Reports	17(3)	Yes
6	Plans for orderly succession for appointments	17(4)	Yes
7	Code of Conduct	17(5)	Yes
8	Fees/compensation	17(6)	Yes

9	Minimum Information	17(7)	Yes
10	Compliance Certificate	17(8)	Yes
11	Risk Assessment & Management	17(9)	Yes
12	Performance Evaluation of Independent Directors	17(10)	Yes
13	Recommendation of Board	17(11)	Yes
14	Maximum number of Directorships	17A	Yes
15	Composition of Audit Committee	18(1)	Yes
16	Meeting of Audit Committee	18(2)	Yes
17	Composition of nomination & remuneration committee	19(1) & (2)	Yes
18	Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
19	Meeting of Nomination and Remuneration Committee	19(3A)	Yes
20	Composition of Stakeholder Relationship Committee	20(1), 20(2) & 20(2A)	Yes
21	Meeting of Stakeholders Relationship Committee	20(3A)	Yes
22	Composition and role of risk management committee	21(1),(2),(3),(4)	NA
23	Meeting of Risk Management Committee	21(3A)	NA
24	Vigil Mechanism	22	Yes
25	Policy for related party Transaction	23(1),(1A),(5),(6),(7) & (8)	Yes
26	Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
27	Approval for material related party transactions	23(4)	NA
28	Disclosure of related party transactions on consolidated basis	23(9)	Yes
29	Composition of Board of Directors of unlisted material Subsidiary	24(1)	NA
30	Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	NA
31	Annual Secretarial Compliance Report	24(A)	Yes
32	Alternate Director to Independent Director	25(1)	NA
33	Maximum Tenure	25(2)	Yes
34	Meeting of independent directors	25(3) & (4)	Yes
35	Familiarization of independent directors	25(7)	Yes
36	Declaration from Independent Director	25(8) & (9)	Yes
37	D & O Insurance for Independent Directors	25(10)	NA
38	Memberships in Committees	26(1)	Yes

39	Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	26(3)	Yes
40	Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
41	Details of business	46(2)(a)	Yes
42	Terms and conditions of appointment of independent directors	46(2)(b)	Yes
43	Composition of various committees of board of directors	46(2)(c)	Yes
44	Code of conduct of board of directors and senior management personnel	46(2)(d)	Yes
45	Details of establishment of vigil mechanism/ Whistle Blower policy	46(2)(e)	Yes
46	Criteria of making payments to non-executive directors	46(2)(f)	NA
47	Policy on dealing with related party transactions	46(2)(g)	Yes
48	Policy for determining 'material' subsidiaries	46(2)(h)	Yes
49	Details of familiarization programmes imparted to independent directors	46(2)(i)	Yes
50	Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	46(2)(j)	Yes
51	email address for grievance redressal and other relevant details	46(2)(k)	Yes
52	Financial results	46(2)(l)	Yes
53	Shareholding pattern	46(2)(m)	Yes
54	Details of agreements entered into with the media companies and/or their associates etc.	46(2)(n)	NA
55	Schedule of analyst or institutional investor meet and presentations made by the listed entity to analysts or institutional investors simultaneously with submission to stock exchange	46(2)(o)	NA
56	New name and the old name of the listed entity	46(2)(p)	NA
57	Advertisements as per regulation 47 (1)	46(2)(q)	Yes
59	Separate audited financial statements of each subsidiary of the listed entity in respect of a relevant financial year	46(2)(s)	NA

60	Whether company has provided information under separate section on its website as per Regulation 46(2)		Yes
61	Materiality Policy as per Regulation 30		Yes
62	Dividend Distribution policy as per Regulation 43A (as applicable)		NA
63	It is certified that these contents on the website of the listed entity are correct		Yes

15. The Wholetime Director and the Chief Financial Officer have certified to the Board in accordance with Regulation 17(8) and 33(2) (a) of SEBI Listing Regulations pertaining to CEO / CFO certification for the Financial Year ended 31st March, 2023.

16. Compliance Certificate from M/s Kashinath Sahu & Co., Practicing Company Secretaries, regarding compliance of conditions of Corporate Governance has been annexed to report.

17. Equity Shares in the Suspense Account

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, details of Equity Shares in the Suspense Account are as follows:

Sl No.	Particulars	Number of Shareholders	Number of Equity Shares
1.	Aggregate Number of Shareholders and the Outstanding Shares in the Suspense Account as on April 1, 2022	4	80520
2.	Shareholders who approached the Company for transfer of Shares from Suspense Account during the Year	-	-
3.	Shareholders whose Shares are transferred to the Demat Account of the IEPF Authority as per Section 124 of the Act	-	-
4.	Aggregate Number of Shareholders and the Outstanding Shares in the Suspense Account as on March 31, 2023	4	80520

Note: Voting rights in respect of these shares will remain frozen till the time such shares are transferred from the Unclaimed Suspense Account to the concerned shareholder.

By order of the Board of Directors

Sd/-
Venu Madhava Kaparthy
 Whole Time Director
 (DIN: 00021699)

Sd/-
Sadhanala Venkata Rao
 Director
 (DIN: 02906370)

Date: 29.08.2023
Place: Bangalore

**CERTIFICATE OF COMPLIANCE OF CONDITIONS OF CORPORATE
GOVERNANCE**

[Under Regulation 34(3) Read with Schedule – V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members of
Pharmaids Pharmaceuticals Limited

1. I have examined the compliances of the conditions of Corporate Governance by Pharmaids Pharmaceuticals Limited (“the Company”) for the Financial Year ended March 31, 2023 as stipulated in Regulations 17 to 27, clauses (b) to (i) of Sub-regulation (2) of Regulation 46 and paras C, D and E of Schedule – V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’).
2. The compliance of the conditions of Corporate Governance is the responsibility of the Management and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
4. 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.

**For M/s Kashinath Sahu & Co
Practising Company Secretaries**

Sd/-

**CS Kashinath Sahu
(Proprietor)**

FCS: 4790 CP: 4807

UDIN: F004790E000845731

Peer Review No: 2957 / 2023

Place: Hyderabad

Date: 23.08.2023

**DECLARATION OF COMPLIANCE WITH THE CODE OF BUSINESS CONDUCT
AND ETHICS**

To
All the members of
Pharmaids Pharmaceuticals Limited

It is hereby certified and confirmed that as provided in terms of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2023.

By order of the Board of Directors

**Sd/-
Venu Madhava Kaparthy
Whole Time Director
(DIN: 00021699)**

**Sd/-
Sadhanala Venkata Rao
Director
(DIN: 02906370)**

**Place: Bangalore
Date: 29.08.2023**

CERTIFICATE OF NON – DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) read with Sub-clause 10(i) of Clause C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members,

Pharmaids Pharmaceuticals Limited

I have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of Pharmaids Pharmaceuticals Limited (CIN: L52520KA1989PLC173979) and having the Registered Office located at Unit 201, 2nd Floor, Brigade Rubix, 20/14, HMT Watch Factory Road, Peenya Plantation, Bangalore – 560093, Karnataka, India (hereinafter referred to as ‘the Company’) produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Sub-clause 10(i) of Clause C of Schedule – V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of 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 by the Company, I hereby certify that None of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2023 have been debarred or disqualified from being appointed or continuing as the Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl. No	Name of the Director	Designation	DIN
1	Venu Madhava Kaparthy	Executive Director	00021699
2	Venkata Rao Sadhanala	Non-Executive Non- Independent Director	02906370
3	Mini Manikantan	Executive Director	09663184
4	Pattamadai Natarajasarma Vijay	Independent Director	00049992
5	Methuku Nagesh	Independent Director	01634324
6	Mopperthy Sudheer	Independent Director	00404917

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

**For M/s Kashinath Sahu & Co
Practising Company Secretaries**

Sd/-

**CS Kashinath Sahu
(Proprietor)**

FCS: 4790 CP: 4807

UDIN No.: F004790E000845729

Peer Review No. 2957/2023

Place: Hyderabad

Date: 23.08.2023

WHOLE TIME DIRECTOR AND CFO CERTIFICATION

To
Board Of Directors
Pharmaids Pharmaceuticals Limited

Compliance Certificate as required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby certify that:

- A. We have reviewed Audited Financial Statements for the Financial Year ended March 31, 2023, and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violates of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee.
1. Significant changes in internal control over financial reporting during the year
 2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 23.08.2023
Place: Bangalore

Sd/-
Venu Madhava Kaparthy
Whole Time Director
(DIN:00021699)

Sd/-
Balagangadhara B C
Chief Financial Officer

AUDITOR'S REPORT
&
FINANCIAL STATEMENTS
UNDER INDIAN ACCOUNTING STANDARDS
(STANDALONE)

Independent Auditor's Report

To
The Members of
Pharmaids Pharmaceuticals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Pharmaids Pharmaceuticals Limited ('the Company'), which comprise the Standalone Balance Sheet as at March 31, 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity for the year ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us except for thunder section 133 of the Act, the aforesaid standalone 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 including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (Financial position) of the Company as at March 31, 2023, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity 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 standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') 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.

Key Audit Matter

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

We have determined the matter described below to be the key audit matters to be communicated in our report.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our

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

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors 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 on Standalone Financials that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

Further to our comments in Annexure 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 purpose 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 standalone financial statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) on the basis of the written representations received from the Directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of section 164(2) of the Act;
- f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on March 31, 2023 in conjunction with our audit of the standalone financial statements

of the Company for the year ended on that date and our report as per Annexure B expressed unmodified opinion; and

- g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position as at March 31, 2023;
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2023;
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023; and
- iv)
- The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the Notes to the Accounts, No Funds have been advanced or loaned or invested (either from Borrowed Funds or Share Premium or any other sources or kind of funds) by the Company to or in any other Person(s) or Entity(ies), including Foreign Entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the Notes to the Accounts, No Funds have been received by the Company from any Person(s) or Entity(ies), including Foreign Entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - Based on such Audit Procedures that the Auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
 - The Company has not declared Dividend and nor paid during the year.

For **PPKG & Co**
Chartered Accountants
Firm's Registration No.: 009655S

Sd/-
Girdhari Lal Toshniwal
Partner
Membership No: 205140
UDIN: 23205140BGUNKB7110

Place: Hyderabad
Date: 29th August 2023

Annexure – A to the Independent Auditor’s Report of even date to the Members of M/s Pharmaids Pharmaceuticals Limited, on the Standalone Financial Statements for the Year ended March 31, 2023

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Standalone Financial Statements of the Company and taking into consideration the information and explanations given to us and the Books of Accounts and other records examined by us in the normal course of Audit, and to the best of our knowledge and belief, we report that:

- (i)
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
 - b. The Company has a regular program of physical verification of its Fixed Assets under which Fixed Assets are verified in a phased manner over a period.
 - c. The Title Deeds of all the Immovable Properties (which are included under the head (‘Property, Plant and Equipment’) are held in the name of the Company.
 - d. The Company has not revalued any of its Property, Plant and Equipment’s during the year.
 - e. As per the information given to us there are no proceedings initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and Rules made there under.
- (ii)
 - a. The Management has conducted physical verification of Inventory at regular intervals of time.
 - b. The Company has not availed any Financial Assistance from any Bank or Financial Institutions.
 - c. There was no Inventory Lying with the company at the end of the Financial Year.
- (iii) The Company has not granted any Loans, secured or unsecured, to any Companies, Firms, Limited Liability Partnerships or other parties, but the Company has invested the amount in the Partnership for stake of 25.5%.
- (iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of the Investments and Loans. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of Guarantees and Security.
- (v) In our opinion, the Company has not accepted any Deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The provisions of Section 148 are not applicable to the Company.
- (vii)
 - a. Undisputed Statutory Dues including Provident Fund, Employees State Insurance, Income Tax, Goods and Service Tax, Duty of Customs, Cess and other Material Statutory Dues, as applicable, have generally been regularly deposited with the appropriate authorities.
 - b. There is no Dues outstanding in respect of Income Tax, Sales Tax, Service Tax, Duty of Customs on account of disputes:
- (viii) All the transactions recorded in the books of account have been disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix)

- a. The Company has not defaulted in repayment of Loans or Borrowings to any Bank during the Year under review. The Company has No Loans or Borrowings payable to Financial Institutions or Government and does not have any Outstanding Debentures during the year.
- b. The Company is not declared Wilful Defaulter by any Bank or Financial Institution or other Lender.
- c. The Company has not raised any Term Loan from any Bank or Financial Institution.
- d. To the extent of our check, no funds raised by the Company for short-term has been utilized for long term purposes.
- e. The Company has not taken any funds from any entity or person on account of or to meet the obligations of its Subsidiaries, Associates or Joint Ventures.
- f. The Company has not raised loans during the Year on the Pledge of Securities held in its Subsidiaries, Joint Ventures or Associate Companies.

(x)

- a. The Company has not raised any moneys by way of Initial Public Offer or Further Public Offer during the year under review, but there is an increase in Authorised Capital as well as paid up share capital and the requisite details have been disclosed in the Financial Statements as required by the applicable IndAs.
- b. The Company has made Preferential Allotment or Private Placement of Shares or Convertible Debentures during the year under review. (Please Find below details of the Private Placement of shares during the year under review)
 1. On October 13, 2022, the company allotted 37,00,000 convertible share warrants with a face value of Rs. 10/- each at a premium of Rs. 5/- each on a preferential basis. The company received Rs. 1,38,75,000/- (25% of the total consideration of Rs. 5,55,00,000/-) on the date of allotment.
 2. During the year under review the Company allotted 27,75,000 Equity Shares (consequent to the conversion of 27,75,000 share warrants out of 37,00,000 share warrants allotted on October 13, 2022) having face value of Rs. 10/- each at a premium of Rs. 5/- each on preferential basis.
 3. On January 17, 2023, Company Allotted 84,00,000 equity shares at face value of Rs. 10/- each at a premium of Rs. 10/- each on preferential basis.

(xi)

- a. In our opinion, no fraud by the Company or any fraud on the Company has been noticed or reported during the year under review.
- b. No Report under sub-section (12) of section 143 of the Companies Act has been filed by the Auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. No Whistle Blowers Complaints were received during the year under review.

(xii) In our opinion, the Company is not a Nidhi Company, and accordingly, provisions of Clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the Related Parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the Standalone Financial Statements etc., as required by the applicable Ind AS.

(xiv) The Company has established an Internal Audit System commensurate with the size and nature of its Business. However, the Statutory Auditor did not consider the reports of the Internal Auditor for the Audit Period.

- (xv) In our opinion, the Company has not entered in any non-cash transactions with the Directors or persons connected with them covered under Section 192 of the Act. Accordingly, the provisions of Clause 3(xv) of the order are not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- (xvii) The Company has not incurred cash losses in the Financial Year and in the immediately preceding Financial Year.
- (xviii) The Statutory Auditors of the Company has not resigned during the year.
- (xix) On the basis of the Financial Ratios, ageing and expected dates of realization of Financial Assets and payment of Financial Liabilities, other information accompanying the Financial Statements, the Auditor's knowledge of the Board of Directors and the Management's plans, the Auditor is of the opinion that no material uncertainty exists as on the date of the Audit Report and that the Company is capable of meeting its Liabilities existing at the Date of Balance Sheet, as and when they fall due within a period of one year from the Balance Sheet Date.
- (xx) The Company is not liable to contribute under Section 135 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(xx) of the order are not applicable.
- (xxi) There has been no qualifications and adverse remarks by the respective Auditors in the Companies (Auditor's Report) Order (CARO) Reports of the Companies to be included in the Consolidated Financial Statements.

For **PPKG & Co**
Chartered Accountants
Firm's Registration No. 009655S

Sd/-
Girdhari Lal Toshniwal
Partner
Membership No. 205140

Date: 29th August 2023
Place: Hyderabad

Annexure – B to the Independent Auditor’s Report of even date to the Members of M/s Pharmaids Pharmaceuticals Limited, on the Financial Statements for the Year ended March 31, 2023

Independent Auditor’s Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)

Opinion

1. In conjunction with our Audit of the Financial Statements of M/s Pharmaids Pharmaceuticals Limited (‘the Company’) as at and for the Year ended March 31, 2023, we have audited the Internal Financial Controls Over Financial Reporting (‘IFCoFR’) of the Company as at that date.
2. In our opinion, the Company has, in all material respects, adequate Internal Financial Controls over Financial Reporting and such controls were operating effectively as at March 31, 2023, based on the Internal Control over Financial Reporting criteria established by the Company, considering the essential components of Internal Control as stated in the Guidance Note issued by the ICAI.

Management’s Responsibility for Internal Financial Controls

3. The Company’s Board of Directors is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control Over Financial Reporting criteria established by the Company considering the essential components of Internal Control, as stated in the Guidance Note on *Audit of Internal Financial Controls Over Financial Reporting* (‘the Guidance Note’) issued by the Institute of Chartered Accountants of India(‘ICAI’). These responsibilities include the Design, Implementation and Maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of the Company’s 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.

Auditor’s Responsibility

4. Our responsibility is to express an opinion on the Company's IFCoFR based on our Audit. We conducted our Audit in accordance with the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an Audit of the IFCoFR, and the Guidance Note 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
5. Our Audit involves performing procedures to obtain Audit Evidence about the adequacy of the IFCoFR and their operating effectiveness. Our Audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the Internal Controls 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.
6. We believe that the Audit Evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Company’s IFCoFR.

Meaning of Internal Financial Controls Over Financial Reporting

7. A Company's IFCoFR 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 the Generally Accepted Accounting Principles. A Company's IFCoFR include those policies and procedures that
- (i) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Assets of the Company;
 - (ii) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of the Financial Statements in accordance with the Generally Accepted Accounting Principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the Company; and
 - (iii) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's Assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

8. Because of the Inherent Limitations of the IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the Policies or Procedures may deteriorate.

For **PPKG & Co**
Chartered Accountants
Firm's Registration No. 009655S

Sd/-
Girdhari Lal Toshniwal
Partner
Membership No. 205140
Date: 29th August 2023
Place: Hyderabad

PHARMAIDS PHARMACEUTICALS LIMITED
BALANCE SHEET AS AT 31ST MARCH 2023

(Amount in Rs.'000)

ASSETS	Note no.	As at 31 March 2023	As at 31 March 2022
Non-current assets			
Property, plant and equipment	1	1,061.13	305.93
Capital Work in Progress	2	20,000.00	4,500.00
Financial assets			
- Non-Current Assets		-	-
- Trade and other receivables	3	6,689.19	14,162.01
- Long-term loans and advances	4	14,716.44	61,923.28
- Others			
Deferred tax assets (Net)	5	27,075.04	3,555.18
Other non-current assets	6	1,206.00	-
Current assets			
Inventories	7	-	8,876.33
Financial assets			
- Trade and other receivables	8	13,853.32	13,386.77
- Cash and cash equivalents	9	1,27,541.67	4,074.46
- Short term loans and advances			
Investments	10	32,704.00	-
Other current assets	11	678.56	338.58
TOTAL ASSETS		2,45,525.35	1,11,122.54
EQUITY AND LIABILITIES			
Equity			
Share capital	12	2,14,438.19	1,02,688.19
Other equity			
- Equity component of other financial instrument			
- Retained earnings	13	6,346.00	(15,972.41)
Share Warrants application money		3,468.75	
Non-current liabilities			
Financial liabilities			
- Long term borrowings		-	-
Long term provisions		-	-
Deferred tax liabilities (Net)		-	-
Other non-current liabilities		-	-
Current liabilities			
Financial liabilities			
- Short term borrowings			-
- Trade and other payables	14	18,830.66	23,057.53
Other current liabilities	15	2,441.75	1,349.23
Short-term provisions			-
TOTAL EQUITY AND LIABILITIES		2,45,525.35	1,11,122.54

OTHER ADDITIONAL INFORMATION

Contingent Liabilities	1,366.44
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See accompanying notes to the financial statements 1 to 35

As per our report of even date attached

For PPKG & CO

Chartered Accountants

Firm Registration Number: 009655S

Sd/-

Girdhari Lal Toshniwal

Partner

M No. 205140

Place: Bengaluru

Date: 29-08-2023

For Pharmads Pharmaceuticals Limited

Sd/-

Venu Madhava Kaparthy

Director

DIN: 00021699

Sd/-

Kaushik

Kumar

Company Secretary

Sd/-

Venkata Rao

Sadhanala

Director

DIN: 02906370

Sd/-

Balagangadhara

B.C

Chief Financial
Officer

PHARMAIDS PHARMACEUTICALS LIMITED
Statement of Profit and Loss for the year ended 31st March 2023

(Amount in Rs. '000)

Particulars	Note no.	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	16		39,392.62
Other income	17		151.09
Total revenue			39,543.71
Expenses			
Cost of materials consumed			
Purchase of stock-in-trade	18		40,899.84
Changes in inventories of finished goods, work in progress and stock-in-trade	19	8,876.33	-5,185.17
Employee benefit expenses	20	11,310.04	444.00
Finance cost	21	46.29	27.36
Depreciation and amortisation expense	1	167.95	92.00
Other expenses	22	78,675.84	1,863.02
Total expenses		99,076.45	38,141.04
Profit/ (loss) before exceptional items and tax		-99,076.45	1,402.67
Exceptional items			
Profit/ (loss) before tax		-99,076.45	1,402.67
Tax expenses	23	-23,519.86	-48.76
Current Tax			
Deferred Tax		-23,519.86	-48.76
Profit/ (loss) for the period from continuing operations		-75,556.59	1,451.43
Profit/ (loss) from discontinued operations			
Tax expense of discontinued operations			
Profit/ (loss) from discounting operations (after tax)			
Profit/ (loss) for the period		-75,556.59	1,451.43
Other comprehensive income			
Total comprehensive income for the period <i>(Profit/ loss + other comprehensive income)</i>		-75,556.59	1,451.43
Earnings per equity share (for continuing operations) (in Rupees)			
a) Basic		-5.86	0.14
b) Diluted		-5.86	0.14
Earnings per equity share (for discontinued operations) (in Rupees)			
a) Basic			
b) Diluted			
Earnings per equity share (for discontinued & continuing operations) (in Rupees)			
a) Basic			
b) Diluted			

See accompanying notes to the financial statements 1 to 35

As per our report of even date attached
For PPKG & CO
Chartered Accountants
Firm Registration Number: 009655S

For. Pharmaids Pharmaceuticals Limited

Sd/-
Girdhari Lal Toshniwal

Partner
M No. 205140

Sd/-
Venu Madhava
Kaparthi
Director
DIN: 00021699

Sd/-
Venkata Rao Sadhanala

Director
DIN: 02906370

Place: Bengaluru
Date: 29-08-2023

Sd/-
Kaushik Kumar
Company Secretary

Sd/-
Balangadhara B.C
Chief Financial Officer

PHARMAIDS PHARMACEUTICALS LIMITED
Cash Flow Statement For the Year Ended 31st March 2023

(Amount in Rs.'000)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash Flows from Operating Activates		
Net Profit Before Tax and Extra Ordinary Items	-99076.45	1410.55
Adjustment For		
Depreciation	167.95	84.12
Foreign Exchange		
Gain or loss of Sale of Fixed assets	306.00	
Gain or loss of Investment		
Finance Cost	46.00	
Dividend Income		
Total Adjustment to Profit/Loss (A)	519.95	84.12
Adjustment For working Capital Change		
Adjustment for Increase/Decrease in Inventories	8876.00	-5185.17
Adjustment for Increase/Decrease in Trade Receivables	7006.00	2772.45
Adjustment for Increase/Decrease in Other Current Assets	45661.00	-584.74
Adjustment for Increase/Decrease in Trade Payable	-4227.00	-1562.79
Adjustment for Increase/Decrease in other current Liabilities	1093.00	373.84
Adjustment for Provisions		98.40
Total Adjustment For Working Capital (B)	58409.00	-4088.02
Total Adjustment to reconcile profit (A+B)	58928.95	-4003.91
Net Cash flow from (Used in) operation	-40147.50	-2593.36
Dividend Received		
Interest received		
Interest Paid	46.00	
Income Tax Paid/ Refund		
Net Cash flow from (Used in) operation before Extra-Ordinary Items	-40193.50	-2593.36
Proceeds from Extra Ordinary Items		
Payment for Extra Ordinary Item		
Net Cash flow From operating Activities	-40193.50	-2593.36
Cash Flows from Investing Activities		
Proceeds From fixed Assets		
Proceeds from Investment or Equity Instruments		
Purchase of Fixed Assets	16729.00	
Purchase Of Investments or Equity Instruments	32704.00	
Interest received		
Dividend Received		
Cash Receipt from Sale of Interest in Joint Venture		
Cash Payment to acquire Interest in Joint Venture		
Cash flow from losing Control of subsidiaries		
Cash Payment for acquiring Control of subsidiaries		
Proceeds from Govt. Grant		
Other Inflow/Outflow Of Cash		4665.00
Net Cash flow from (Used in) in Investing Activities before Extra-Ordinary Items	-49433.00	4665.00
Proceeds from Extra Ordinary Items		

Payment for Extra Ordinary Item		
Net Cash flow from (Used in) in Investing Activities	-49433.00	4665.00
Cash Flows from Financial Activities		
Proceeds From Issuing Shares	213094.00	
Proceeds from Issuing Debenture /Bonds/Notes		
Redemption of Preference Share		
Redemption of Debenture		
Proceeds from other Equity Instruments		
Proceeds From Borrowing		
Repayment Of Borrowing		
Dividend Paid		
Interest Paid		
Income Tax Paid/Refund		
Net Cash flow from (Used in) in Financial Activities before Extra-Ordinary Items	213094.00	0.00
Proceeds from Extra Ordinary Items		
Payment for Extra Ordinary Item		
Net Cash flow from (Used in) in Financial Activities	213094.00	0.00
Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes	123467.50	2071.64
Effect of exchange rate change on cash and cash equivalents		
Net increase (decrease) in cash and cash equivalents	123467.50	2071.64
Cash and cash equivalents at beginning of period	4074.00	2002.82
Cash and cash equivalents at end of period	127542	4074

As per our report of even date attached

For. Pharmaids Pharmaceuticals Limited

For PPKG & CO

Chartered Accountants

Firm Registration Number: 009655S

Sd/-

Girdhari Lal Toshniwal

Partner

M No. 205140

Sd/-

Venu Madhava

Kaparthi

Director

DIN: 00021699

Sd/-

Venkata Rao Sadhanala

Director

DIN: 02906370

Sd/-

Kaushik Kumar

Company Secretary

Sd/-

Balagangadhara B.C

Chief Financial Officer

Place: Bengaluru

Date: 29-08-2023

PHARMAIDS PHARMACEUTICALS LIMITED
Statement of changes in equity for the year ended 31 March 2023

A. Changes in Equity Share Capital (Amount in Rs'000)

Balance on April 1, 2021	1,02,688.19
Changes in equity share capital during prior period errors	
Changes in equity share capital during the year	
Balance at the end of March 31, 2022	1,02,688.19
Changes in equity share capital due to prior period errors	
Changes in equity share capital during the period	1,11,750.00
Balance at the end of March 31, 2023	2,14,438.19

B. Other Equity (Amount in Rs.'000)

For the year ended 31 March 2022

Particulars	Share Capital	Reserves and Surplus			Capital Subsidy	Total equity
		Capital redemption reserve	Retained Earnings	Capital Reserve		
Balance as at 1 April 2021	1,02,688	-	(24,783)	6,365	994	85,264
Total comprehensive income for the year ended 31 March 2022	-	-	1,451	-	-	1,451
Other comprehensive income (net of tax)	-	-	-	-	-	-
	1,02,688	-	(23,332)	6,365	994	86,716
Transactions recorded directly in equity						
Contributions and distributions:						
Nil	-	-	-	-	-	-
						-
Balance as at 31 March 2022	1,02,688	-	(23,332)	6,365	994	86,716

For the year ended 31 March 2023

Particulars	Share Capital	Reserves and Surplus			Capital Subsidy	Total equity
		Capital redemption reserve	Retained Earnings	Capital Reserve		
Balance as at 1 April 2022	1,02,688	-	(23,332)	6,365	994	86,716
Total income or losses for the year ended 31 March 2023		-	(75,557)	97,875		22,318
Other comprehensive income (net of tax)						-

Shares issued during the year	1,11,750					
	2,14,438	-	(98,888)	1,04,240	994	1,09,034
Transactions recorded directly in equity						
Contributions and distributions:						
Nil	-	-	-	-		-
Balance as at 31 March 2023	2,14,438	-	(98,888)	1,04,240	994	2,20,784

As per our report of even date attached

For PPKG & CO

Chartered Accountants

Firm Registration Number: 009655S

Sd/-

Girdhari Lal Toshniwal

Partner

M No. 205140

Place: Bengaluru

Date: 29-08-2023

For. Pharmaids Pharmaceuticals Limited

Sd/-

Venu Madhava Kaparthy

Director

DIN: 00021699

Sd/-

Kaushik Kumar

Company Secretary

Sd/-

Venkata Rao Sadhanala

Director

DIN: 02906370

Sd/-

Balagangadhara B.C

Chief Financial Officer

NOTES TO FINANCIAL STATEMENTS

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

1. Pharmaids Pharmaceuticals Ltd (“the Company”) is a public limited company domiciled and incorporated in India in accordance with the provisions of the Companies Act, 2013. The registered office of the Company is located at Unit 201, 2nd floor, Brigade Rubix, 20/14 HMT factory Main Road, Peenya Plantation Bangalore KA 560013. The equity shares of the Company are listed on the Bombay Stock Exchange. The Company is engaged in the business of Trading and Manufacturing of Generics, Bulk Drugs and Intermediaries, etc.

These financial statements for the year ended 31 March 2023 were authorized and approved for issue by the Board of Directors on 29th August 2023.

2. **Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of the Financial Statements.

These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation

(i) Compliance with Ind AS

The Financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the “Act”) [Companies (Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on going concern basis under the historical cost basis except for the following:

- Certain Financial assets and liabilities which are measured at fair value.
- Defined benefit plans – plan assets measured at fair value; and
- Contingent Consideration

(iii) Current versus non-current classification

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

An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current.

2.1 Properties, plant and equipment (PPE) Recognition and initial measurements

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its Working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized 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 recognized instatement of profit or loss as incurred.

i. Depreciation method, estimated useful lives and residual values

The classification of Plant and equipment into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.

Depreciation on property, plant and equipment is provided on the Straight Line Method (SLM) method, computed on the basis of useful lives as estimated by management which coincides with rates prescribed in Schedule II to the Companies Act,2013.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

ii. De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized 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 other income/other expenses when the asset is derecognized.

2.2 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group or assets (cash-generating units).The Company's corporate assets (eg. Central office building for providing support to various CGUs) do not generate independent cash flows. To determinate impairment of corporate assets, recoverable amount is determined for the CGUs to which the corporate assets belongs.

2.3 Inventories

- Stores & Spares are valued at cost or at net realizable value, whichever is lower. Cost is arrived at Weighted Average Basis.
- Raw Material, Semi Finished Goods, Finished Goods are valued at Cost or Market Value whichever is lower. Cost is arrived at FIFO method.
- Obsolescence and Damaged materials are valued at Realizable Value.

2.4 Operating Leases

As a lessee

- Leases of property, plant and equipment where the Company, as a lessee, has substantial risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fire value of the leased asset or, if lower, the present value of the minimum lease payments. The corresponding lease rental obligations, net of finance charges, are included in borrowings or other financial

liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability of each period.

- Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are clarified as operating leases. Payments made under operating leases are charges to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a Lessor

- Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary costs increases. The respective leased assets are included in the Balance Sheet based on their nature.

Investment and other financial assets

Classification

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

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

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

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

Measurement

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

Debt instruments

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

- **Amortized cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt instrument that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired.
- **Fair value through other comprehensive income (FVOCI)**: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI).

Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in the profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in 'Other income'.

- **Fair value through profit or loss:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss is recognized in profit or loss and presented net in the Statement of Profit and Loss within 'Other income' in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognized in 'Other income' in the Statement of Profit and Loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Derecognition of financial assets

A financial asset is derecognized only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.
- Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.
- Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Income recognition Interest income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Fair value of financial instruments

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

2.5 Derivative instruments

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Derivative instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period, with changes included in 'Other income'/'Other expenses'

2.6 Offsetting 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

2.8 Cash and Cash equivalents

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.9 Trade payables

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

2.10 Borrowings

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

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

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

2.11 Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Balance Sheet.

2.12 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

GST, Excise duty is a liability of the Company as a manufacturer, which forms part of the cost of production, irrespective of whether the goods are sold or not. Therefore, the recovery of GST, Excise duty flows to the Company on its own account and hence revenue includes GST, excise duty.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Service Revenue

Service income is recognized as per the terms of contracts with the customers when the related services are performed or the agreed milestones are achieved and revenue includes

Service Tax / GST, wherever applicable.

2.13 Government Grants

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

2.14 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of aqualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

2.15 Foreign currency transactions and translation

i. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (Rupees or Rs.), which is the Company's functional and presentation currency.

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognized in profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs, if any, are presented in the Statement of Profit and Loss, within 'Finance costs'. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within 'Other income'/'Other expenses'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.16 Employee benefits

Short-term employee benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Post-employment benefits Defined benefit plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee benefits expense' in the Statement of Profit and Loss.

Re measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. These are included in retained earnings in the Statement of Changes in Equity.

The Company has gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognized in the balance sheet for Defined Benefit Plans as the present value of the Defined Benefit Obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of Independent actuaries. Actuarial gains and losses resulting from re-measurements of the liability are included in other comprehensive income.

Defined contribution plans

Contributions under defined contribution plans payable in keeping with the related schemes are recognized as expenses for the period in which the employee has rendered the service.

Other long-term employee benefits

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service.

They are therefore measured annually by actuaries as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented under 'Employee benefit obligations' (current) in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.17 Income Taxes

Tax expense recognized in statement of profit or loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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 assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. 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 relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

2.18 Provision and Contingencies

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

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

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

2.19 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.20 Earnings per share

i. Basic earnings per share

Basic earnings per share is calculated by dividing:
the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year

ii. Diluted earnings per share

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

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

2.21 Segment Reporting

The Company is engaged in manufacture of Bulk Drugs & Intermediates which in the context of Accounting Standard – 17 issued by the Institute of Chartered Accountants of India is considered as a single segment.

2.22 Recent Accounting Procurements Standards issued but not yet effective

The Ministry of Corporate Affairs (“MCA”) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing the following new amendments to Ind AS for annual periods beginning on or after 1 April 2019.

Ind AS 116 ‘Leases’ eliminates the classification of leases as either finance leases or operating leases. All leases are required to be reported on an entity’s balance sheet as assets and liabilities. Leases are capitalised by recognising the present value of the lease payments and showing them either as lease assets or together with property, plant and equipment. If lease payments are made over time, a financial liability representing the future obligation will be recognized.

Ind AS 116 is effective from 1 April 2019. The Company is currently assessing the impact of the new standard and there are no material impact to the assets and liabilities recognized in the financial statements, as well as the statement of profit and loss.

2.23 Critical estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included

in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- Employee benefits (estimation of defined benefit obligation)

Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

- Impairment of trade receivables

The risk of uncollectibility of trade receivables is primarily estimated based on prior experience with, and the past due status of, doubtful debtors, based on factors that include ability to pay, bankruptcy and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.

- Estimation of expected useful lives of property, plant and equipment

Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

- Contingencies

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. In the normal course of business, the Company consults with legal counsel and other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

- Valuation of deferred tax assets

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

- Fair value measurements

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

NOTE NO. 1: PROPERTY, PLANT AND EQUIPMENT

(Amount in Rs. '000)

Sl. No.	Particulars	Gross Block						Rate of Depreciation	Depreciation/Amortization				Net Block as on 31.03.2022	Net Block as on 31.03.2021
		As on 01.04.2021	Additions during the year	Additions through Business acquisitions	Sale / Deletions during the year	As on 31.03.2022	Capitalised during the year		Dep. As on 01.04.2021	Dep. For the year 2021-2022	Adjustment Depreciation	Total Depreciation as on 31.03.2022		
1	Equipment Air Conditioners	4,090.00	-	-	-	4,090.00	7.31%	4,043.43	-	-	4,043.43	46.57	46.57	
2	Computers	106.20	-	-	-	106.20	9.50%	35.69	10	45.78	60.42	70.51		
3	Vehicle	370.95	-	-	-	370.95	31.67%	302.88	59	361.62	9.33	68.07		
4	Furniture Plant & Machinery	250.00	-	-	-	250.00	9.50%	250.00	-	250.00	-	-		
5		218.71	-	-	-	218.71	4.75%	26.03	21	46.81	171.91	192.68		
6		50.30	-	-	-	50.30		30.20	2	32.59	17.71	20.10		
	TOTAL	5,086.16	-	-	-	5,086.16		4,688.23	92.00	4,780.23	305.93	397.93		

NOTE. 2: CAPITAL WORK-IN-PROGRESS

Ageing Schedule of Capital Work-in-Progress (CWIP) - March 2023

(Amount in Rs. '000)

Particulars	Amount in CWIP for a period of				Total
	Les than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Projects in Progress		20000.00			20000.00
(ii) Projects temporarily suspended					0.00
	0	20000.00	0.00	0.00	20000.00

Ageing Schedule of Capital Work-in-Progress (CWIP) - March 2022

(Amount in Rs. '000)

Particulars	Amount in CWIP for a period of				Total
	Les than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Projects in Progress		4500.00			4500.00
(ii) Projects temporarily suspended					0.00
	0	4500.00	0.00	0.00	4500.00

NOTE NO. 3: TRADE AND OTHER RECEIVABLES (NON-CURRENT ASSET)

(Amount in Rs. '000)

Particulars	As on 31.03.2023	As on 31.03.2022
Trade Receivables		
Secured, Considered Good		
Unsecured, Considered Good		
Less than Six months		
More than Six months	14,268.10	14,162.01
Doubtful		
	14,268.10	14,162.01
Other Receivables:		
Secured, Considered Good		
Unsecured, Considered Good	-	-
Doubtful		
Total Trade Receivable (Gross)	14,268.10	14,162.01
Less: Provision for bad & doubtful debts	7,578.90	-
Total Trade Receivables(net)	6,689.19	14,162.01

Note:

During the year, the management has reviewed all the receivables and has made attempt to recover the receivables which were due since long. After persuasion, the management is of opinion that several of them are unlikely to be recoverable and hence made a provision for the same.

NOTE NO. 4: LONG TERM LOANS AND ADVANCES

(Amount in Rs. '000)

Particulars	As on 31.03.2023	As on 31.03.2022
	Rupees	Rupees
Long - Term Loans and Advances:		
a) Security Deposit		
Secured		
Unsecured	850.00	969.54
(Security deposit consist of Sales Tax Deposit, Electricity deposit, Rent Deposit, Tender deposit and deposit with suppliers)		
b) other Long-Term Loans and advances		
(Advance recoverable in cash or kind)		
Secured		
Unsecured	13,866.44	60,953.73
Total Long-Term Loans & Advances	14,716.44	61,923.28

NOTE NO. 5: DEFERRED TAX ASSET (NET)

(Amount in Rs. '000)

S. No.	Particulars	As on 31.03.2023	As on 31.03.2022
		Rupees	Rupees
I	Opening Deferred tax Asset	3,555.18	3,506.42
	Add:		
	Deferred Tax Asset for the year	23,519.86	48.76
	Gross Deferred tax Asset	27,075.04	3,555.18
	Opening Deferred tax Liability	-	-
	Provision for Gratuity and Compensated Absences and doubtful debt	-	-
	Gross Deferred tax Liability	-	-
	Deferred Tax Asset/ (Liability) - Net	27,075.04	3,555.18

NOTE NO. 5: OTHER NON- CURRENT ASSETS

(Amount in Rs. '000)

Particulars	As on 31.03.2023	As on 31.03.2022
1) Other non- current Asset		
Preliminary and pre-operative to the extent not written off	1,206.00	-
Total Non-Current Assets	1,206.00	-

NOTE NO. 7: INVENTORIES

(Amount in Rs. '000)

Particulars	As on 31-03-2023	As on 31.03.2022
Inventories:		
a) Raw materials	-	-
Sub Total	-	-
b) Work - in - progress		
Sub Total	-	-
c) Finished goods	-	8,876.33
Sub Total	-	8,876.33
Total Inventories	-	8,876.33

Note: The stock which were lying has been expired during the year and not usable for the end consumer, Hence, the provision has been made and also disposed off.

NOTE NO. 8: TRADE AND OTHER RECEIVABLES (CURRENT ASSETS)

(Amount in Rs. '000)

Particulars	As on 31.03.2023	As on 31.03.2022
Trade Receivables		
Secured, Considered Good	-	-
Unsecured, Considered Good		
Less than Six months	-	-
More than Six months	13,853.32	13,386.77
Doubtful	-	-
	13,853.32	13,386.77
Other Receivables:		
Secured, Considered Good	-	-
Unsecured, Considered Good	-	-
Doubtful	-	-
Total Trade Receivable (Gross)	13,853.32	13,386.77
Less: Provision for bad & doubtful debts	-	-
Total Trade Receivables(net)	13,853.32	13,386.77

Ageing Schedule as at 31/03/2022						
Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
Undisputed Trade Receivables Considered Good	-	-	13,387	-	-	-
Undisputed Trade Receivables- which have significant increase in Credit risk	-	-	-	-	-	-
Undisputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivable- Considered Good	-	-	-	-	-	-
Disputed Trade Receivables- which have significant increase in Credit Risk	-	-	-	-	-	-
Disputed Trade Receivable- Credit Impaired	-	-	-	-	-	-
Total	-	-	13,387	-	-	-
Less-Allowance	-	-	-	-	-	-
Total Trade Receivables	-	-	13,387	-	-	-

Ageing Schedule as at 31/03/2023						
Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
Undisputed Trade Receivables Considered Good	-	-	-	13,853.32	-	-
Undisputed Trade Receivables- which have significant increase in Credit risk	-	-	-	-	-	-
Undisputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivable- Considered Good	-	-	-	-	-	-
Disputed Trade Receivables- which have significant increase in Credit Risk	-	-	-	-	-	-
Disputed Trade Receivable- Credit Impaired	-	-	-	-	-	-
Total	-	-	-	13,853.32	-	-
Less-Allowance	-	-	-	-	-	-
Total Trade Receivables	-	-	-	13,853.32	-	-

NOTE NO. 9: CASH AND CASH EQUIVALENTS

(Amount in Rs. '000)

Particulars	As on 31.03.2023	As on 31.03.2022
Cash and cash equivalents:		
a) Balances with banks:		
1) On Current Accounts	1,27,510.36	3,397.07
2) On Deposit Accounts	0.00	0.00
b) Cash on hand	31.30	677.39
Total Cash and Cash Equivalents	1,27,541.67	4,074.46

NOTE NO.10: INVESTMENTS

(Amount in Rs. '000)

Particulars	As on 31.03.2023	As on 31.03.2022
Investments		
Anugraha Chemicals	32,704.00	-
Total Short-Term Loans & Advances	32,704.00	-

Note: The company has invested in, Anugraha Chemicals and obtained a stake of 25.5% as on 01-Feb-2023.

NOTE NO.11: OTHER CURRENT ASSETS

(Amount in Rs. '000)

S. No.	Particulars	As on 31.03.2023	As on 31.03.2022
	GST Input (Balance with Govt Authorities)	678.56	338.58
		678.56	338.58

NOTE NO. 12: SHARE CAPITAL

(Amount in Rs. '000)

Particulars	As on 31.03.2023	As on 31.03.2022
Equity Share Capital		
(a) Authorised CY (3,00,00,000) (PY 11,000,000) Equity Shares of Rs.10/- each	3,00,000.00	1,10,000.00
(b) Issued, Subscribed and Paid-up (CY 214,86,234)(PY 10,311,234) Equity Shares of Rs.10/- each fully paid up.	2,14,862.34	1,03,112.34
Less: Calls in Arrear	424.15	424.15
Total Equity Share Capital	2,14,438.19	1,02,688.19

Disclosures:

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:	Number of Shares	Number of Shares
Equity Shares of Re.1 0 Each, Fully paid up:		
At the Beginning	1,03,11,234.00	1,03,11,234.00
Issued during the year	1,11,75,000.00	-
Allotted to shareholders of Transferee Company		-
At the end	2,14,86,234.00	1,03,11,234.00

Details of Shareholder holding more than 5% shares of the company:(Refer Note below)

Name of the share holder	As on 31.03.2023		As on 31.03.2022	
	No of Shares	% of Shareholding	No of Shares	% of Shareholding
Sadhanala Venkata Rao	15,44,995	7.19%	31,08,531	30.15%
Shankarppa Nagaraja Vinaya Babu	52,00,000	24.20%	5,00,000	4.85%
Shreedhara Shetty	46,50,000	21.64%	-	-
Narasandra Basavarajappa Pradeepkumar	11,25,000	5.24%	-	-

Shares held by promoters at the end of the year

Sl. No.	Promoter name	As on 31 st March 2023		As on 31 st March 2022		% Change during the year
		No. of Shares	% of total Shares	No. of Shares	% of total Shares	
1	Prashant H. Dave	10459	0.05	10459	0.10	0.05
2	Ghisulal Jain	36060	0.17	36060	0.35	0.18
3	Veena Lalwani	15645	0.07	15645	0.15	0.08
4	Babulal Jain	0	0.00	6321	0.06	0.06
5	Subhash B Lalwani	32800	0.15	32800	0.32	0.17
6	Suresh Kumar	1000	0.00	1000	0.01	0.01
7	Umadevi Babulal Jain	5452	0.03	5452	0.05	0.03
8	Uttam P Jain	1000	0.00	1000	0.01	0.01
9	Abhilekha Dave	34128	0.16	43745	0.42	0.27
10	Surekha Prashant Dave	700	0.00	700	0.01	0.00

11	Abhishek Jain	0	0.00	19444	0.19	0.19
12	Peddi Anuradha	56000	0.26	56000	0.54	0.28
13	B. Venkatswamy	1070	0.00	1070	0.01	0.01
14	Sadhanala Venkata Rao	1588526	7.39	3108531	30.15	22.75
15	Padmaja Kalyani Sadhanala	189096	0.88	189096	1.83	0.95
16	Viswa Prasad Sadhanala	96400	0.45	96400	0.93	0.49
17	Pilli Meena Kumari	56000	0.26	56000	0.54	0.28
18	Rangoori Kantham	1000	0.00	1000	0.01	0.01
19	Sadhanalla Dara Kalyani	1000	0.00	1000	0.01	0.01
20	Dadi Urmila	25	0.00	25	0.00	0.00
21	Maharani Maheshwari Sadhanala	25	0.00	25	0.00	0.00
22	Baghi Rao Pankaj Sadhanala	25	0.00	25	0.00	0.00

NOTE:

There is a share warrants money which is pending for allotment as below :

Sl. No	Name	Amount (In '000)
1	Mini Manikantan	1875.00
2	Prasad Shivarudraiah	1593.75
	Total	3468.75

NOTE NO. 13: OTHER EQUITY

(Amount in Rs. '000)

S. No.	Particulars	As on 31.03.2023	As on 31.03.2022
I	Other Equity		
	a) Capital Subsidy		
	As at the commencement of the year	993.75	993.75
	Add: Additions during the year	-	-
	Less: Utilised during the year		
		993.75	993.75

	b) Capital Reserve		
	As at the commencement of the year	6,365.35	6,365.35
	Add: Additions during the year (Securities Premium)	97,875.00	-
	Less: Utilised during the year	-	-
		1,04,240.35	6,365.35
	c) Surplus :		
	i) Opening Balance	(23,331.51)	(24,782.94)
	Add: Total comprehensive income during the year	(75,556.59)	1,451.43
	Less: Bonus shares / (Forfeiture of Bonus shares)		-
		(98,888.10)	(23,331.51)
Total Reserves and Surplus	6,346.00	(15,972.41)	

NOTE NO. 14: TRADE AND OTHER PAYABLES

(Amount in Rs. '000)

S. No.	Particulars	As on 31.03.2023	As on 31.03.2022
I	Trade Payables		
	Due to Micro Enterprises and Small Enterprises		
	Due to Creditors other than Micro Enterprises and Small Enterprises	18,830.66	23,057.53
	Total Trade Payables	18,830.66	23,057.53

Ageing Schedule as at 31/03/2023

(Amount in Rs. "000")

Particulars	Outstanding for following periods from due date of payment							Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	More Than 3 Years	
(i) MSME	-	-	-	-	-	-	-	
(ii) Others	-	-	-	18,831	-	-	-	18,831
(iii) Disputed Dues	-	-	-	-	-	-	-	
(iv) Disputed Dues- Others	-	-	-	-	-	-	-	
(v) unbilled Dues	-	-	-	-	-	-	-	
Total	-	-	-	18,831	-	-	-	18,831

Ageing Schedule as at 31/03/2022

(Amount in Rs. "000")

Particulars	Outstanding for following periods from due date of payment							Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	More Than 3 Years	
(i) MSME	-	-	-	-	-	-	-	
(ii) Others	-	-	-	23,058	-	-	-	23,058
(iii) Disputed Dues	-	-	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-	-	-
(v) unbilled Dues	-	-	-	-	-	-	-	-
Total	-	-	-	23,058	-	-	-	23,058

Note: As per the details provided by the suppliers, there is no dues to MSME's during the year under review. However, the company is in process of obtaining the MSME status of its suppliers.

NOTE NO. 15: OTHER CURRENT LIABILITES

(Amount in Rs. '000)

Particulars	As on 31.03.2023	As on 31.03.2022
a) Current maturities of Long-Term Debts	-	-
b) Interest accrued but not due on borrowings	-	-
c) Income received in advance.	-	-
d) Unpaid dividend.	-	-
e) Other Payables	2,441.75	1,349.23
f) Others	-	-
Sales Tax Deferral** (refer note)	-	-
Total Other Current Liabilities	2,441.75	1,349.23

NOTE NO. 16: REVENUE FROM OPERATIONS

(Amount in Rs. '000)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Revenue from operations in respect of non-finance company		
(a) Sale of Products	-	39,392.62
Total Revenue from Operations	-	39,392.62

NOTE NO. 17: OTHER INCOME

(Amount in Rs. '000)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
(a) Interest income		
(b) Other non-operating income (net of expenses directly attributed to such income)	-	151.09
Total Other Income	-	151.09

NOTE NO. 18: PURCHASES OF STOCK-IN-TRADE

(Amount in Rs. '000)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Purchases during the year	-	40,899.84
Purchase return during the year	-	-
Total Purchases	-	40,899.84

NOTE NO. 19: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Amount in Rs. '000)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
A. Finished Goods		
Finished goods at the beginning of the year	8,876.33	3,691.16
Less: Finished goods at the end of the year	-	8,876.33
Sub Total (A)	8,876.33	(5,185.17)
B. Work in progress at the beginning of the year	-	-
Less: work in progress at the end of the year	-	-
Sub Total (B)		
C. Stock-in-trade		
Stock at the beginning of the year	-	-
Less: Stock at the end of the year	-	-
Sub Total (C)	-	-
(Increase) / Decrease in Inventories (A+B+C)	8,876.33	(5,185.17)

NOTE NO. 20: EMPLOYEE BENEFIT EXPENSES

(Amount in Rs. '000)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
(a) Salaries & Wages	11,310.04	444.00
(b) Contribution to Provident & Other Funds	-	-
(c) Staff Welfare Expenses	-	-
Total Employee Benefit Expenses	11,310.04	444.00

NOTE NO. 21: FINANCE COST

(Amount in Rs. '000)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
(a) Interest Expenses:	13.08	
(b) Bank Charges	33.21	27.36
(c) Applicable net gain/loss on foreign currency translations & transactions	-	-
Total Finance Cost	46.29	27.36

NOTE NO. 22: OTHER EXPENSES

(Amount in Rs. '000)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Advertisement Expenses	56.36	43.14
Annual listing fees	-	406.20
Audit Fees	166.30	50.00
e-voting charges	-	38.15
Business Promotion	2.36	66.23
CDSL Fees	193.11	-
Conveyance	453.68	-
Directors' remuneration	-	600.00
Electricity Charges	6.88	-
Office Expenses	547.85	42.00
General Expenses	637.81	0.00
Listing/Custody Fee/ Other Charges	1,214.07	-
Postage & Telegram	1.55	409.23
Printing & stationery	159.41	-
Professional Charges	1,879.51	35.00
Rates and Taxes	765.67	-
Rent	1,750.00	120.00
Repairs & Maintenance -others	162.33	-
Roc filing Expenses	371.86	47.10
Telephone & Internet Charges	79.67	5.97
Provision for bad debts	66,569.36	-
Write Off	3,658.07	-
Round off	0.00	-
Total Other Expenses	78,675.84	1,863.02

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Payment to the Auditor		
Statutory Audit	1,17,700	41,300
Total Other Income	1,17,700	41,300

NOTE NO. 23: TAX EXPENSES

(Amount in Rs. '000)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Current tax		
Deferred tax	(23,519.86)	(48.76)
Adjustment for previous year tax		
- Income Tax paid for earlier year	-	-
Total Other Income	(23,519.86)	(48.76)

NOTE NO. 24: NOTES FORMING PART OF ACCOUNTS**24.1 Details of Managerial Remuneration:**

(Amount in Rs. '000)

Particular	Managing Director		Executive Director	
	2022-2023	2021-22	2022-2023	2021-22
Managerial Remuneration	0	0	4364.52	600.00
Total	0	0	4364.52	600.00

24.2 Balance of Trade Payables, Other Current Liabilities, Loans and Advances, and Trade Receivables are subject to confirmation / reconciliation.

24.3 During the year the company has assessed the recoverability of various assets, including, security deposits, long term loans and advances, trade receivables, fixed assets, other current liabilities, trade payables and as per the suggestions of the statutory auditors.

24.4 The Company's operation mainly consist of only one segment i.e. Drug formulations and therefore the figures relate to that segment only.

24.5 The previous Years figures have been revoked, regrouped, rearranged and reclassified wherever necessary.

24.6 Related party disclosures (as identified by the management) as per Indian Accounting Standard – 24 are given below:

List of Related Parties:**Directors:**

Mr. P N Vijay - Independent Director
 Mr. Venu Madhava K - Executive Director
 Ms. Mini Manikantan - Executive Director
 Mr. Sadhanala Venkata Rao - Non-Executive Director
 Mr. Mopperthy Sudheer - Independent Director
 Mr. Methuku Nagesh - Independent Director
 Mrs. Sadhanala Padmaja Kalyani - Executive Director (Upto 21st May 2022)
 Mr. Sadhanala Vishwa Prasad - Executive Director (Upto 9th July 2022)

Key Managerial Personnel:

Mr. Balagangadhara B.C - Chief Financial Officer
 Mr. Kaushik Kumar - Company Secretary
 Mr. Chilam Srikanth - Chief Financial Officer (Upto 13th October 2022)
 Ms. Annie Jodhani - Company Secretary (Upto 13th October 2022)

(Amount in Rs. '000)

NAME OF THE TRANSACTIONS RELATED TO THE PARTY	TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL AND THEIR RELATIVES	
	2022-2023	2021-22
Managerial Remuneration	7356.03	296.00
Venu Madhava K	2700.00	-
Mini Manikantan	1664.52	-
Sadhanala Viswa Prasad	-	300.00
Sadhanala Padmaja Kalyani	-	300.00
Balagangadhara B.C	1872.58	-
Kaushik Kumar	854.84	-
Chilam Srikanth	63.87	80.00
Annie Jodhani	200.22	216.00

Consultancy Charges	-	-
P N Vijay	270.00	-
Methuku Nagesh	169.44	-
Other Current liabilities		
Sadhanala Venkata Rao	-	2283.00

NOTE NO. 25: EARNING PER SHARE (EPS)

	2022-2023	2021-22
The computation of EPS is set out below:		
Earning		
Net Profit/Loss for the period	(75,557)	1,451.43
Shares		
Number of Shares at the Beginning of the period	1,03,11,234	1,03,11,234
Add: Issued during the year	1,11,75,000	-
Total number of equity shares outstanding at the end of the period	2,14,86,234	1,03,11,234
Weighted average number of equity shares outstanding during the period	1,28,96,166	1,03,11,234
Earnings per share of par value Rs. 10/- Basic & Diluted (Rs.)	(5.86)	0.14

NOTE NO. 26: In Accordance with the Indian Accounting Standard (Ind AS-36) on "Impairment of Assets" the management during the year carried out exercise of identifying the assets that may have been impaired in respect of each cash generating unit. On the basis of this review carried out by the management there was no impairment loss on the Fixed assets during the year ended 31st March 2023.

NOTE NO. 27: CONTINGENT LIABILITY

There is a Dispute regarding BSE for which advance has been given.

NOTE NO. 28: FOREIGN CURRENCY EARNINGS/OUTGOING- NIL

NOTE NO. 29: INCOME TAX

(Amount in Rs. '000)

	31-03-2023	31-03-2022
Tax expense/(credit) comprises of:		
Current income tax		-
Deferred tax	(23,519.86)	(48.76)
Income tax expense reported in the statement of profit or loss	(23,519.86)	(48.76)
The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 26% (31st March, 2019: 25.75%) and the reported tax expense in profit or loss are as follows:		
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Profit before tax	(99,076.45)	1,402.67
Tax at the Indian tax rate (26%) (31 March 2020: 25.75%)	-	-
Adjustments:		
CSR expenses and other donations	-	-

Weighted deduction on research and development expense	-	-
Tax incentives	-	-
Capital gain tax	-	-
MAT credit utilisation	-	-
Deferred tax assets not recognized / (utilized)	23,519.86	48.76
Effect of change in tax laws and rate in jurisdictions outside India		-
Other Adjustments		-
Income tax expense	(23,519.86)	(48.76)

NOTE NO. 30: CAPITAL MANAGEMENT

The Company's policy is to maintain strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of business.

The Company manages its Capital structure through a balanced mix of debt and equity. The Company's capital structure is influenced by the changes in the regulatory frameworks, government policies, available options of financing and impact of the same on liquidity position.

The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The table below shows the Gearing ratio for FY 2022-23 and FY 2021-22.

(Amount in Rs. '000)

Particulars	March 31, 2023	March 31, 2022
Borrowings	0.00	0.00
Trade Payables	18830.66	23057.53
Other Current Liabilities	2441.75	1349.23
Cash & Cash Equivalents	127541.67	4074.46
Net Debt	-106269.25	20,332.30
Equity Capital	115550.09	79356.83
Gearing Ratio	-0.92	0%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2023 and 31 March, 2022.

NOTE NO. 31: FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(Amount in Rs. '000)

Particulars	Carrying Values		Fair Values	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Financial Assets				
Investments	32,704.00	-	32,704.00	-
Other financial assets	-	-	-	-
Tax Assets (Net)	-	-	-	-
Trade Receivables	-	13,386.77	-	13,386.77
Cash and Cash Equivalents	1,27,541.67	4,074.46	1,27,541.67	4,074.46

Bank balances other than cash and cash equivalents	-	-	-	-
Other financial assets	678.56	-	678.56	-
Total	1,60,924.23	17,461.23		17,461.23
Financial Liabilities				
Non-current Borrowings	-	-	-	-
Other non-current financial Liabilities	-	-	-	-
Current Borrowings	-	-	-	-
Trade Payables	18,830.66	23,057.53	18,830.66	23,057.53
Other current financial Liabilities	2,441.75	1,349.23	2,441.75	1,349.23
Total	21,272.41	24,406.76	21,272.41	24,406.76

The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

NOTE NO. 32: FAIR VALUES HIERARCHY

Financial assets and liabilities measured at fair value in the statement of financial position are grouped into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices(unadjusted) in active markets for the financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using the valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If One or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities: Quantitative disclosures fair value measurement hierarchy for assets as at 31 March, 2023:

(Amount in Rs. '000)

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial assets disclosed					
Investments	31-Mar-23	32,704.00	-	32,704.00	-
Other financial assets	31-Mar-23	0.00	-	0.00	-
Tax Assets (Net)	31-Mar-23	0.00	-	0.00	-
Trade Receivables	31-Mar-23	0.00	-	0.00	-
Cash and Cash Equivalents	31-Mar-23	1,27,541.67	-	1,27,541.67	-
Bank balances other than cash and cash equivalents	31-Mar-23	0.00	-	0.00	-
Other financial assets	31-Mar-23	678.56	-	678.56	-
Total		1,60,924.23	-	1,60,924.23	-

There have been no transfers between Level 1 and Level 2 during the period.

NOTE NO. 33:

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March, 2023:

(Amount in Rs. '000)

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial liabilities disclosed					
Non-current Borrowings	31-Mar-23	-	-	0.00	-
Other non-current financial Liabilities	31-Mar-23	-	-	0.00	-
Current Borrowings	31-Mar-23	-	-	0.00	-
Trade Payables	31-Mar-23	18,830.66	-	18830.66	-
Other current financial Liabilities	31-Mar-23	2,441.75	-	2,441.75	-
Total		21,272.41	-	21,272.41	-

There have been no transfers between Level 1 and Level 2 during the period.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities: Quantitative disclosures fair value measurement hierarchy for assets as at 31 March, 2022:

(Amount in Rs. '000)

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial assets disclosed					
Investments	31-Mar-22	-	-	-	-
Other financial assets	31-Mar-22	-	-	-	-
Tax Assets (Net)	31-Mar-22	-	-	-	-
Trade Receivables	31-Mar-22	27,548.78	-	27,548.78	-
Cash and Cash Equivalents	31-Mar-22	4,074.46	-	4,074.46	-
Bank balances other than cash and cash equivalents	31-Mar-22	-	-	-	-
Other financial assets	31-Mar-22	338.58	-	338.58	-
Total		31,961.82	-	31,961.82	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March, 2022:

(Amount in Rs. '000)

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial liabilities disclosed					
Non-current Borrowings	31-Mar-22	-	-	-	-
Other non-current financial Liabilities	31-Mar-22	-	-	-	-
Current Borrowings	31-Mar-22	-	-	-	-
Trade Payables	31-Mar-22	18,830.66	-	18,830.66	-

Other current financial Liabilities	31-Mar-22	2,441.75	-	2,441.75	-
Total		21,272.41	-	21,272.41	-

There have been no transfers between Level 1 and Level 2 during the period.

NOTE NO. 34: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to financial risk such as Market Risk (Interest Rate Risk, fluctuation in foreign exchange rates and price risk), credit risk and liquidity risk. The general risk management program of the Company focuses on the unpredictability of the financial markets and attempts to minimize their potential negative influence on the financial performance of the Company. The Company continuously reviews its risk exposures and takes measures to limit it to acceptable levels. The Board of Directors have the overall responsibility for the establishment and oversight of the Company’s risk management framework.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, foreign currency risk and other price risk. Financial instruments of the Company affected by market risk include borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at 31 March, 2023 and 31 March, 2022.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March, 2023 and 31 March, 2022.

Price risk

Price risk is the risk of fluctuations in the change in prices of equity Investments.

Credit risk

Credit risk is the risk arising from credit exposure to customers and the counterparty will default on its contractual obligations.

The Company has adopted a policy of only dealing with creditworthy customers/ corporates to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Advance payments are obtained from customers in banquets, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of trade and other receivables, advances to suppliers, cash and short-term deposits and interest receivable on deposits represents company’s maximum exposure to the credit risk. No other financial asset carry a significant exposure with respect to the credit risk. Deposits and cash balances are placed with Schedule Commercial banks.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company’s treasury department in accordance with the Company’s policy.

Liquidity risk

Liquidity risk is the risk that the Company will have difficulty in raising the financial resources required to fulfil its commitments.

Liquidity risk is held at low levels through effective cash flow management. Cash flow forecasting is performed internally by rolling forecasts of the Company’s liquidity requirements to ensure that it has sufficient cash to meet operational requirements, to fund scheduled capex and debt repayments and to comply with the terms of financing documents.

NOTE NO. 35: RATIOS

Ratio	Current Period	Previous Period	% Variance	Reason For Variance
Current Ratio (In Times)	8.22	1.09	651.72	The Significant Change in Current ratio is due to excess increase in Current Assets of the Company, whereas the Current Liabilities have been reduced when compared to Previous Year
Debt Equity Ratio (In Times)	0.00	0.00	0.00	The Debt equity ratio in both Financial Years remains Nil as there are no Long Term Debts of the company
Debts Service Coverage Ratio (In Times)	0.00	0.00	0.00	The Debt Service Coverage ratio is 0 as there is no Interest Interest cost included in total interest
Return on Equity Ratio (In %)	-0.34	0.02	-1784.63	Return on Equity has turned is -0.34 because the company has incurred losses in FY-2022-23
Inventory Turnover Ratio (In Times)	0.00	5.10	-100.00	The Inventory Turnover ratio has been reduced from 5.10 to 0 as no sales were made during FY-2022-23
Trade Receivable Turnover Ratio (In Times)	0.00	2.08	-100.00	The Debtors Turnover ratio has been reduced from 2.08 to 0 as no sales were made during FY-2022-23
Trade Payable Turnover Ratio (In Times)	0.00	2.91	-100.00	The Creditors Turnover ratio has been reduced from 2.91 to 0 as no sales were made during FY-2022-23
Net capital Turnover Ratio (In Times)	0.00	0.38	-100.00	Capital Turnover Ratio is 0 as no sales were made during FY-2022-23
Net Profit Ratio (In %)	0.00	0.04	-100.00	The Net Profit ratio is 0 as the company has incurred Losses in the Current year and also no sales were made during FY-2022-23
Return on Capital Employed (In %)	-0.31	0.01	-2456.03	Return on capital Employed is -0.31 as no Sales were made during FY-2022-23

For PPKG & CO

Chartered Accountants
Firm Registration Number: 009655S

Sd/-

Girdhari Lal Toshniwal

Partner

M No. 205140

Place: Bengaluru

Date: 29-08-2023

For. Pharmaids Pharmaceuticals Limited**Sd/-**

Venu Madhava Kaparthy

Director

DIN: 00021699

Sd/-

Kaushik Kumar

Company Secretary

Sd/-

Venkata Rao

Sadhanala

Director

DIN: 02906370

Sd/-

Balagangadhara B.C

Chief Financial
Officer

AUDITOR'S REPORT
&
FINANCIAL STATEMENTS
UNDER INDIAN ACCOUNTING STANDARDS
(CONSOLIDATED)

Independent Auditor's Report

To
The Members of
Pharmaids Pharmaceuticals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated financial statements of Pharmaids Pharmaceuticals Limited ('the Company'), which comprise the Consolidated Balance Sheet as at 31st March, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (Financial position) of the Company as at 31st March, 2023, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our Audit addressed the key audit matter
<p>Carrying value of Investment in Associate entity. The Company has an investment of Rs.3,27,04,000/- in its associate Anugraha chemicals.</p>	<p>Discussion with the management on the development in these matters during year ended March 31st, 2023.</p> <p>Review of the disclosures made by the company in the financial statements in this regard.</p> <p>Obtain representation letter from the management on the assessment of these matters.</p>

Information other than the Financial Statements and Auditor's Report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

- The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors Responsibilities for the Audit of the Financial Statements

10. 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 Consolidated Financials that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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.
11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. We did not audit the financial statements and other financial information of the Associate Company whose financial statements reflect total assets (before consolidation adjustments) of Rs. 9.44 Crores as at March 31, 2023, total revenues (before consolidation adjustments) of 11.38 Crores and net cash outflows (before consolidation adjustments) amounting to Rs.1877.80 /- for the year ended on that date, as considered in the consolidated financial statements. These financial statements and financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these Associates and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid Associates is based solely on the audit reports of the other auditors.
16. Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order.
18. Further to our comments in Annexure 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 purpose 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 Consolidated financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Consolidated financial statements comply with Ind AS specified under section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
 - f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2023 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date and our report as per Annexure B expressed unmodified opinion; and
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position as at 31 March 2023;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8th November 2016 to 30th December 2016, which are not relevant to these Consolidated financial statements. Hence, reporting under this clause is not applicable.

h) We did not audit the financial statements of Associate Company and Company's Branches which are included in the consolidated financial report. These financial statements have been audited by other auditors whose report have been furnished to us by the management and our opinion on the consolidated financial reports, in so far as it relates to the amounts and disclosures included in respect of this associate and Branch is based solely on the reports of the other auditors.

19. As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

For **PPKG & Co**

Chartered Accountants

Firm's Registration No.: 009655S

Sd/-

Girdhari Lal Toshniwal

Partner

Membership No.: 205140

UDIN: 23205140BGUNKC9909

Place: Hyderabad

Date: 29th August 2023

Annexure – A to the Independent Auditor’s Report of even date to the Members of M/s Pharmaids Pharmaceuticals Limited, on the Consolidated Financial Statements for the Year ended March 31, 2023

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Consolidated Financial Statements of the Company and taking into consideration the information and explanations given to us and the Books of Accounts and other records examined by us in the normal course of Audit, and to the best of our knowledge and belief, we report that:

- (i)
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
 - b. The Company has a regular program of physical verification of its Fixed Assets under which Fixed Assets are verified in a phased manner over a period.
 - c. The Title Deeds of all the Immovable Properties (which are included under the head (‘Property, Plant and Equipment’) are held in the name of the Company.
 - d. The Company has not revalued any of its Property, Plant and Equipment’s during the year.
 - e. As per the information given to us there are no proceedings initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and Rules made there under.
- (ii)
 - a. The Management has conducted physical verification of Inventory at regular intervals of time.
 - b. The Company has not availed any Financial Assistance from any Bank or Financial Institutions.
 - c. There was no Inventory Lying with the company at the end of the Financial Year.
- (iii) The Company has not granted any Loans, secured or unsecured, to any Companies, Firms, Limited Liability Partnerships or other parties.
- (iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of the Investments and Loans. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of Guarantees and Security.
- (v) In our opinion, the Company has not accepted any Deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The provisions of Section 148 are not applicable to the Company.
- (vii)
 - a. Undisputed Statutory Dues including Provident Fund, Employees State Insurance, Income Tax, Goods and Service Tax, Duty of Customs, Cess and other Material Statutory Dues, as applicable, have generally been regularly deposited with the appropriate authorities.
 - b. There is no Dues outstanding in respect of Income Tax, Sales Tax, Service Tax, Duty of Customs on account of disputes:
- (viii) All the transactions recorded in the books of account have been disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix)
 - a. The Company has not defaulted in repayment of Loans or Borrowings to any Bank during the Year under review. The Company has No Loans or Borrowings payable to Financial Institutions or Government and does not have any Outstanding Debentures during the year.
 - b. The Company is not declared Wilful Defaulter by any Bank or Financial Institution or other Lender.
 - c. The Company has not raised any Term Loan from any Bank or Financial Institution.

- d. To the extent of our check, no funds raised by the Company for short-term has been utilized for long term purposes.
- e. The Company has not taken any funds from any entity or person on account of or to meet the obligations of its Subsidiaries, Associates or Joint Ventures.
- f. The Company has not raised loans during the Year on the Pledge of Securities held in its Subsidiaries, Joint Ventures or Associate Companies.

(x)

- a. The Company has not raised any moneys by way of Initial Public Offer or Further Public Offer during the year under review, but there is an increase in Authorised Capital as well as paid up share capital and the requisite details have been disclosed in the Financial Statements as required by the applicable IndAs.
- b. The Company has made Preferential Allotment or Private Placement of Shares or Convertible Debentures during the year under review. (Please Find below details of the Private Placement of shares during the year under review)

1. On October 13, 2022, the company allotted 37,00,000 convertible share warrants with a face value of Rs. 10/- each at a premium of Rs. 5/- each on a preferential basis. The company received Rs. 1,38,75,000/- (25% of the total consideration of Rs. 5,55,00,000/-) on the date of allotment.
2. During the year under review the Company allotted 27,75,000 Equity Shares (consequent to the conversion of 27,75,000 share warrants out of 37,00,000 share warrants allotted on October 13, 2022) having face value of Rs. 10/- each at a premium of Rs. 5/- each on preferential basis.
3. On January 17, 2023, Company Allotted 84,00,000 equity shares at face value of Rs. 10/- each at a premium of Rs. 10/- each on preferential basis.

(xi)

- a. In our opinion, no fraud by the Company or any fraud on the Company has been noticed or reported during the year under review.
- b. No Report under sub-section (12) of section 143 of the Companies Act has been filed by the Auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. No Whistle Blowers Complaints were received during the year under review.

(xii) In our opinion, the Company is not a Nidhi Company, and accordingly, provisions of Clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the Related Parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the Consolidated Financial Statements etc., as required by the applicable Ind AS.

(xiv) The Company has established an Internal Audit System commensurate with the size and nature of its Business. However, we have not considered the reports of the Internal Auditor for the Audit Period.

(xv) In our opinion, the Company has not entered in any non-cash transactions with the Directors or persons connected with them covered under Section 192 of the Act. Accordingly, the provisions of Clause 3(xv) of the order are not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

- (xvii) The Company has not incurred cash losses in the Financial Year and in the immediately preceding Financial Year.
- (xviii) The Statutory Auditors of the Company has not resigned during the year.
- (xix) On the basis of the Financial Ratios, ageing and expected dates of realisation of Financial Assets and payment of Financial Liabilities, other information accompanying the Financial Statements, the Auditor's knowledge of the Board of Directors and the Management's plans, the Auditor is of the opinion that no material uncertainty exists as on the date of the Audit Report and that the Company is capable of meeting its Liabilities existing at the Date of Balance Sheet, as and when they fall due within a period of one year from the Balance Sheet Date.
- (xx) The Company is not liable to contribute under Section 135 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(xx) of the order are not applicable.
- (xxi) There has been no qualifications and adverse remarks by the respective Auditors in the Companies (Auditor's Report) Order (CARO) Reports of the Companies to be included in the Consolidated Financial Statements.

For **PPKG & Co**

Chartered Accountants

Firm's Registration No. 009655S

Sd/-

Girdhari Lal Toshniwal

Partner

Membership No. 205140

UDIN: 23205140BGUNKC9909

Date: 29th August 2023

Annexure – B to the Independent Auditor’s Report of even date to the Members of M/s Pharmaids Pharmaceuticals Limited, on the Financial Statements for the Year ended March 31, 2023

Independent Auditor’s Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)

Opinion

1. In conjunction with our Audit of the Financial Statements of M/s Pharmaids Pharmaceuticals Limited (‘the Company’) as at and for the Year ended March 31, 2023, we have audited the Internal Financial Controls Over Financial Reporting (‘IFCoFR’) of the Company as at that date.
2. In our opinion, the Company has, in all material respects, adequate Internal Financial Controls over Financial Reporting and such controls were operating effectively as at March 31, 2023, based on the Internal Control over Financial Reporting criteria established by the Company, considering the essential components of Internal Control as stated in the Guidance Note issued by the ICAI.

Management’s Responsibility for Internal Financial Controls

3. The Company’s Board of Directors is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control Over Financial Reporting criteria established by the Company considering the essential components of Internal Control, as stated in the Guidance Note on *Audit of Internal Financial Controls Over Financial Reporting* (‘the Guidance Note’) issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the Design, Implementation and Maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of the Company’s 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.

Auditor’s Responsibility

4. Our responsibility is to express an opinion on the Company's IFCoFR based on our Audit. We conducted our Audit in accordance with the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an Audit of the IFCoFR, and the Guidance Note 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
5. Our Audit involves performing procedures to obtain Audit Evidence about the adequacy of the IFCoFR and their operating effectiveness. Our Audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the Internal Controls 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.
6. We believe that the Audit Evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Company’s IFCoFR.

Meaning of Internal Financial Controls Over Financial Reporting

7. A Company's IFCoFR 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 the Generally Accepted Accounting Principles. A Company's IFCoFR include those policies and procedures that
 - i. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Assets of the Company;

- ii. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of the Financial Statements in accordance with the Generally Accepted Accounting Principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the Company; and\
- iii. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's Assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

8. Because of the Inherent Limitations of the IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the Policies or Procedures may deteriorate.

For **PPKG & Co**
Chartered Accountants
Firm's Registration No. 009655S

Sd/-
Girdhari Lal Toshniwal
Partner
Membership No. 205140
UDIN: 23205140BGUNKC9909
Date: 29th August 2023
Place: Hyderabad

PHARMAIDS PHARMACEUTICALS LIMITED
BALANCE SHEET AS AT 31ST MARCH 2023

(Amount in Rs.'000)

ASSETS	Note no.	As at 31 March 2023	As at 31 March 2022
Non-current assets			
Property, plant and equipment	1	1,061.13	305.93
Capital Work in Progress	2	20,000.00	4,500.00
Financial assets			
- Non-Current Assets		-	-
- Trade and other receivables	3	6,689.19	14,162.01
- Long-term loans and advances	4	14,716.44	61,923.28
- Others			
Deferred tax assets (Net)	5	27,075.04	3,555.18
Other non-current assets	6	1,206.00	-
Current assets			
Inventories	7	-	8,876.33
Financial assets			
- Trade and other receivables	8	13,853.32	13,386.77
- Cash and cash equivalents	9	1,27,541.67	4,074.46
- Short term loans and advances			
Investments	10	32,704.00	-
Other current assets	11	678.56	338.58
TOTAL ASSETS		2,45,525.35	1,11,122.54
EQUITY AND LIABILITIES			
Equity			
Share capital	12	2,14,438.19	1,02,688.19
Other equity			
- Equity component of other financial instrument			
- Retained earnings	13	6,346.00	(15,972.41)
Share Warrants application money		3,468.75	
Non-current liabilities			
Financial liabilities			
- Long term borrowings		-	-
Long term provisions		-	-
Deferred tax liabilities (Net)		-	-
Other non-current liabilities		-	-
Current liabilities			
Financial liabilities			
- Short term borrowings			-
- Trade and other payables	14	18,830.66	23,057.53
Other current liabilities	15	2,441.75	1,349.23
Short-term provisions			-
TOTAL EQUITY AND LIABILITIES		2,45,525.35	1,11,122.54

OTHER ADDITIONAL INFORMATION

Contingent Liabilities	1,366.44
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See accompanying notes to the financial statements

1 to 35

As per our report of even date attached

For PPKG & CO

Chartered Accountants

Firm Registration Number: 009655S

Sd/-

Girdhari Lal Toshniwal

Partner

M No. 205140

Place: Bengaluru

Date: 29-08-2023

For Pharmaids Pharmaceuticals Limited

Sd/-

Venu Madhava Kaparthy

Director

DIN: 00021699

Sd/-

Kaushik Kumar

Company Secretary

Sd/-

Venkata Rao Sadhanala

Director

DIN: 02906370

Sd/-

Balagangadhara B.C

Chief Financial Officer

PHARMAIDS PHARMACEUTICALS LIMITED
Statement of Profit and Loss for the year ended 31st March 2023

(Amount in Rs. '000)

Particulars	Note no.	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	16		39,392.62
Other income	17		151.09
Total revenue			39,543.71
Expenses			
Cost of materials consumed			
Purchase of stock-in-trade	18		40,899.84
Changes in inventories of finished goods, work in progress and stock-in-trade	19	8,876.33	-5,185.17
Employee benefit expenses	20	11,310.04	444.00
Finance cost	21	46.29	27.36
Depreciation and amortisation expense	1	167.95	92.00
Other expenses	22	78,675.84	1,863.02
Total expenses		99,076.45	38,141.04
Profit/ (loss) before exceptional items and tax		-99,076.45	1,402.67
Exceptional items			
Profit/ (loss) before tax		-99,076.45	1,402.67
Tax expenses	23	-23,519.86	-48.76
Current Tax			
Deferred Tax		-23,519.86	-48.76
Profit/ (loss) for the period from continuing operations		-75,556.59	1,451.43
Profit/ (loss) from discontinued operations			
Tax expense of discontinued operations			
Profit/ (loss) from discounting operations (after tax)			
Profit/ (loss) for the period		-75,556.59	1,451.43
Other comprehensive income		347.96	
Total comprehensive income for the period <i>(Profit/ loss + other comprehensive income)</i>		-75,208.63	1,451.43
Earnings per equity share (for continuing operations) (in Rupees)			
a) Basic		-5.86	0.14
b) Diluted		-5.86	0.14
Earnings per equity share (for discontinued operations) (in Rupees)			
a) Basic			
b) Diluted			
Earnings per equity share (for discontinued & continuing operations) (in Rupees)			
a) Basic			
b) Diluted			

See accompanying notes to the financial statements 1 to 35

As per our report of even date attached
For PPKG & CO
Chartered Accountants
Firm Registration Number: 009655S

For. Pharmaids Pharmaceuticals Limited

Sd/-
Girdhari Lal Toshniwal

Partner
M No. 205140

Sd/-
Venu Madhava
Kaparthi
Director
DIN: 00021699

Sd/-
Venkata Rao Sadhanala

Director
DIN: 02906370

Place: Bengaluru
Date: 29-08-2023

Sd/-
Kaushik Kumar
Company Secretary

Sd/-
Balangadhara B.C
Chief Financial Officer

PHARMAIDS PHARMACEUTICALS LIMITED
Cash Flow Statement For the Year Ended 31st March 2023

(Amount in Rs.'000)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash Flows from Operating Activates		
Net Profit Before Tax and Extra Ordinary Items	-99076.45	1410.55
Adjustment For		
Depreciation	167.95	84.12
Foreign Exchange		
Gain or loss of Sale of Fixed assets	306.00	
Gain or loss of Investment		
Finance Cost	46.00	
Dividend Income		
Total Adjustment to Profit/Loss (A)	519.95	84.12
Adjustment For working Capital Change		
Adjustment for Increase/Decrease in Inventories	8876.00	-5185.17
Adjustment for Increase/Decrease in Trade Receivables	7006.00	2772.45
Adjustment for Increase/Decrease in Other Current Assets	45661.00	-584.74
Adjustment for Increase/Decrease in Trade Payable	-4227.00	-1562.79
Adjustment for Increase/Decrease in other current Liabilities	1093.00	373.84
Adjustment for Provisions		98.40
Total Adjustment For Working Capital (B)	58409.00	-4088.02
Total Adjustment to reconcile profit (A+B)	58928.95	-4003.91
Net Cash flow from (Used in) operation	-40147.50	-2593.36
Dividend Received		
Interest received		
Interest Paid	46.00	
Income Tax Paid/ Refund		
Net Cash flow from (Used in) operation before Extra-Ordinary Items	-40193.50	-2593.36
Proceeds from Extra Ordinary Items		
Payment for Extra Ordinary Item		
Net Cash flow From operating Activities	-40193.50	-2593.36
Cash Flows from Investing Activities		
Proceeds From fixed Assets		
Proceeds from Investment or Equity Instruments		
Purchase of Fixed Assets	16729.00	
Purchase Of Investments or Equity Instruments	32704.00	
Interest received		
Dividend Received		
Cash Receipt from Sale of Interest in Joint Venture		
Cash Payment to acquire Interest in Joint Venture		
Cash flow from losing Control of subsidiaries		
Cash Payment for acquiring Control of subsidiaries		
Proceeds from Govt. Grant		
Other Inflow/Outflow Of Cash		4665.00
Net Cash flow from (Used in) in Investing Activities before Extra-Ordinary Items	-49433.00	4665.00
Proceeds from Extra Ordinary Items		

Payment for Extra Ordinary Item		
Net Cash flow from (Used in) in Investing Activities	-49433.00	4665.00
Cash Flows from Financial Activities		
Proceeds From Issuing Shares	213094.00	
Proceeds from Issuing Debenture /Bonds/Notes		
Redemption of Preference Share		
Redemption of Debenture		
Proceeds from other Equity Instruments		
Proceeds From Borrowing		
Repayment Of Borrowing		
Dividend Paid		
Interest Paid		
Income Tax Paid/Refund		
Net Cash flow from (Used in) in Financial Activities before Extra-Ordinary Items	213094.00	0.00
Proceeds from Extra Ordinary Items		
Payment for Extra Ordinary Item		
Net Cash flow from (Used in) in Financial Activities	213094.00	0.00
Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes	123467.50	2071.64
Effect of exchange rate change on cash and cash equivalents		
Net increase (decrease) in cash and cash equivalents	123467.50	2071.64
Cash and cash equivalents at beginning of period	4074.00	2002.82
Cash and cash equivalents at end of period	127542	4074

As per our report of even date attached

For. Pharmaids Pharmaceuticals Limited

For PPKG & CO

Chartered Accountants

Firm Registration Number: 009655S

Sd/-

Girdhari Lal Toshniwal

Partner

M No. 205140

Sd/-

Venu Madhava

Kaparthi

Director

DIN: 00021699

Sd/-

Venkata Rao Sadhanala

Director

DIN: 02906370

Sd/-

Kaushik Kumar

Company Secretary

Sd/-

Balagangadhara B.C

Chief Financial Officer

Place: Bengaluru

Date: 29-08-2023

PHARMAIDS PHARMACEUTICALS LIMITED
Statement of changes in equity for the year ended 31 March 2023

A. Changes in Equity Share Capital (Amount in Rs'000)

Balance on April 1, 2021	1,02,688.19
Changes in equity share capital during prior period errors	
Changes in equity share capital during the year	
Balance at the end of March 31, 2022	1,02,688.19
Changes in equity share capital due to prior period errors	
Changes in equity share capital during the period	1,11,750.00
Balance at the end of March 31, 2023	2,14,438.19

B. Other Equity (Amount in Rs.'000)

For the year ended 31 March 2022

Particulars	Share Capital	Reserves and Surplus				Total equity
		Capital redemption reserve	Retained Earnings	Capital Reserve	Capital Subsidy	
Balance as at 1 April 2021	1,02,688	-	(24,783)	6,365	994	85,264
Total comprehensive income for the year ended 31 March 2022	-	-	1,451	-	-	1,451
Other comprehensive income (net of tax)	-	-	-	-	-	-
	1,02,688	-	(23,332)	6,365	994	86,716
Transactions recorded directly in equity						
Contributions and distributions:						
Nil	-	-	-	-	-	-
						-
Balance as at 31 March 2022	1,02,688	-	(23,332)	6,365	994	86,716

For the year ended 31 March 2023

Particulars	Share Capital	Reserves and Surplus				Total equity
		Capital redemption reserve	Retained Earnings	Capital Reserve	Capital Subsidy	
Balance as at 1 April 2022	1,02,688	-	(23,332)	6,365	994	86,716
Total income or losses for the year ended 31 March 2023		-	(75,209)	97,875		22,666
Other comprehensive income (net of tax)						-

Shares issued during the year	1,11,750					
	2,14,438	-	(98,540)	1,04,240	994	1,09,382
Transactions recorded directly in equity						
Contributions and distributions:						
Nil	-	-	-	-		-
Balance as at 31 March 2023	2,14,438	-	(98,540)	1,04,240	994	2,21,132

As per our report of even date attached
For PPKG & CO
Chartered Accountants
Firm Registration Number: 009655S

Sd/-
Girdhari Lal Toshniwal

Partner
M No. 205140

Place: Bengaluru
Date: 29-08-2023

For. Pharmaids Pharmaceuticals Limited

Sd/-
Venu Madhava
Kaparthu
Director
DIN: 00021699

Sd/-
Kaushik Kumar
Company Secretary

Sd/-
Venkata Rao Sadhanala
Director
DIN: 02906370

Sd/-
Balagangadhara B.C
Chief Financial Officer

NOTES TO FINANCIAL STATEMENTS

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

1. Pharmaids Pharmaceuticals Ltd (“the Company”) is a public limited company domiciled and incorporated in India in accordance with the provisions of the Companies Act, 2013. The registered office of the Company is located at Unit 201, 2nd floor, Brigade Rubix, 20/14 HMT factory Main Road, Peenya Plantation Bangalore KA 560013. The equity shares of the Company are listed on the Bombay Stock Exchange. The Company is engaged in the business of Trading and Manufacturing of Generics, Bulk Drugs and Intermediaries, etc.

These financial statements for the year ended 31 March 2023 were authorized and approved for issue by the Board of Directors on 29th August 2023.

2. **Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of the Financial Statements.

These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation

(iv) Compliance with Ind AS

The Financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the “Act”) [Companies (Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(v) Historical cost convention

The financial statements have been prepared on going concern basis under the historical cost basis except for the following:

- Certain Financial assets and liabilities which are measured at fair value.
- Defined benefit plans – plan assets measured at fair value; and
- Contingent Consideration

(vi) Current versus non-current classification

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

An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current.

2.19 Properties, plant and equipment (PPE) Recognition and initial measurements

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its Working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized 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 recognized instatement of profit or loss as incurred.

iii. Depreciation method, estimated useful lives and residual values

The classification of Plant and equipment into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.

Depreciation on property, plant and equipment is provided on the Straight Line Method (SLM) method, computed on the basis of useful lives as estimated by management which coincides with rates prescribed in Schedule II to the Companies Act,2013.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

iv. De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized 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 other income/other expenses when the asset is derecognized.

2.20 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group or assets (cash-generating units).The Company's corporate assets (eg. Central office building for providing support to various CGUs) do not generate independent cash flows. To determinate impairment of corporate assets, recoverable amount is determined for the CGUs to which the corporate assets belongs.

2.21 Inventories

- Stores & Spares are valued at cost or at net realizable value, whichever is lower. Cost is arrived at Weighted Average Basis.
- Raw Material, Semi Finished Goods, Finished Goods are valued at Cost or Market Value whichever is lower. Cost is arrived at FIFO method.
- Obsolescence and Damaged materials are valued at Realizable Value.

2.22 Operating Leases

As a lessee

- Leases of property, plant and equipment where the Company, as a lessee, has substantial risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fire value of the leased asset or, if lower, the present value of the minimum lease payments. The corresponding lease rental obligations, net of finance charges, are included in borrowings or other financial

liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability of each period.

- Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are clarified as operating leases. Payments made under operating leases are charges to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a Lessor

- Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary costs increases. The respective leased assets are included in the Balance Sheet based on their nature.

Investment and other financial assets

Classification

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

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

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

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

Measurement

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

Debt instruments

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

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt instrument that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired.
- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI).

Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in the profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in 'Other income'.

- **Fair value through profit or loss:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss is recognized in profit or loss and presented net in the Statement of Profit and Loss within 'Other income' in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognized in 'Other income' in the Statement of Profit and Loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Derecognition of financial assets

A financial asset is derecognized only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.
- Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.
- Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Income recognition Interest income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Fair value of financial instruments

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

2.23 Derivative instruments

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Derivative instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period, with changes included in 'Other income'/'Other expenses'

2.24 Offsetting 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.25 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

2.26 Cash and Cash equivalents

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.27 Trade payables

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

2.28 Borrowings

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

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

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

2.29 Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Balance Sheet.

2.30 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

GST, Excise duty is a liability of the Company as a manufacturer, which forms part of the cost of production, irrespective of whether the goods are sold or not. Therefore, the recovery of GST, Excise duty flows to the Company on its own account and hence revenue includes GST, excise duty.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Service Revenue

Service income is recognized as per the terms of contracts with the customers when the related services are performed or the agreed milestones are achieved and revenue includes

Service Tax / GST, wherever applicable.

2.31 Government Grants

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

2.32 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of aqualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

2.33 Foreign currency transactions and translation

iii. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (Rupees or Rs.), which is the Company's functional and presentation currency.

iv. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognized in profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs, if any, are presented in the Statement of Profit and Loss, within 'Finance costs'. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within 'Other income'/'Other expenses'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.34 Employee benefits

Short-term employee benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Post-employment benefits Defined benefit plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee benefits expense' in the Statement of Profit and Loss.

Re measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. These are included in retained earnings in the Statement of Changes in Equity.

The Company has gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognized in the balance sheet for Defined Benefit Plans as the present value of the Defined Benefit Obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of Independent actuaries. Actuarial gains and losses resulting from re-measurements of the liability are included in other comprehensive income.

Defined contribution plans

Contributions under defined contribution plans payable in keeping with the related schemes are recognized as expenses for the period in which the employee has rendered the service.

Other long-term employee benefits

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service.

They are therefore measured annually by actuaries as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented under 'Employee benefit obligations' (current) in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.35 Income Taxes

Tax expense recognized in statement of profit or loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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 assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. 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 relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

2.36 Provision and Contingencies

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

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

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future

events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

2.19 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.20 Earnings per share

iii. Basic earnings per share

Basic earnings per share is calculated by dividing:

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

iv. Diluted earnings per share

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

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

2.24 Segment Reporting

The Company is engaged in manufacture of Bulk Drugs & Intermediates which in the context of Accounting Standard – 17 issued by the Institute of Chartered Accountants of India is considered as a single segment.

2.25 Recent Accounting Procurements Standards issued but not yet effective

The Ministry of Corporate Affairs (“MCA”) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing the following new amendments to Ind AS for annual periods beginning on or after 1 April 2019.

Ind AS 116 ‘Leases’ eliminates the classification of leases as either finance leases or operating leases. All leases are required to be reported on an entity’s balance sheet as assets and liabilities. Leases are capitalised by recognising the present value of the lease payments and showing them either as lease assets or together with property, plant and equipment. If lease payments are made over time, a financial liability representing the future obligation will be recognized.

Ind AS 116 is effective from 1 April 2019. The Company is currently assessing the impact of the new standard and there are no material impact to the assets and liabilities recognized in the financial statements, as well as the statement of profit and loss.

2.26 Critical estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

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

The areas involving critical estimates or judgements are:

- Employee benefits (estimation of defined benefit obligation)

Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

- Impairment of trade receivables

The risk of uncollectibility of trade receivables is primarily estimated based on prior experience with, and the past due status of, doubtful debtors, based on factors that include ability to pay, bankruptcy and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.

- Estimation of expected useful lives of property, plant and equipment

Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

- Contingencies

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. In the normal course of business, the Company consults with legal counsel and other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

- Valuation of deferred tax assets

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

- Fair value measurements

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

NOTE NO. 1: PROPERTY, PLANT AND EQUIPMENT

(Amount in Rs. '000)

Sl. No.	Particulars	Gross Block						Rate of Depreciation	Depreciation/Amortization				Net Block as on 31.03.2022	Net Block as on 31.03.2021
		As on 01.04.2021	Additions during the year	Additions through Business acquisitions	Capitalised during the year	Sale / Deletions during the year	As on 31.03.2022		Dep. As on 01.04.2021	Dep. For the year 2021-2022	Adjustment Depreciation	Total Depreciation as on 31.03.2022		
1	Equipment Air Conditioners	4,090.00	-	-	-	-	4,090.00	7.31%	4,043.43	-	-	4,043.43	46.57	46.57
2		106.20	-	-	-	-	106.20	9.50%	35.69	10	-	45.78	60.42	70.51
3	Computers	370.95	-	-	-	-	370.95	31.67%	302.88	59	-	361.62	9.33	68.07
4	Vehicle	250.00	-	-	-	-	250.00		250.00	-	-	250.00	-	-
5	Furniture	218.71	-	-	-	-	218.71	9.50%	26.03	21	-	46.81	171.91	192.68
6	Plant & Machinery	50.30	-	-	-	-	50.30	4.75%	30.20	2	-	32.59	17.71	20.10
	TOTAL	5,086.16	-	-	-	-	5,086.16		4,688.23	92.00	-	4,780.23	305.93	397.93

NOTE. 2: CAPITAL WORK-IN-PROGRESS

Ageing Schedule of Capital Work-in-Progress (CWIP) - March 2023

(Amount in Rs. '000)

Particulars	Amount in CWIP for a period of				Total
	Les than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Projects in Progress		20000.00			20000.00
(ii) Projects temporarily suspended					0.00
	0	20000.00	0.00	0.00	20000.00

Ageing Schedule of Capital Work-in-Progress (CWIP) - March 2022

(Amount in Rs. '000)

Particulars	Amount in CWIP for a period of				Total
	Les than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Projects in Progress		4500.00			4500.00
(ii) Projects temporarily suspended					0.00
	0	4500.00	0.00	0.00	4500.00

NOTE NO. 3: TRADE AND OTHER RECEIVABLES (NON-CURRENT ASSET)

(Amount in Rs. '000)

Particulars	As on 31-03-2023	As on 31.03.2022
Trade Receivables		
Secured, Considered Good		
Unsecured, Considered Good		
Less than Six months		
More than Six months	14,268.10	14,162.01
Doubtful		
	14,268.10	14,162.01
Other Receivables:		
Secured, Considered Good		
Unsecured, Considered Good	-	-
Doubtful		
Total Trade Receivable (Gross)	14,268.10	14,162.01
Less: Provision for bad & doubtful debts	7,578.90	-
Total Trade Receivables(net)	6,689.19	14,162.01

Note:

During the year, the management has reviewed all the receivables and has made attempt to recover the receivables which were due since long. After persuasion, the management is of opinion that several of them are unlikely to be recoverable and hence made a provision for the same.

NOTE NO. 4: LONG TERM LOANS AND ADVANCES

(Amount in Rs. '000)

Particulars	As on 31.03.2023	As on 31.03.2022
Long - Term Loans and Advances:		
a) Security Deposit		
Secured		
Unsecured	850.00	969.54
(Security deposit consist of Sales Tax Deposit, Electricity deposit, Rent Deposit, Tender deposit and deposit with suppliers)		
b) other Long-Term Loans and advances		
(Advance recoverable in cash or kind)		
Secured		
Unsecured	13,866.44	60,953.73
Total Long-Term Loans & Advances	14,716.44	61,923.28

NOTE NO. 5: DEFERRED TAX ASSET (NET)

(Amount in Rs. '000)

Particulars	As on 31.03.2023	As on 31.03.2022
Opening Deferred tax Asset	3,555.18	3,506.42
Add:		
Deferred Tax Asset for the year	23,519.86	48.76
Gross Deferred tax Asset	27,075.04	3,555.18
Opening Deferred tax Liability	-	-
Provision for Gratuity and Compensated Absences and doubtful debt	-	-
Gross Deferred tax Liability	-	-
Deferred Tax Asset/ (Liability) - Net	27,075.04	3,555.18

NOTE NO. 6: OTHER NON-CURRENT ASSETS

(Amount in Rs. '000)

Particulars	As on 31.03.2023	As on 31.03.2022
1) Other non- current Asset		
Preliminary and pre-operative to the extent not written off	1,206.00	-
Total Non-Current Assets	1,206.00	-

NOTE NO. 7: INVENTORIES

(Amount in Rs. '000)

Particulars	As on 31-03-2023	As on 31.03.2022
Inventories:		
a) Raw materials	-	-
Sub Total	-	-
b) Work - in - progress		
Sub Total	-	-
c) Finished goods	-	8,876.33
Sub Total	-	8,876.33
Total Inventories	-	8,876.33

Note: The stock which were lying has been expired during the year and not usable for the end consumer, Hence, the provision has been made and also disposed off.

NOTE NO. 8: TRADE AND OTHER RECEIVABLES (CURRENT ASSETS)

(Amount in Rs. '000)

Particulars	As on 31.03.2023	As on 31.03.2022
Trade Receivables		
Secured, Considered Good	-	-
Unsecured, Considered Good		
Less than Six months	-	-
More than Six months	13,853.32	13,386.77
Doubtful	-	-
	13,853.32	13,386.77
Other Receivables:		
Secured, Considered Good	-	-
Unsecured, Considered Good	-	-
Doubtful	-	-
Total Trade Receivable (Gross)	13,853.32	13,386.77
Less: Provision for bad & doubtful debts	-	-
Total Trade Receivables(net)	13,853.32	13,386.77

Ageing Schedule as at 31/03/2022						
Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
Undisputed Trade Receivables Considered Good	-	-	13,387	-	-	-
Undisputed Trade Receivables- which have significant increase in Credit risk	-	-	-	-	-	-
Undisputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivable- Considered Good	-	-	-	-	-	-
Disputed Trade Receivables- which have significant increase in Credit Risk	-	-	-	-	-	-
Disputed Trade Receivable- Credit Impaired	-	-	-	-	-	-
Total	-	-	13,387	-	-	-
Less-Allowance	-	-	-	-	-	-
Total Trade Receivables	-	-	13,387	-	-	-

Ageing Schedule as at 31/03/2023						
Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
Undisputed Trade Receivables Considered Good	-	-	-	13,853.32	-	-
Undisputed Trade Receivables- which have significant increase in Credit risk	-	-	-	-	-	-
Undisputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivable- Considered Good	-	-	-	-	-	-
Disputed Trade Receivables- which have significant increase in Credit Risk	-	-	-	-	-	-
Disputed Trade Receivable- Credit Impaired	-	-	-	-	-	-
Total	-	-	-	13,853.32	-	-
Less-Allowance	-	-	-	-	-	-
Total Trade Receivables	-	-	-	13,853.32	-	-

NOTE NO. 9: CASH AND CASH EQUIVALENTS

(Amount in Rs. '000)

Particulars	As on 31.03.2023	As on 31.03.2022
Cash and cash equivalents:		
a) Balances with banks:		
1) On Current Accounts	1,27,510.36	3,397.07
2) On Deposit Accounts	0.00	0.00
b) Cash on hand	31.30	677.39
Total Cash and Cash Equivalents	1,27,541.67	4,074.46

NOTE NO.10: INVESTMENTS

(Amount in Rs. '000)

Particulars	As on 31.03.2023	As on 31.03.2022
Investments		
Anugraha Chemicals	33,051.96	-
Total Short-Term Loans & Advances	33,051.96	-

Note: The company has invested in, Anugraha Chemicals and obtained a stake of 25.5% as on 01-02-2023.

NOTE NO.11: OTHER CURRENT ASSETS

(Amount in Rs. '000)

S. No.	Particulars	As on 31.03.2023	As on 31.03.2022
	GST Input (Balance with Govt Authorities)	678.56	338.58
		678.56	338.58

NOTE NO. 12: SHARE CAPITAL

(Amount in Rs. '000)

Particulars	As on 31.03.2023	As on 31.03.2022
Equity Share Capital		
(a) Authorised CY (3,00,00,000) (PY 11,000,000) Equity Shares of Rs.10/- each	3,00,000.00	1,10,000.00
(b) Issued, Subscribed and Paid-up (CY 214,86,234)(PY 10,311,234) Equity Shares of Rs.10/- each fully paid up.	2,14,862.34	1,03,112.34
Less: Calls in Arrear	424.15	424.15
Total Equity Share Capital	2,14,438.19	1,02,688.19

Disclosures:		
Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:	Number of Shares	Number of Shares
Equity Shares of Re.1 0 Each, Fully paid up:		
At the Beginning	1,03,11,234.00	1,03,11,234.00
Issued during the year	1,11,75,000.00	-
Allotted to shareholders of Transferee Company		-
At the end	2,14,86,234.00	1,03,11,234.00

Details of Shareholder holding more than 5% shares of the company:(Refer Note below)

Name of the share holder	As on 31.03.2023		As on 31.03.2022	
	No of Shares	% of Shareholding	No of Shares	% of Shareholding
Sadhanala Venkata Rao	15,44,995	7.19%	31,08,531	30.15%
Shankarappa Nagaraja Vinaya Babu	52,00,000	24.20%	5,00,000	4.85%
Shreedhara Shetty	46,50,000	21.64%	-	-
Narasandra Basavarajappa Pradeepkumar	11,25,000	5.24%	-	-

Shares held by promoters at the end of the year

Sl. No.	Promoter name	As on 31 st March 2023		As on 31 st March 2022		% Change during the year
		No. of Shares	% of total Shares	No. of Shares	% of total Shares	
1	Prashant H. Dave	10459	0.05	10459	0.10	0.05
2	Ghisulal Jain	36060	0.17	36060	0.35	0.18
3	Veena Lalwani	15645	0.07	15645	0.15	0.08
4	Babulal Jain	0	0.00	6321	0.06	0.06
5	Subhash B Lalwani	32800	0.15	32800	0.32	0.17
6	Suresh Kumar	1000	0.00	1000	0.01	0.01
7	Umadevi Babulal Jain	5452	0.03	5452	0.05	0.03
8	Uttam P Jain	1000	0.00	1000	0.01	0.01
9	Abhilekha Dave	34128	0.16	43745	0.42	0.27
10	Surekha Prashant Dave	700	0.00	700	0.01	0.00

11	Abhishek Jain	0	0.00	19444	0.19	0.19
12	Peddi Anuradha	56000	0.26	56000	0.54	0.28
13	B. Venkatswamy	1070	0.00	1070	0.01	0.01
14	Sadhanala Venkata Rao	1588526	7.39	3108531	30.15	22.75
15	Padmaja Kalyani Sadhanala	189096	0.88	189096	1.83	0.95
16	Viswa Prasad Sadhanala	96400	0.45	96400	0.93	0.49
17	Pilli Meena Kumari	56000	0.26	56000	0.54	0.28
18	Rangoori Kantham	1000	0.00	1000	0.01	0.01
19	Sadhanalla Dara Kalyani	1000	0.00	1000	0.01	0.01
20	Dadi Urmila	25	0.00	25	0.00	0.00
21	Maharani Maheshwari Sadhanala	25	0.00	25	0.00	0.00
22	Baghi Rao Pankaj Sadhanala	25	0.00	25	0.00	0.00

NOTE:

There is a share warrants money which is pending for allotment as below:

Sl. No	Name	Amount (In '000)
1	Mini Manikantan	1875.00
2	Prasad Shivarudraiah	1593.75
	Total	3468.75

NOTE NO. 13: OTHER EQUITY

(Amount in Rs. '000)

S. No.	Particulars	As on 31.03.2023	As on 31.03.2022
I	Other Equity		
	a) Capital Subsidy		
	As at the commencement of the year	993.75	993.75
	Add: Additions during the year	-	-
	Less: Utilised during the year		
		993.75	993.75

	b) Capital Reserve		
	As at the commencement of the year	6,365.35	6,365.35
	Add: Additions during the year		
	(Securities Premium)	97,875.00	-
	Less: Utilised during the year	-	-
		1,04,240.35	6,365.35
	c) Surplus:		
	i) Opening Balance	(23,331.51)	(24,782.94)
	Add: Total comprehensive income during the year	(75,208.63)	1,451.43
	Less: Bonus shares / (Forfeiture of Bonus shares)		-
	(98,540.14)	(23,331.51)	
Total Reserves and Surplus		6,693.96	(15,972.41)

NOTE NO. 14: TRADE AND OTHER PAYABLES

(Amount in Rs. '000)

S. No.	Particulars	As on 31.03.2023	As on 31.03.2022
I	Trade Payables		
	Due to Micro Enterprises and Small Enterprises		
	Due to Creditors other than Micro Enterprises and Small Enterprises	18,830.66	23,057.53
	Total Trade Payables	18,830.66	23,057.53

Ageing Schedule as at 31/03/2023

(Amount in Rs. "000")

Particulars	Outstanding for following periods from due date of payment							Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	More Than 3 Years	
(i) MSME	-	-	-	-	-	-	-	
(ii) Others	-	-	-	18,831	-	-	-	18,831
(iii) Disputed Dues	-	-	-	-	-	-	-	
(iv) Disputed Dues- Others	-	-	-	-	-	-	-	
(v) unbilled Dues	-	-	-	-	-	-	-	
Total	-	-	-	18,831	-	-	-	18,831

Ageing Schedule as at 31/03/2022

(Amount in Rs. "000")

Particulars	Outstanding for following periods from due date of payment							Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	More Than 3 Years	
(i) MSME	-	-	-	-	-	-	-	
(ii) Others	-	-	-	23,058	-	-	-	23,058
(iii) Disputed Dues	-	-	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-	-	-
(v) unbilled Dues	-	-	-	-	-	-	-	-
Total	-	-	-	23,058	-	-	-	23,058

Note: As per the details provided by the suppliers, there is no dues to MSME's during the year under review. However, the company is in process of obtaining the MSME status of its suppliers.

NOTE NO. 15: OTHER CURRENT LIABILITES

(Amount in Rs. '000)

Particulars	As on 31.03.2023	As on 31.03.2022
a) Current maturities of Long-Term Debts	-	-
b) Interest accrued but not due on borrowings	-	-
c) Income received in advance.	-	-
d) Unpaid dividend.	-	-
e) Other Payables	2,441.75	1,349.23
f) Others	-	-
Sales Tax Deferral** (refer note)	-	-
Total Other Current Liabilities	2,441.75	1,349.23

NOTE NO. 16: REVENUE FROM OPERATIONS

(Amount in Rs. '000)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Revenue from operations in respect of non-finance company		
(a) Sale of Products	-	39,392.62
Total Revenue from Operations	-	39,392.62

NOTE NO. 17: OTHER INCOME

(Amount in Rs. '000)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
(a) Interest income		
(b) Other non-operating income (net of expenses directly attributed to such income)	-	151.09
Total Other Income	-	151.09

NOTE NO. 22: OTHER EXPENSES

(Amount in Rs. '000)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Advertisement Expenses	56.36	43.14
Annual listing fees	-	406.20
Audit Fees	166.30	50.00
e-voting charges	-	38.15
Business Promotion	2.36	66.23
CDSL Fees	193.11	-
Conveyance	453.68	-
Directors' remuneration	-	600.00
Electricity Charges	6.88	-
Office Expenses	547.85	42.00
General Expenses	637.81	0.00
Listing/Custody Fee/ Other Charges	1,214.07	-
Postage & Telegram	1.55	409.23
Printing & stationery	159.41	-
Professional Charges	1,879.51	35.00
Rates and Taxes	765.67	-
Rent	1,750.00	120.00
Repairs & Maintenance -others	162.33	-
Roc filing Expenses	371.86	47.10
Telephone & Internet Charges	79.67	5.97
Provision for bad debts	66,569.36	-
Write Off	3,658.07	-
Round off	0.00	-
Total Other Expenses	78,675.84	1,863.02

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Payment to the Auditor		
Statutory Audit	1,17,700	41,300
Total Other Income	1,17,700	41,300

NOTE NO. 23: TAX EXPENSES

(Amount in Rs. '000)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Current tax		
Deferred tax	(23,519.86)	(48.76)
Adjustment for previous year tax		
- Income Tax paid for earlier year	-	-
Total Other Income	(23,519.86)	(48.76)

NOTE NO. 24: NOTES FORMING PART OF ACCOUNTS**24.1 Details of Managerial Remuneration:**

(Amount in Rs. '000)

Particular	Managing Director		Executive Director	
	2022-2023	2021-22	2022-2023	2021-22
Managerial Remuneration	0	0	4364.52	600.00
Total	0	0	4364.52	600.00

24.2 Balance of Trade Payables, Other Current Liabilities, Loans and Advances, and Trade Receivables are subject to confirmation / reconciliation.

24.3 During the year the company has assessed the recoverability of various assets, including, security deposits, long term loans and advances, trade receivables, fixed assets, other current liabilities, trade payables and as per the suggestions of the statutory auditors.

24.4 The Company's operation mainly consist of only one segment i.e. Drug formulations and therefore the figures relate to that segment only.

24.5 The previous Years figures have been revoked, regrouped, rearranged and reclassified wherever necessary.

24.6 Related party disclosures (as identified by the management) as per Indian Accounting Standard – 24 are given below:

List of Related Parties:**Directors:**

Mr. P N Vijay - Independent Director

Mr. Venu Madhava K - Executive Director

Ms. Mini Manikantan - Executive Director

Mr. Sadhanala Venkata Rao - Non-Executive Director

Mr. Mopperthy Sudheer - Independent Director

Mr. Methuku Nagesh - Independent Director

Mrs. Sadhanala Padmaja Kalyani - Executive Director (Upto 21st May 2022)Mr. Sadhanala Vishwa Prasad - Executive Director (Upto 9th July 2022)**Key Managerial Personnel:**

Mr. Balagangadhara B.C - Chief Financial Officer

Mr. Kaushik Kumar - Company Secretary

Mr. Chilam Srikanth - Chief Financial Officer (Upto 13th October 2022)

Ms. Annie Jodhani - Company Secretary (Upto 13th October 2022)

(Amount in Rs. '000)

NAME OF THE TRANSACTIONS RELATED TO THE PARTY	TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL AND THEIR RELATIVES	
	2022-2023	2021-22
Managerial Remuneration	7356.03	296.00
Venu Madhava K	2700.00	-
Mini Manikantan	1664.52	-
Sadhanala Viswa Prasad	-	300.00
Sadhanala Padmaja Kalyani	-	300.00
Balagangadhara B.C	1872.58	-
Kaushik Kumar	854.84	-
Chilam Srikanth	63.87	80.00
Annie Jodhani	200.22	216.00

Consultancy Charges	-	-
P N Vijay	270.00	-
Methuku Nagesh	169.44	-
Other Current liabilities		
Sadhanala Venkata Rao	-	2283.00

NOTE NO. 25: EARNING PER SHARE (EPS)

	2022-2023	2021-22
The computation of EPS is set out below:		
Earning		
Net Profit/Loss for the period	(75,209)	1,451.43
Shares		
Number of Shares at the Beginning of the period	1,03,11,234	1,03,11,234
Add: Issued during the year	1,11,75,000	-
Total number of equity shares outstanding at the end of the period	2,14,86,234	1,03,11,234
Weighted average number of equity shares outstanding during the period	1,28,96,166	1,03,11,234
Earnings per share of par value Rs. 10/- Basic & Diluted (Rs.)	(5.86)	0.14

NOTE NO. 26: In Accordance with the Indian Accounting Standard (Ind AS-36) on "Impairment of Assets" the management during the year carried out exercise of identifying the assets that may have been impaired in respect of each cash generating unit. On the basis of this review carried out by the management there was no impairment loss on the Fixed assets during the year ended 31st March 2023.

NOTE NO. 27: CONTINGENT LIABILITY

There is a Dispute regarding BSE for which advance has been given.

NOTE NO. 28: FOREIGN CURRENCY EARNINGS/OUTGOING- NIL

NOTE NO. 29: INCOME TAX

(Amount in Rs. '000)

	31-03-2023	31-03-2022
Tax expense/(credit) comprises of:		
Current income tax		-
Deferred tax	(23,519.86)	(48.76)
Income tax expense reported in the statement of profit or loss	(23,519.86)	(48.76)
The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 26% (31st March, 2019: 25.75%) and the reported tax expense in profit or loss are as follows:		
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Profit before tax	(99,076.45)	1,402.67
Tax at the Indian tax rate (26%) (31 March 2020: 25.75%)	-	-
Adjustments:		
CSR expenses and other donations	-	-

Weighted deduction on research and development expense	-	-
Tax incentives	-	-
Capital gain tax	-	-
MAT credit utilisation	-	-
Deferred tax assets not recognized / (utilized)	23,519.86	48.76
Effect of change in tax laws and rate in jurisdictions outside India		-
Other Adjustments		-
Income tax expense	(23,519.86)	(48.76)

NOTE NO. 30: CAPITAL MANAGEMENT

The Company's policy is to maintain strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of business.

The Company manages its Capital structure through a balanced mix of debt and equity. The Company's capital structure is influenced by the changes in the regulatory frameworks, government policies, available options of financing and impact of the same on liquidity position.

The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The table below shows the Gearing ratio for FY 2022-23 and FY 2021-22.

(Amount in Rs. '000)

Particulars	March 31, 2023	March 31, 2022
Borrowings	0.00	0.00
Trade Payables	18830.66	23057.53
Other Current Liabilities	2441.75	1349.23
Cash & Cash Equivalents	127541.67	4074.46
Net Debt	-106269.25	20,332.30
Equity Capital	115550.09	79356.83
Gearing Ratio	-0.92	0%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2023 and 31 March, 2022.

NOTE NO. 31: FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(Amount in Rs. '000)

Particulars	Carrying Values		Fair Values	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Financial Assets				
Investments	33,051.96	-	33,051.96	-
Other financial assets	-	-	-	-
Tax Assets (Net)	-	-	-	-
Trade Receivables	-	13,386.77	-	13,386.77
Cash and Cash Equivalents	1,27,541.67	4,074.46	1,27,541.67	4,074.46

Bank balances other than cash and cash equivalents	-	-	-	-
Other financial assets	678.56	-	678.56	-
Total	1,61,272.19	17,461.23		17,461.23
Financial Liabilities				
Non-current Borrowings	-	-	-	-
Other non-current financial Liabilities	-	-	-	-
Current Borrowings	-	-	-	-
Trade Payables	18,830.66	23,057.53	18,830.66	23,057.53
Other current financial Liabilities	2,441.75	1,349.23	2,441.75	1,349.23
Total	21,272.41	24,406.76	21,272.41	24,406.76

The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

NOTE NO. 32: FAIR VALUES HIERARCHY

Financial assets and liabilities measured at fair value in the statement of financial position are grouped into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices(unadjusted) in active markets for the financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using the valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If One or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities: Quantitative disclosures fair value measurement hierarchy for assets as at 31 March, 2023:

(Amount in Rs. '000)

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial assets disclosed					
Investments	31-Mar-23	32,704.00	-	32,704.00	-
Other financial assets	31-Mar-23	0.00	-	0.00	-
Tax Assets (Net)	31-Mar-23	0.00	-	0.00	-
Trade Receivables	31-Mar-23	0.00	-	0.00	-
Cash and Cash Equivalents	31-Mar-23	1,27,541.67	-	1,27,541.67	-
Bank balances other than cash and cash equivalents	31-Mar-23	0.00	-	0.00	-
Other financial assets	31-Mar-23	678.56	-	678.56	-
Total		1,60,924.23	-	1,60,924.23	-

There have been no transfers between Level 1 and Level 2 during the period.

NOTE NO. 33:

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March, 2023:

(Amount in Rs. '000)

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial liabilities disclosed					
Non-current Borrowings	31-Mar-23	-	-	0.00	-
Other non-current financial Liabilities	31-Mar-23	-	-	0.00	-
Current Borrowings	31-Mar-23	-	-	0.00	-
Trade Payables	31-Mar-23	18,830.66	-	18830.66	-
Other current financial Liabilities	31-Mar-23	2,441.75	-	2,441.75	-
Total		21,272.41	-	21,272.41	-

There have been no transfers between Level 1 and Level 2 during the period.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:
Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2022:

(Amount in Rs. '000)

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial assets disclosed					
Investments	31-Mar-22	-	-	-	-
Other financial assets	31-Mar-22	-	-	-	-
Tax Assets (Net)	31-Mar-22	-	-	-	-
Trade Receivables	31-Mar-22	27,548.78	-	27,548.78	-
Cash and Cash Equivalents	31-Mar-22	4,074.46	-	4,074.46	-
Bank balances other than cash and cash equivalents	31-Mar-22	-	-	-	-
Other financial assets	31-Mar-22	338.58	-	338.58	-
Total		31,961.82	-	31,961.82	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March, 2022:

(Amount in Rs. '000)

Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial liabilities disclosed					
Non-current Borrowings	31-Mar-22	-	-	-	-
Other non-current financial Liabilities	31-Mar-22	-	-	-	-
Current Borrowings	31-Mar-22	-	-	-	-
Trade Payables	31-Mar-22	18,830.66	-	18,830.66	-

Other current financial Liabilities	31-Mar-22	2,441.75	-	2,441.75	-
Total		21,272.41	-	21,272.41	-

There have been no transfers between Level 1 and Level 2 during the period.

NOTE NO. 34: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to financial risk such as Market Risk (Interest Rate Risk, fluctuation in foreign exchange rates and price risk), credit risk and liquidity risk. The general risk management program of the Company focuses on the unpredictability of the financial markets and attempts to minimize their potential negative influence on the financial performance of the Company. The Company continuously reviews its risk exposures and takes measures to limit it to acceptable levels. The Board of Directors have the overall responsibility for the establishment and oversight of the Company's risk management framework.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, foreign currency risk and other price risk. Financial instruments of the Company affected by market risk include borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at 31 March, 2023 and 31 March, 2022.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March, 2023 and 31 March, 2022.

Price risk

Price risk is the risk of fluctuations in the change in prices of equity Investments.

Credit risk

Credit risk is the risk arising from credit exposure to customers and the counterparty will default on its contractual obligations.

The Company has adopted a policy of only dealing with creditworthy customers/ corporates to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Advance payments are obtained from customers in banquets, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of trade and other receivables, advances to suppliers, cash and short-term deposits and interest receivable on deposits represents company's maximum exposure to the credit risk. No other financial asset carry a significant exposure with respect to the credit risk. Deposits and cash balances are placed with Schedule Commercial banks.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.

Liquidity risk

Liquidity risk is the risk that the Company will have difficulty in raising the financial resources required to fulfil its commitments.

Liquidity risk is held at low levels through effective cash flow management. Cash flow forecasting is performed internally by rolling forecasts of the Company's liquidity requirements to ensure that it has sufficient cash to meet operational requirements, to fund scheduled capex and debt repayments and to comply with the terms of financing documents.

NOTE NO. 35: RATIOS

Ratio	Current Period	Previous Period	% Variance	Reason For Variance
Current Ratio (In Times)	8.22	1.09	651.72	The Significant Change in Current ratio is due to excess increase in Current Assets of the Company, whereas the Current Liabilities have been reduced when compared to Previous Year
Debt Equity Ratio (In Times)	0.00	0.00	0.00	The Debt equity ratio in both Financial Years remains Nil as there are no Long Term Debts of the company
Debts Service Coverage Ratio (In Times)	0.00	0.00	0.00	The Debt Service Coverage ratio is 0 as there is no Interest Interest cost included in total interest
Return on Equity Ratio (In %)	-0.33	0.02	-1774.27	Return on Equity has turned is -0.33 because the company has incurred losses in FY-2022-23
Inventory Turnover Ratio (In Times)	0.00	5.10	-100.00	The Inventory Turnover ratio has been reduced from 5.10 to 0 as no sales were made during FY-2022-23
Trade Receivable Turnover Ratio (In Times)	0.00	2.08	-100.00	The Debtors Turnover ratio has been reduced from 2.08 to 0 as no sales were made during FY-2022-23
Trade Payable Turnover Ratio (In Times)	0.00	2.91	-100.00	The Creditors Turnover ratio has been reduced from 2.91 to 0 as no sales were made during FY-2022-23
Net capital Turnover Ratio (In Times)	0.00	0.38	-100.00	Capital Turnover Ratio is 0 as no sales were made during FY-2022-23
Net Profit Ratio (In %)	0.00	0.04	-100.00	The Net Profit ratio is 0 as the company has incurred Losses in the Current year and also no sales were made during FY-2022-23
Return on Capital Employed (In %)	-0.31	0.01	-2441.87	Return on capital Employed is -0.31 because the company has incurred losses in FY-2022-23

For PPKG & CO

Chartered Accountants
Firm Registration Number: 009655S

Sd/-

Girdhari Lal Toshniwal

Partner

M No. 205140

Place: Bengaluru

Date: 29-08-2023

For Pharmads Pharmaceuticals Limited**Sd/-**

Venu Madhava Kaparthy

Director

DIN: 00021699

Sd/-

Kaushik Kumar

Company Secretary

Sd/-

Venkata Rao

Sadhanala

Director

DIN: 02906370

Sd/-

Balangadhara B.C

Chief Financial

Officer



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