



Pharmaids Pharmaceuticals Limited

30th August' 2021

To
The Manager (Listing)
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Fort Mumbai – 400001

Ref: Scrip Code No. 524572

Sub: Submission of 32nd AGM Notice and E-Voting Details

Dear Sir,

Pursuant to the provisions of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), we are submitting herewith the Notice containing the business to be transacted at the 32nd Annual General Meeting scheduled on Saturday, 25th September' 2021 at 12:00 P.M. IST through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in accordance with all the applicable provisions of the Companies Act, 2013, and the Rules made thereunder read with General Circular dated January 13, 2021, General Circular dated May 05, 2020, General Circular dated April 13, 2020, General Circular dated April 08, 2020 and other applicable circulars as issued by the Ministry of Corporate Affairs ("MCA") and Circular issued by the Securities and Exchange Board of India (SEBI) dated January 15, 2021 and May 12, 2020 (hereinafter referred to as "relevant circulars"). The AGM would be held without the physical presence of the shareholders at a common venue.

The Annual Report of the Company for the Financial Year 2020-21 along with Notice convening the AGM has been sent only through E-mail to all those Members whose E-mail addresses are registered with the Company or with their respective Depository Participant(s) (DP). The aforesaid documents will also be available on the Website of the Company at www.pharmaids.com and also on the Website of Stock Exchange viz. www.bseindia.com

In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('the Rules') and Regulation 44 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing the Remote E-Voting facility to the Members to cast their vote

Office Address : 503, Amrutha Estate, Himayath Nagar, Hyderabad - 500029. Ph: 040 - 40122151

CIN No: L52520TG1989LC009679, GSTIN No : 36AABCP4657N2ZW

Email : pharmaids125@gmail.com , Web : www.pharmaids.com



Pharmaids Pharmaceuticals Limited

by electronic means on all the Business items forming part of the Notice of the AGM. The Company has engaged services of Central Depository Services (India) Limited (CDSL) for providing E-Voting facility. The details pursuant to the provisions of the Companies Act, 2013 and the Rules are given here under:

1. Date and time of commencement of Remote E-Voting: Wednesday, 22nd September' 2021 from 09:00 AM (IST)
2. Date and time of closure of Remote E-Voting: Friday, 24th September' 2021 till 05:00 P.M. (IST).
3. Cut-off Date for Remote E-Voting: Friday, 17th September' 2021
4. Remote E-Voting shall not be allowed beyond 05:00 PM (IST) on Friday, 24th September' 2021

Members are requested to refer detailed procedure for Remote E-Voting / E-Voting at AGM as provided in the Notice of 32nd AGM.

Kindly acknowledge the receipt and take the same on record.

Thanking You

Yours Faithfully

Padma


S Padmaja Kalyani

Director



Pharmaids Pharmaceuticals Limited

32ND Annual Report

2020-21



BOARD OF DIRECTORS

Mr. Mopperthy Sudheer	Independent Director
Mr. Veerareddy Vallapureddy	Independent Director
Dr. Vyasmurti Madhavrao Shingatgeri	Independent Director
Mr. Sadhanala Venkata Rao	Non – Executive and Non – Independent Director
Mrs. Sadhanala Padmaja Kalyani	Executive Director
Mr. Sadhanala Vishwa Prasad	Executive Director

KMP

Mr. Chilam Srikanth	Chief Financial Officer
Ms. Annie Jodhani	Company Secretary and Compliance Officer

REGISTERED OFFICE

4-4-211/212/3, 1st Floor Inderbagh,
Sultan Bazaar Hyderabad – 500 095
Telangana
E-mail: pharmaids125@gmail.com
Website: www.pharmaids.com
Tel No. 040 – 40122151

CORPORATE OFFICE

Flat No. 503, Amrutha Estates
Himayat Nagar, Hyderabad – 500 029
Telangana (India)

AUDITORS

M/s. PPKG & Company,
Chartered Accountants

LISTING AT

Bombay Stock Exchange Limited

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Venture Capital and Corporate Investments Pvt Ltd
12-10-167, Bharat Nagar
Hyderabad – 500 018
E-mail: investor.relations@vccipl.com
Website: <https://www.vccipl.com/index.html>

BANKERS

ICICI Bank
HDFC Bank
State Bank of India
Vardhaman Mahila Co-operative Bank

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NOTICE

32ND ANNUAL GENERAL MEETING

Notice is hereby given that the 32ND Annual General Meeting of the Members of Pharmajids Pharmaceuticals Limited will be held on Saturday, 25th September' 2021 at 12:00 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 for the Financial Year ended 31st March' 2021 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Smt. Padmaja Kalyani Sadhanala (DIN: 03096445), who retires by rotation and being eligible, offers herself for re-appointment.

Special Business:

3. Appointment of Mr. Mopperthy Sudheer as an Independent Director for Second Term

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act and pursuant to the applicable Regulations) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Mr. Mopperthy Sudheer (DIN: 00404917) whose Office as an Independent Director for the First Term ended on 28th September' 2020 and was appointed by the Board as an Additional Director in Independent Category of the Company for Second Term with effect from 6th January' 2021 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the Office of the Director of the Company, be and is hereby appointed as Independent Director of the Company, for Second Term of five (5) consecutive years commencing from 6th January' 2021 up to 5th January' 2026, and shall not be liable to retire by rotation.

4. Appointment of Mr. Sadhanala Venkata Rao as Non – Executive Non – Independent Director.

To consider and, if thought fit, to pass the following Resolution, with or without modification, as an 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, as amended from time to time, and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Sadhanala Venkata Rao (DIN: 02906370), in respect of whom the Company has received a Notice in writing under Section 160(1) of the Act from a Member signifying his intention to propose Mr. Venkata Rao's candidature for the office of Director, be and is hereby appointed as a Non – Executive, Non – Independent Director liable to retire by rotation.

Date: 20th August' 2021

Place: Hyderabad

CIN: L52520TG1989TLC009679

Regd. Office: # 4-4-211/212/3, 1ST Floor, Inderbagh
Sultan Bazaar, Hyderabad – 500 095

By Order of the Board of Directors

Sd/-

S Padmaja Kalyani
Director



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 under Item Nos. 3 and 4 set above 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, Mrs. Sadhanala Padmaja Kalyani (DIN: 03096445) 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 re-recommends her re-appointment.
3. The Ministry of Corporate Affairs (“MCA”) has vide its Circular dated 13th January’ 2020 read with the circulars dated 8th April’ 2020, 13th April’ 2020 and 5th May’ 2020 (collectively referred to as “MCA Circulars”) and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January’ 2021 (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 32nd AGM of the Company is being held through VC / OAVM on Saturday, 25th September’ 2021 at 12:00 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 32nd AGM along with the Annual Report 2020-21 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 2020-21 will also be available on the Company’s Website <https://www.pharmaids.com> Website of the Stock Exchanges i.e., BSE Limited at <https://www.bseindia.com> respectively, 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 pharmaids125@gmail.com with a copy marked to anniejodhani@gmail.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.
8. 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 #12-10-167, Bharat Nagar, Hyderabad – 500018, E-mail: investor.relations@vccipl.com website of the Registrar: <https://www.vccipl.com/index.html> for assistance in this regard.

9. 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.
10. 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.
11. 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.



12. 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.
13. 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. 30th August’ 2021 will only be entitled for receipt of Annual Report.
14. 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 17th September’ 2021 (‘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.
15. The Remote E-Voting Period will commence on Wednesday, 22nd September’ 2021 (IST 09:00 A.M.) and will end on Friday, 24th September’ 2021 (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., Friday, 17th September’ 2021 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.
16. 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.
17. Any person who becomes a Member of the Company after sending the Notice and holding Shares as on the Cut-off date (17th September’ 2021) 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.
18. 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.
19. 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 pharmaids125@gmail.com or anniejodhani@gmail.com on or before Friday, 17th September’ 2021. The same will be replied by the Company suitably.
20. 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.
21. 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 <https://www.pharmaids.com> and on the Website of CDSL www.evotingindia.com immediately. The results will also be communicated to BSE Limited, where the Shares of the Company are listed.

22. 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.
23. **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 **at least 5 days in advance prior to the Meeting Date (latest by 20th September' 2021)** from their registered E-mail address mentioning their names, DP-ID and Client-ID / Folio Number, PAN and Mobile Number at pharmaids125@gmail.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 32nd 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 pharmaids125@gmail.com before 5:00 P.M. (IST) on Tuesday, 21st September' 2021. 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.**
24. Subject to the receipt of Requisite number of Votes, the Resolutions forming part of the AGM Notice shall be deemed to be passed on the date of the AGM, i.e. Saturday, 25th September' 2021.

25. 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 32nd 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.

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

- (i) The Voting Period commences on Wednesday, 22nd September' 2021 (09:00 A.M.) and closes on Friday, 24th September' 2021 (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, 17th September' 2021 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 9th December' 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. 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 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 / KARVY / LINKINTIME, so that the User can visit the E-Voting Service Providers' Website directly. 3. If the User is not registered for EASI / EASIEST, option to register is available at the following link: https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the User can directly access E-Voting Page by providing Demat Account Number and PAN from a 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.



Type of Shareholders	Login Method
Individual Shareholders Holding Securities in Demat Mode with NSDL	<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 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.
Individual Shareholders Holding Securities in Demat Mode Login through their Depository Participants	You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for E-Voting facility. After Successful login, you will be able to see E-Voting option. Once you click on E-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see E-Voting feature. Click on Company Name or E-Voting Service Provider name and you will be redirected to E-Voting Service Provider Website for casting your vote during the remote E-Voting period or joining Virtual Meeting and voting during the Meeting

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 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 to www.evotingindia.com 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 only

- 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: pharmaids125@gmail.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

Date: 20th August' 2021

Place: Hyderabad

CIN: L52520TG1989TLC009679

Regd. Office: # 4-4-211/212/3, 1ST Floor, Inderbagh

Sultan Bazaar, Hyderabad – 500 095

By Order of the Board of Directors

Sd/-

S Padmaja Kalyani

Director



**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

Item No. 3

In accordance with the Provisions of Section 149 read with Schedule – IV to the Companies Act, 2013, appointment of an Independent Director requires approval of the Members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. Mopperthy Sudheer (DIN: 00404917) be appointed as Non-Executive Independent Director on the Board for a Second Term of Five consecutive years, in terms of Section 149 of the Companies Act, 2013, whose office is not liable to retire by rotation.

Mr. Mopperthy Sudheer was appointed for his first term of five years on 29th September' 2015 and his term of Office as Independent Director of the Company was completed on 28th September, 2020. The appointment of Mr. Mopperthy Sudheer (DIN: 00404917) shall be effective upon approval by the Members in the Meeting.

The Company has received notices in writing from members under Section 160 of the Act proposing the candidature of Mr. Mopperthy Sudheer (DIN: 00404917) for the Office of Director of the Company. The Company has received individual Declarations from Mr. Mopperthy Sudheer stating that they meet the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Act. Mr. Mopperthy Sudheer is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his individual consent to act as Director.

Brief Resume of Mr. Mopperthy Sudheer

Mr. Mopperthy Sudheer, an MBA (Finance) Graduate from Osmania University, Hyderabad, has an experience more than 25 years in the field of Finance and General Administration. He is also a Director in M/s Vista Dream Merchants Limited.

The Board of Directors is of the opinion that Mr. Mopperthy Sudheer's vast knowledge and varied experience in the field of Finance and Administration, will be of great value to the Company and has recommended the Resolution at Item No. 3 of this Notice relating to his appointment as an Independent Director.

Directorships / Memberships, Shareholding and Relationship with Directors inter-se of Mr. Mopperthy Sudheer

Mr. Mopperthy Sudheer is not related to any of the Directors of the Company. He does not hold any shares in the Equity Share Capital of the Company. He does not have Directorship or Membership of Committee of Board in any other Listed Company.

The Board of Directors recommend passing the Special Resolution as set out at Item No. 3 in the Notice in relation to the appointment of Mr. Mopperthy Sudheer as Independent Director of the Company.

Except Mr. Mopperthy Sudheer, being the appointee, none of the other Directors and Key Managerial Personnel of the Company and their respective Relatives is concerned or interested in the Resolution set out at Item No. 3

Item No. 4

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) had appointed Mr. Sadhanala Venkata Rao (DIN: 02906370) as an Additional Director from 6th January, 2021.



In terms of Section 161(1) of the Companies Act, 2013 read with Article 122 of the Articles of Association of the Company, Mr. Sadhanala Venkata Rao (DIN: 02906370) holds office as an Additional Director only up to the conclusion of 32nd Annual General Meeting. Mr. Sadhanala Venkata Rao (DIN: 02906370), being eligible has offered himself for appointment as a Non – Executive Non – Independent Director of the Company. The Company received a Notice from Members of the Company under Section 160 of the Companies Act, 2013, signifying their intention to propose the candidature of Mr. Sadhanala Venkata Rao for the Office of Director of the Company.

Brief Resume of Mr. Sadhanala Venkata Rao

Sadhanala Venkata Rao holds the Bachelor of Commerce Degree from University of Calcutta. He is a Chartered Accountant and a member of The Institute of Chartered Accountants of India. He is a qualified Company Secretary and a member of the Institute of Company Secretaries of India. He has experience of over 28 years in Fund Raising, Strategy Turnaround, Mergers and Acquisitions, Project Management and Project Finance. He has been associated with our Company as the Additional Director under Non – Executive Category with effect from 6th January' 2021.

The other details of Mr. Sadhanala Venkata Rao in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard – 2 is annexed to this Notice. The Board of Directors is of the opinion that Mr. Sadhanala Venkata Rao's vast knowledge and varied experience will be of great value to the Company and the Board recommends passing the Resolution at Item No. 4 of this Notice relating to his appointment as Non – Executive Non – Independent Director of the Company, liable to retire by rotation as Ordinary Resolution.

Mr. Sadhanala Venkata Rao, Mrs. Sadhanala Padmaja Kalyani, and Mr. Sadhanala Viswa Prasad are relatives of each other as defined under Section 2(77) of the Companies Act, 2013. Except mentioned above, None of the Directors is related to each other.

**‘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	Padmaja Kalyani Sadhanala	Sadhanala Venkata Rao	Mopperthy Sudheer
DIN	03096445	02906370	00404917
Date of Birth	27/12/1971	25/12/1963	01/01/1974
Age	48	57	47
Date of First Appointment / Re-appointment on the Board	27/01/2020	06/01/2021	06/01/2021
Qualifications	Post – Graduate	CA	Post – Graduate
Experience	20 Years	28 Years	25 Years
Terms and Conditions of Appointment	Appointed as Executive Director	Appointed As Additional Director Without Any Remuneration	Appointed as Additional Independent Director without any Remuneration
Nature Of Expertise in Specific Functional Areas	20 Years of Experience in the field of Genetics and Protein Modelling	28 Years of Experience in the field of Project Finance, Banking, Merger and Acquisition	25 Years of Experience in the field of Finance and General Administration
Remuneration last Drawn	Rs.3,00,000/-	Nil	Nil
Number of Meetings of the Board attended During the Year	7 out of 7	2 out of 2	5 out of 5
Inter-se Relationship with other Directors and Key Managerial Personnel	Spouse of Sadhanala Venkata Rao, Director	Brother of Sadhanala Viswa Prasad and Husband of Mrs. Padmaja Kalyani Sadhanala	NA
List of Directorship	Nil	1. Precision Metaliks Limited	1. Vista Dream Merchants Limited
Membership/ Chairmanship of Committees of other Board	Nil	Nil	Nil
Shareholding in Pharmaids Pharmaceuticals Limited	9,57,663	53,43,531	Nil

Date: 20th August’ 2021

Place: Hyderabad

By Order of the Board of Directors

CIN: L52520TG1989TLC009679Regd. Office: # 4-4-211/212/3, 1ST Floor, Inderbagh
Sultan Bazaar, Hyderabad – 500 095

Sd/-

S Padmaja Kalyani
Director



DIRECTORS'REPORT

To

The Shareholders

The Directors have pleasure in presenting the 32ND Annual Report of the Company, together with the Financial Statements, for the Year ended 31st March' 2021.

1. Financial Highlights

(Rs. in Lakhs)

Particulars	2020-21	2019-20
Sales	855.10	-
Other Income	2.63	-
Total Income	857.73	-
Total Expenses	848.89	37.52
Profit / (Loss) Before Tax	8.84	(37.52)
Current Year Tax	-	-
Deferred Tax	(0.49)	(40.87)
Profit / (Loss) After Tax	9.33	3.35

2. State of Company Affairs

The Company's Revenues stood at Rs.857.73 Lakhs during the year under review, PAT at Rs.9.33 Lakhs as against the corresponding Previous Year, there was no Revenue and the PAT was Rs.3.35 Lakhs. Your Directors are giving their best efforts and are confident of exploring more business opportunities and growth and profitability of the Company, in the years ahead.

3. Dividend

The Board of the Company do not recommend any Dividend on the Equity Shares of the Company for the Financial Year ended 31st March' 2021.

4. Transfer to Reserves

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

5. Share Capital

The Authorized Share Capital of the Company as on 31st March' 2021 is Rs.11,00,00,000/- divided into 1,10,00,000 Equity Shares of Rs. 10/- each and the Paid-up Share Capital is Rs.10,26,88,190/- divided into 1,02,68,819 Equity Shares of Rs. 10/- each.

6. Public Deposits

The Company has neither accepted nor renewed any Deposits from Public as defined under the provision of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014

Director's Responsibility Statement

In terms of Section 134 (5) of the Companies Act, 2013, the Directors would like to state that:

- In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed.



- ii) The Directors have selected such Accounting Policies and applied them consistently and made judgements and estimates that were prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit or Loss of the Company for the Year under review.
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The Directors have prepared the Annual Accounts on a Going Concern basis.
- v) The Directors had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively.
- vi) The Directors had devised proper system to ensure compliance with the provisions of all the applicable laws and that such system were adequate and operating effectively.

Directors and Key Managerial Personnel

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Smt. Padmaja Kalyani Sadhanala (DIN: 03096445) who retires by rotation and offers herself for re-appointment in accordance with the provisions of the Companies Act, 2013.

During the Period under review and till the date of the Directors' Report, the following changes took place on the Board of the Company:

S No	Name of Director	Change	Date
1	Sadhanala Venkata Rao	Appointed as Non-Executive and Non- Independent Director	06.01.2021
2	Mopperthy Sudheer	Appointed as Additional Director in Independent Category for Second Term of Five Years	06.01.2021
3	Dasi Rakesh Reddy	Resigned (Executive Category)	20.11.2020

The following are the details of Appointment and Resignation of KMP'S during the Period under review, and till the date of the Directors' Report

S No	Name of KMP	Change	Date
	No Change in KMP		

Declaration from Independent Directors on Annual Basis

The Company has received the Declaration from Mr. Vyasmurti Madhavrao Shingatgeri, Mr. Veerareddy Vallapureddy and Mr. Mopperthy Sudheer, Independent Directors of the Company to the effect that they are Meeting the criteria of Independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

Nature of Business

There has been no change in the nature of Business of the Company.

Statutory Auditors

M/s. PPKG & Co, Chartered Accountants (Firm Registration No. 0096555) were appointed as the Statutory Auditors of the Company by the Members in their 29th AGM held on 28th September' 2018 and shall hold the



Office until the conclusion of 33RD Annual General Meeting of the Company. In this regard, the Company has received a Certificate from the Auditors to the effect that their continuation as Statutory Auditors, would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

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

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the details of Conservation of Energy, Technology Absorption is attached herewith as **‘Annexure-A’**

Foreign Exchange Earnings and Outgo: During the period under review, there was no Foreign Exchange Earnings or Outflow.

Secretarial Audit

Pursuant to provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company had appointed Mr. Kashinath Sahu, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed here with as **‘Annexure – B’**

During the Year under review, there were no instances of frauds or any qualification, reservation or adverse remark reported by Secretarial Auditor under Section 204 of the Companies Act, 2013 in the course of the performance of his duties as Secretarial Auditor.

Auditors’ Report

There are no qualifications or adverse remarks in the Auditors’ Report which require any clarification/ explanation. The Notes on Financial Statements are self-explanatory and needs no further explanation.

During the Year under review, there were no instances of frauds reported by Auditors under Section 143(12) of the Companies Act, 2013 in the course of the performance of his duties as Statutory Auditor.

Management Discussion and Analysis

Pursuant to Regulation 34(2)(e) of the SEBI (LODR) Regulations, 2015, Report on Management Discussion and Analysis, is herewith annexed as **‘Annexure – C’**

Corporate Governance and Shareholders Information

A detailed report on the subject forms part of this Report as **‘Annexure – D’**. The Secretarial Auditors of the Company have examined the Company’s Compliance and have certified the same as required under the SEBI Guidelines / Regulations. Such a Certificate on Corporate Governance is reproduced in this Annual Report.

Extract of Annual Return

The Extract of Annual Return as on 31st March’ 2021 in the prescribed Form MGT-9, pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 will be made available on the website of the Company www.pharmaids.com in due course of time.

Number of Meetings of the Board

During the Year ended 31st March’ 2021 Seven Board Meetings were held viz. 29th May’ 2020; 29th July’ 2020; 13th August’ 2020; 12th November’ 2020; 20th November’ 2020; 6th January’ 2021; 5th February’ 2021. The maximum interval between any two meetings did not exceed 120 days.



Directors' Attendance Record:

Name of the Director	No. Board Meetings	No. Board Meetings attended during the Year
Dasi Rakesh Reddy *	5	5 out of 5
Vyasmurti Madhavrao Shingatgeri	7	7 out of 7
Mopperthy Sudheer	5	5 out of 5
Sadhanala Padmaja Kalyani	7	7 out of 7
Sadhanala Vishwa Prasad	7	7 out of 7
Sadhanala Venkata Rao **	2	2 out of 2
Veerareddy Vallapureddy	7	6 out of 7

* Resigned w.e.f. 20th November' 2020

** Appointed w.e.f. 6th January' 2021

Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013

The Company has not given any Loans nor provided Guarantee nor made any Investments during the Financial Year 2020- 2021, which is beyond the limits as per the Section 186 of the Companies Act, 2013.

Contracts or Arrangements with Related Parties under Section 188(1) of the Companies Act, 2013

During the Year, the Company had not entered into any Contract or Arrangement with Related Parties which could be considered 'Material' according to the Policy of the Company on materiality of Related Party Transactions.

Significant and Material Orders passed by the Regulators or Courts or Tribunals impacting the Going Concerns Status and Company's Operations in future

The Company has not received any significant or material orders passed by any Regulatory Authority, Court or Tribunal which shall impact the Going Concern Status and Company's Operations in future.

Details of Subsidiary Companies, Associates and Joint Venture Companies

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

Internal Control Systems and their Adequacy

The Company has an Internal Control System, commensurate with the Size, Scale and Complexity of its Operations. The Scope and Authority of the Internal Audit Function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit Function reports to the Chairman of the Audit Committee of the Board and to the Chairman and Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of Internal Control System in the Company, its compliance with Operating Systems, Accounting Procedures and Policies at all levels of the Company.

Based on the report of Internal Audit Function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant Audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.



Industrial Relations

During the Year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

Business Risk Management

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust Risk Management Framework to identify, monitor and minimize risks as also identify business opportunities.

At present, the Company has not identified any element of risk which may threaten the existence of the Company.

Material Changes and Commitments affecting the Financial Position of the Company which have occurred between 31st March' 2021 and 20th August' 2021 (Date of the Report)

There were no material changes and commitments affecting the Financial Position of the Company between the end of Financial Year 31st March' 2021 and the Date of the Report 20th August' 2021.

Audit Committee

The Board has constituted the Audit Committee as per the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Composition, Attendance, Powers and Role of the Audit Committee are included in Corporate Governance Report. All the recommendation made by the Audit Committee were accepted by the Board of Directors

Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been formed in compliance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013. 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/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 Executive Director(s) and recommends to the Board the same and acts in terms of reference of the Board from time to time. On the recommendation of the Nomination and Remuneration Committee, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other Employees pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

Brief terms of Nomination and Remuneration Policy and other matters provided in Section 178(3) of the Act and Regulation 19 of SEBI Listing Regulations have been disclosed in the Corporate Governance Report, which forms part of this Report.

Stakeholders Relationship Committee

- i. The Committee is responsible, inter – alia, to specifically look into the redressal of grievances of Shareholders, including complaints related to transfer of Shares, Non-receipt of Balance Sheet, etc.,
- ii. One Meeting of the Stakeholders' Relationship Committee was held during the year on 13th August' 2020.
- iii. The Composition of the Stakeholders' Relationship Committee as on 31st March' 2021 and the details of Meetings attended by its Members are given below:



Name	Category	No. of Meetings Held	No. of Meetings Attended
Mr. Sadhanala Vishwa Prasad	Executive Director	1	1
Mrs. Padmaja Kalyani Sadhanala	Executive Director	1	1
Mr. Veerareddy Vallapureddy	Independent Director	1	1

iv. Name, Designation and Address of Compliance Officer:

Annie Jodhani, Compliance Officer: Reg Office: #4-4-211/212/3, 1ST Floor, Inderbagh, Sultan Bazaar Hyderabad – 500 095

v. Details of Complaints / Requests received, resolved and pending during the Financial Year 2020-21:

During the Quarter	Received	Resolved	Pending
First Quarter	Nil	Nil	Nil
Second Quarter	Nil	Nil	Nil
Third Quarter	Nil	Nil	Nil
Fourth Quarter	Nil	Nil	Nil

Risk Management Committee

The 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.

Vigil Mechanism

Vigil Mechanism Policy has been established by the Company for Directors and Employees to report genuine concerns pursuant to the provisions of Section 177(9) and (10) of the Companies Act, 2013. The same has been placed on the website of the Company <http://www.pharmaids.com>

Formal Annual Evaluation

As per Section 149 of the Companies Act, 2013 read with Clause VII (1) of the Schedule-IV and Rules made thereunder, the Independent Directors of the Company had a Meeting on 29th May' 2020 without attendance of Non – Independent Directors and Members of the Management. In the Meeting, the following issues were taken up:

- Review of the performance of Non – Independent Directors and the Board as a whole;
- Review of the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non – Executive Directors;
- Assessing the Quality, Quantity and Timelines of flow of information between the Company Management and the Board, that is necessary for the Board to perform their duties effectively and reasonably.

The Meeting also reviewed and evaluated the performance of Non – Independent Directors.

The Meeting also reviewed and evaluated the performance the Board as whole in terms of the following aspects:

- Preparedness for Board / Committee Meetings
- Attendance at the Board / Committee Meetings



- Guidance on Corporate Strategy, Risk Policy, Corporate Performance and Overseeing Acquisitions and Disinvestments.
- Monitoring the effectiveness of the Company's Governance Practices
- Ensuring a Transparent Board Nomination Process with the diversity of Experience, Knowledge, Perspective in the Board.
- Ensuring the integrity of the Company's Accounting and Financial Reporting Systems, including the Independent Audit, and that appropriate systems of control are in place, in particular, systems for Financial and Operational Control and Compliance with the law and relevant standards.

Listing with Stock Exchanges:

The Company is listed with Bombay Stock Exchange and has paid the Annual Listing Fees for the year 2021 – 2022.

Transfer of Amounts to Investor Education and Protection Fund

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

Particulars of Employees

In terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any Employee who is employed throughout the Financial Year and in receipt of Remuneration of Rs.120 Lakhs or more, or Employees who are employed for part of the year and in receipt of Rs.8.50 Lakhs or more per month.

The Company does not have any Employee who is employed throughout Financial Year or part thereof, who was in receipt of Remuneration in Financial Year under review which in aggregate, or as the case may be, at a rate which in the aggregate is in excess of that drawn by the Managing Director or Whole Time Director and holds by himself or along with his Spouse and Dependent Children not less than 2% of the Equity Shares of the Company.

Corporate Social Responsibility

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

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.

Insider Trading Regulations

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992 read with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Code of Conduct for prevention of Insider Trading and the Code for Corporate Disclosures ("Code"), as approved by the Board from time to time, are in force by the Company. The objective of this Code is to protect the interest of Shareholders at large, to prevent misuse of any price sensitive information and to prevent any Insider Trading activity by dealing in Shares of the Company by its Directors, Designated Employees and other Employees.



The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, Designated Employees and other Employees from Trading in the Securities of *Pharmaid's Pharmaceuticals Limited* at the time, when there is Unpublished Price Sensitive Information.

Policy on Preservation of the Documents

In terms of Regulation 9 of the Securities Exchange Board of India Listing Regulations, 2015 the Board has adopted this Policy for Preservation of Documents. To determine preservation period for records/documents based on their reference value and legal requirements.

Obligation of Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to prevent Sexual Harassment of Women at Workplace as per “The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013” has been notified on 9th December, 2013. Under the said Act, every Company is required to set up an Internal Complaints Committee to look into complaints relating to Sexual Harassment at workplace of any women employee. The Company has adopted “Anti-Sexual Harassment Policy” and has constituted “Redressal Committee” as required under Section 4 (1) of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the Year under review, no complaint of harassment at the workplace was received by the Committee.

Acknowledgements

The Directors hereby acknowledge the dedicated and loyal services rendered by the Employees of the Company during the year. They would also like to place on record their appreciation for the continued co-operation and support received by the Company during the year from Bankers, Financial Institutions, Government Authorities, Business Partners, Shareholders and other Stakeholders without whom the overall satisfactory performance would not have been possible.

Date: 20th August’ 2021

Place: Hyderabad

By Order of the Board of Directors

Sd/-

S Padmaja Kalyani
Director
(DIN:03096445)

Sd/-

S Viswa Prasad
Director
(DIN:08068933)



ANNEXURE – A

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

A. Conservation of Energy Power and Fuel Consumption

	Current Year	Previous Year
1. Electricity (Purchased) Units	991	2,734
Total Amount (Rs.)	7,929	21,874
Rate Per Unit (Rs.)	8	8
2. Electricity (Generated) Units	-	-
Total Amount (Rs.)	-	-
Rate Per Unit (Rs.)	-	-
3 Total Units Consumed	991	2,734
Units Consumed in Per Lakh Production	-	-

- Company ensures that the Manufacturing Operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
- No specific investment has been made in reduction in energy consumption.
- As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.

B. Technology Absorption

Company's products are manufactured by using in-house knowhow and no outside technology is being used for manufacturing activities. Therefore, no technology absorption is required. The Company constantly strives for maintenance and improvement in quality of its products and entire activities are directed to achieve the aforesaid goal.

C. Foreign Exchange Earning and Outgo

Particulars	Current Year	Previous Year
	Rs	Rs
Earnings	-	-
Outgo	-	-

Date: 20th August' 2021

Place: Hyderabad

By Order of the Board of Directors

Sd/-	Sd/-
S Padmaja Kalyani	S Viswa Prasad
Director	Director
(DIN: 03096445)	(DIN: 08068933)



ANNEXURE – B

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To
The Members
Pharmaids Pharmaceuticals Limited
Hyderabad

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 our opinion thereon.

Based on my verification of the Company’s Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also information provided by the Company, its Officers, Agents and Authorised 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 31st March’ 2021, 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, Minutes Books, Forms and Returns Filed and other Records maintained by Pharmaids Pharmaceuticals Limited for the Financial Year ended on 31st March, 2021 and made available to me, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas as Direct Investment and External Commercial Borrowings; [Not applicable to the Company during the Audit Period]
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) viz.
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [Not applicable to the Company during the Audit Period]
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 [Not applicable to the Company during the Audit Period]
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [Not applicable to the Company during the Audit Period]



- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not applicable to the Company during the Audit Period] and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Not applicable to the Company during the Audit Period]
- (vi) The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company are:
1. Factories Act, 1948
 2. Payment of Wages Act, 1936, and Rules made thereunder
 3. The Minimum Wages Act, 1948, and Rules made thereunder
 4. Employees' State Insurance Act, 1948, and Rules made thereunder
 5. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and Rules made thereunder
 6. Drugs and Cosmetics Act, 1940
 7. Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954
 8. Narcotic Drugs and Psychotropic Substances Act, 1985
 9. The Trademarks Act, 1999

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.
- (iii) I report that, during the Year under review, the Company has complied with the provisions of the Acts, Rules, Regulations and Guidelines mentioned above herein.
- (iv) I further report that, the Compliance by the Company of applicable Finance Laws like Direct and Indirect Tax Laws and maintenance of Financial Records and Books of Accounts has not been reviewed in this audit since the same have been subjected to review under the Statutory Financial Audit and other Designated Professionals.

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 Year under review, were carried out in compliance with the provisions of the Companies Act, 2013.
- b. Adequate Notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation of the Meeting.
- c. As per the Minutes of the Meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.



Annual Report 2020-21

I further report that, based on the review of the Compliance Reports and the Certificates of Company Secretary / Director taken on record by the Board of Directors of the Company, in my opinion there are adequate systems and processes in the Company 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 our letter of even date, which is annexed as “Annexure – A” and forms an integral part of this Report.

**For Kashinath Sahu & Co
Company Secretaries**

**Date: 20th August' 2021
Place: Hyderabad**

**Sd/-
Kashinath Sahu
Practicing Company Secretary
FCS:4790 CP:4807
UDIN: F004790C000808659**



Annexure – A to the Secretarial Audit Report

To
The Members
Pharmmaids Pharmaceuticals Limited Hyderabad

My Report of even date is to be read along with this Letter.

1. Maintenance of the Secretarial Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my Audit.
2. I have followed the Audit Practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on Test Basis to ensure that correct facts are reflected in the Secretarial Records. I believe that the processes and practices we followed, provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required, I 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 the Management. My 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 Kashinath Sahu & Co
Company Secretaries**

**Date: 20th August' 2021
Place: Hyderabad**

**Sd/-
Kashinath Sahu
Practicing Company Secretary
FCS:4790 CP:4807
UDIN: F004790C000808659**



ANNEXURE – C

MANAGEMENT DISCUSSION AND ANALYSIS

Economic and Industry Overview

It is over a year since the COVID-19 Pandemic hit us hard through Public Health Crisis and Economic Disruption. Though the accumulating human toll continues to raise concerns, the growing vaccine coverage is lifting the sentiments.

In this scenario, high uncertainty surrounds the Global Economic outlook, primarily related to the path of the Pandemic. The contraction of activity in 2020 was unprecedented. As per IMF, the Global Economy contracted by -3.3 percent in 2020. IMF now projects the Global Economy to grow at 6 percent in 2021 and moderating to 4.4 percent in 2022. Over the medium term, global growth is expected to be moderate to 3.3 percent.

Thanks to unprecedented Policy response, the COVID-19 recession is likely to leave smaller scars than the 2008 Global Financial Crisis. However, emerging market economies and low – income developing countries have been hit harder and are expected to suffer more significant medium – term losses. Future developments will depend on the path of the health crisis, including whether the new COVID-19 strains prove susceptible to vaccines or they prolong the pandemic; the effectiveness of policy actions to limit persistent economic damage; the evolution of financial conditions and commodity prices; and the adjustment capacity of the economy.

Global Pharmaceutical Market

The Global Pharmaceutical Market is now estimated to be over USD 1.4 Trillion and expected to grow at CAGR of about 4% to 5%. Though the Pharmaceutical Industry is developing at rapid pace, the Pharmaceutical Manufacturing Companies are confronted with enormous challenges such as: Cost and Pricing, New Medicines and Therapy Dosages, Changing Regulatory Landscape and growing digitization. Indian Pharma Market is expected to grow to USD 60 Billion by 2022 thereby emerging as the 6th largest Pharmaceutical Market globally by absolute size.

Pharmaceuticals Sector Overview

Pharmaceutical has always been one of the significant contributors to the world economy. Its importance has, however, grown beyond its individual contribution to the impact it has on the world economy – amidst the ongoing global COVID-19 pandemic. As per Global Medicines & Usage Trends to 2025 report by IQVIA in April 2021, the total cumulative spending on Covid-19 vaccine through 2025 is projected to be USD 157 billion, largely focused on the initial wave of vaccinations to be completed by 2022. In later years, booster shots are expected to be required on a biennial basis as the durability of immunity and the continued emergence of viral variants make an endemic virus the most likely outcome.

Global Bulk Drugs Market Three Segments – Branded Prescription Drugs, Over-the-Counter (OTC) drugs and Generic Prescription drugs account for a majority of Global Bulk Drug Consumption. The Total Global Bulk Drug Consumption is expected to reach USD 215 Billion by 2022 at a CAGR 6.5% during the forecast period out of which 80% is used for Branded Prescription Drugs, 10% for OTC Drugs and 10% for Generic Prescription Drugs. Indian Bulk Drug Market India is expected to be the 3rd Largest Global Markets for Bulk Drugs with a 7.5% increase in market share. There are 1150 Bulk Drug Units producing about 350 important Bulk Drugs. The Market Analyst forecast the API Markets in India to grow at a CAGR of 11% over the period of 2021-2025.



Pharma Outlook: Positive Factors

The New Financial Year comes with a new set of challenges in the midst of the ongoing COVID-19 Pandemic. However, we are confident of emerging from the current situation stronger and more determined than ever to deliver on our commitments.

India

India is the largest provider of Generic Drugs Globally. Indian Pharmaceutical Sector Industry supplies over 50 percent of global demand for various vaccines, 40 percent of Generic demand in the US and 25 percent of all medicine in UK.

India enjoys an important position in the Global Pharmaceuticals Sector. The Country also has a large pool of Scientists and Engineers who have the potential to steer the Industry ahead to an even higher level. Presently over 80 percent of the Antiretroviral Drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian Pharmaceutical Firms.

Indian Pharmaceutical Sector is expected to grow to US\$ 100 Billion and Medical Device Market expected to grow US\$ 25 Billion by 2025. Pharmaceutical Exports include Bulk Drugs, Intermediates, Drug Formulations, Biologicals, Ayush and Herbal Products and Surgicals.

India's Biotechnology Industry comprising Biopharmaceuticals, Bio-Services, Bio-Agriculture, Bio-Industry and Bio-informatics is expected to grow at an average growth rate of around 30 percent a year and reach US\$ 100 Billion by 2025.

Cost Efficiency

Low Cost of Production and Research and Development boosts efficiency of Indian Pharma Companies, leading to competitive Exports.

Economic Drivers

High Economic Growth along with the increasing penetration of Health Insurance to push expenditure on Healthcare and Medicine in India.

Policy Support

Government of India's 'Pharma Vision 2020' aims to make India a Global Leader in end-to-end Drug Manufacturing. In this Sector, 100% FDI is allowed under Automatic Route.

Increasing Investment

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

Risks and Concerns

Risk is a Potential Event or Non-event, the occurrence or non-occurrence of which, can adversely affect the objectives or strategy of the Company or result in opportunities being missed. A risk could be categorized into Financial, Operational, Strategic, Regulatory / Statutory, Reputational, Political, Catastrophic/ Pandemic etc.

The Global Pharma Business is marked by a variety of risks. Pharmaceutical Companies struggle to globally enforce IP Protection, particularly in some emerging markets. Enhanced Regulatory Scrutiny is set against a backdrop of Increasing Patient Advocacy, Social Media and Affiliate marketing programs. The Digitization and Proliferation of Electronic Medical Records, Networked Medical Devices, Mobile Health Applications, Cloud-based technologies and Data-sharing among Industry Stakeholders have increased the complexity of Managing



Information Assets, particularly Patient Health Information and Intellectual Property. The Success of new products in the Global Pharmaceutical Industry will more than offset Global Pricing Pressures, supporting an outlook change from stable to positive for the Industry.

Your Company constantly reviews its Policies and Procedures to adhere to ensure conformity to the various regulatory approvals for its Manufacturing Facilities.

Company Overview

Our focus is on expanding more revenue generation opportunities. Your Company continues to work towards optimizing the resources and aim at the business opportunities available in line with its strategy. Your Company will try to ensure that it remains competitive in market, in costs and will manage the business more dynamically.

Performance and Operations Review

Operating Results

The Company's Revenues stood at Rs.857.73 Lakhs during the year under review, PAT at Rs.9.33 Lakhs as against the corresponding Previous Year, there was no revenue and the PAT was Rs.3.35 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.

Internal Control Systems

The Company has reasonable Internal Control Systems, with defined guidelines on Compliance, which enables it to run its operations with a fair degree of comfort.

Internal Controls are implemented to safeguard its Assets, to keep constant check on Cost Structure, to provide adequate Financial and Accounting Controls and implement Accounting Standards. The system incorporates continuous Monitoring, Routine Reporting, Checks and Balances, Purchase Policies, Authorization and Delegation procedures and Audit etc. Internal Controls are adequately supported by Internal Audit Team and periodic review by the Management.

The Audit Committee meets periodically to review with the Management, Statutory Auditors and with the Internal Auditors, Adequacy / Scope of Internal Audit Function, Significant Findings and follow up there on and findings of any abnormal nature. The system is improved and modified continuously to meet with changes in business condition, statutory and accounting requirements.

Material Development in Human Resources / Industrial Relations Front

The Number of Employees as on 31st March' 2021 was 5 (Five).

The growth attained by the Company is largely a function of the competence and quality of its human resources. The work environment is very challenging and performance-oriented, recognizing employee potentials by providing them with adequate opportunities. We have made efforts to discipline our hiring process. Acquisition and retention of talent which is in line with your Company's goals continues to be a major thrust area.



ANNEXURE – D
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) Company’s Philosophy on Code of Governance

Over the years, Pharmaid 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 believes that it needs to show a greater degree of responsibility and accountability. It 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

(a) Composition and Category of Directors:

The Composition of Board is in consonance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March’ 2021, PPL’s Board consisted of 6 (Six) Directors. The Board of Directors of the Company has an optimum combination of Executive and Independent Directors with One Woman Executive Director.

The details of the Board of Directors including their attendance at the Meetings of Board and Shareholders, Directorships / Chairmanships / Memberships on the Boards / Committees of other Companies and names of the Listed Entities where the person is a Director and the Category of Directorship as required under Regulation No. 34 read with Schedule – V of Listing Regulations are as below:

S No	Name of the Director and DIN	Category of Directorship	Attendance of Board Meeting		No. of Directorship in Listed Entities including this Listed entity (Refer Regulation 26(1) of Listing Regulation)*	Number of Memberships / Chairmanship in Audit / Stakeholder Committee(s) including this Listed AGM Entity (Refer Regulation 26(1) of Listing Regulations)		Whether Present at the Previous
			Held	Attended		Chairman	Member	
1	Mr. Mopperthy Sudheer DIN: 00404917	Independent Director	5	5	1	0	1	Present
2	Mr. Veerareddy Vallapureddy DIN: 08061781	Independent Director	7	6	1	1	1	Present
3	Dr. Vyasmurti Madhavrao Shingatgeri DIN: 07728757	Independent Director	7	7	2	0	1	Present
4	Mrs. Sadhanala Padmaja Kalyani DIN: 03096445	Executive Director	7	7	1	0	1	Present
5	Mr. Sadhanala Vishwa Prasad DIN: 08068933	Executive Director	7	7	1	0	2	Present
6	Mr. Sadhanala Venkata Rao DIN: 02906370	Non-Executive Director	2	2	1	0	0	NA



The Directorships held by Directors in other Companies, as mentioned above do not include Directorships in Foreign Companies, Companies Registered under Section 8 of the Companies Act, 2013.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees across all the Companies in which they are Directors. None of the Directors hold Office in more than 10 Public Companies. None of the Directors serve as Independent Director in more than Seven Listed Companies.

(b) Number of Meetings of the Board of Directors held and dates on which held:

The Board met 7 (Seven) times in the Financial Year 2020-21 on the following dates, with a gap not exceeding 120 Days (One Hundred and Twenty) between any two Meetings:

29th May' 2020; 29th July' 2020; 13th August' 2020; 12th November' 2020; 20th November' 2020;
6th January' 2021; 5th February' 2021

(c) Disclosure of relationships between Directors Inter-se:

Mr. Sadhanala Venkata Rao, Mrs. Sadhanala Padmaja Kalyani, and Mr. Sadhanala Viswa Prasad are relatives of each other as defined under Section 2(77) of the Companies Act, 2013.

Except mentioned above, None of the Directors is related to each other.

List of Core Skills / Expertise / Competencies identified by the Board of Directors:

The Company requires skills, expertise and competencies in the areas of strategy, finance, accounting, legal and regulatory matters, the environment, sustainability and operations of the Company's businesses to efficiently carry on its core businesses.

The Board comprises of qualified Members who bring in the required skills, expertise and competence as mentioned above which allow them to make effective contributions to the Board and its Committees. The Members of the Board are committed to ensure that the Company is in compliance with the highest standards of Corporate Governance.

List of Skills / Competencies required in relation to Business Operations	Names of Directors having such Skills / Competencies
Finance, Law, Management, Administration	Mr. Veerareddy Vallapureddy Mr. Mopperthy Sudheer Mr. Sadhanala Viswa Prasad
Technical Knowledge on Operations, Production	Mr. Vyasmurti Madhavrao Shingatgeri Mrs. Sadhanala Padmaja Kalyani
Corporate Governance, Strategic Management	Mr. Mopperthy Sudheer Mr. Sadhanala Viswa Prasad Mr. Sadhanala Venkata Rao
International Marketing and Sales	Mr. Vyasmurti Madhavrao Shingatgeri Mr. Sadhanala Venkata Rao



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 be and is hereby confirm that in the opinion of the Board, the Independent Directors fulfil the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the Management.

(3) Committees of the Board

Currently, there are three Board Committees – The Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board Committee are convened by the Chairman of the respective Committees.

The Role and Composition of these Committees, including the number of Meetings held during the Financial Year and the related attendance are provided below:

(1) Audit Committee

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 is 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.

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 2020 – 2021, Four Meetings of the Committee were held on 29th May' 2020; 13th August' 2020; 12th November' 2020 and 5th February' 2021.

(a) Details on composition of the Audit Committee and the Members attendance during the year are as under:

Name of the Director	Designation	No. of Meetings Held During the Year	No. of Meetings Attended
Mr. Veerareddy Vallapureddy	Chairman	4	4
Mr. Mopperthy Sudheer	Member	4	3
Mr. Sadhanala Viswa Prasad	Member	4	4
Mr. Vyasmurti Madhavrao hingatgeri	Member	4	2

The Chief Financial Officer of the Company and Statutory Auditors attended all the Meetings as Invitees.

The Company Secretary of the Company acts as the Secretary of the said Committee.

(2) Nomination and Remuneration Committee

The Terms of reference of the Nomination and Remuneration Committee is as per the framework prescribed under the Act and the Rules thereunder and the Listing Regulations.



The Committee comprises of 3 (Three) Independent Directors.

During the Financial Year 2020 – 2021, Four Meetings of the Committee were held on 29th May' 2020; 29th July' 2020; 12th November' 2020 and 6th January' 2021.

(a) Details on composition of the Nomination and Remuneration Committee and the Members attendance during the year are as under:

Name of the Director	Designation	No. of Meetings Held during the Year	No. of Meetings Attended
Mr. Veerareddy Vallapureddy	Chairman	4	4
Mr. Mopperthy Sudheer	Member	4	3
Mr. Vyasmurti Madhavrao Shingatgeri	Member	4	4

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

Independent Directors are evaluated based on below mentioned criteria:

- a. Their general understanding of the Company's Business Dynamics
- b. Global Business and Social Perspective
- c. Professional Ethics, Integrity and Values
- d. Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively

The Nomination and Remuneration Committee laid down the criteria for Performance Evaluation of all the Directors on the Board and recommended the same for evaluating the performance of each and every Director.

The Board evaluates the performance of Independent Directors annually based on their participation in the Board and Committee Meetings conducted during the year and the Committee recommends the Appointment / Re-appointment of the Independent Directors by assessing the role played by them in all the Meetings they attended.

a. Directors Policy for Selection of Directors and Determining Directors' Independence

1. Scope

This Policy sets out the Guiding Principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the Independence of Directors, in case of their appointment as Independent Directors of the Company.



2. Policy

Qualifications and Criteria

- i. The Nomination and Remuneration Committee and the Board shall review on an Annual Basis, Appropriate Skills, Knowledge and Experience required of the Board as a Whole and its Individual Members'. The Objective is to have a Board with Diverse Background and Experience that are relevant for the Company's Operations.
- ii. In evaluating the suitability of Individual Board Member, the Committee may take into account factors, such as:
 - General understanding of the Company's Business Dynamics, Global Business and Social Perspective;
 - Educational and Professional Background
 - Standing in the Profession;
 - Personal and Professional Ethics, Integrity and Values;
 - Willingness to devote sufficient time and energy in carrying out their Duties and Responsibilities effectively.
- iii. The Nomination and Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's Business.

3. Criteria of Independence

- i. The Nomination and Remuneration Committee shall assess the Independence of Directors at time of Appointment / Re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of Independence when any new interest or relationships are disclosed by a Director.
- ii. The Criteria of Independence shall be in accordance with the Guidelines as laid down in Companies Act, 2013 and the Listing Agreement.
- iii. The Independent Director shall abide by the "Code for Independent Directors" as specified in the Schedule – IV to the Companies Act, 2013.

4. Other Directorships / Committee Memberships

- i. The Board Members are expected to have adequate time and expertise and experience to contribute to effective Board Performance. Accordingly, the Members should voluntarily limit their Directorships in other Listed Public Limited Companies in such a way that it does not interfere with their role as Director of the Company.
- ii. The Nomination and Remuneration Committee shall take into account, the nature of and time involved in a Director' service on other Boards in evaluating the suitability of the Individual Director and making its recommendations to the Board.
- iii. A Director shall not serve as Director in more than 20 (Twenty) Companies of which not more than 10 (Ten) shall be Public Limited Companies.
- iv. A Director shall not serve as an Independent Director in more than 7 (Seven) Listed Companies and not more than 3 (Three) Listed Companies in case he is serving as a Whole Time Director in any Listed Company.



- v. A Director shall not be a Member in more than 10 (Ten) Committees or act as Chairman of more than 5 (Five) Committees across all the Companies in which he holds Directorships.

For the purpose of considering the limit of the number of Committees, Audit Committee and Stakeholder's Relationship Committee of all Public Limited Companies, whether Listed or not, shall be included and all other Companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

b. Remuneration Policy for Directors, Key Managerial Personnel and Other Employees

1. Scope

This Policy sets out the Guiding Principles for the Nomination and Remuneration Committee for recommending to the Board, the Remuneration of the Directors, Key Managerial Personnel and Other Employees of the Company.

2. Policy

- i. Remuneration to Executive Director and Key Managerial Personnel
- ii. The Board on the recommendation of the Nomination and Remuneration Committee shall review and approve the Remuneration Payable to the Executive Directors of the Company, within the overall limit approved by the Shareholders, as per the provisions of the Companies Act, 2013.
- iii. The Board on the recommendations of the Committee, shall also review and approve the Remuneration Payable to the Key Managerial Personnel of the Company.
- iv. The Structure of the Remuneration Payable to the Executive Directors and Key Managerial Personnel shall include the following components:
 - (i) Basic Pay
 - (ii) Perquisites and Allowances
 - (iii) Stock Options
 - (iv) Commission (applicable in case of Executive Directors)
 - (v) Retirement Benefits
 - (vi) Annual Performance Bonus
- v. The Annual Plan and Objectives for Executive Committee shall be reviewed by the Committee and Annual Performance Bonus will be approved by the Committee based on the achievement against the Annual Plan and Objectives.

3. Remuneration to Non – Executive Directors

- i. 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.
- ii. Non – Executive Directors shall be entitled to the Sitting Fees for attending the Meetings of the Board and the Committees thereof. The Non – Executive Directors shall also be entitled to Profit related Commission in addition to the Sitting Fees.



4. Remuneration to Other Employees

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the Organisation. Individual Remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration on levels for equivalent jobs.

(3) Stakeholders Relationship Committee

Terms of reference of the Stakeholders' Relationship Committee is as per the framework prescribed under the Act and Rules thereunder and the Listing Regulations. The Committee comprises of 3 (Three) Directors, 1 (One) Independent Director and 2 (Two) Executive Directors. In the Financial Year 2020 - 2021, 1 (One) meeting of the Committee was held on 13th August' 2020.

(a) Details on composition of the Stakeholders Relationship Committee and the Members attendance during the year are as under:

Name of the Director	Designation	No. of Meetings Attended
Mr. Veerareddy Vallapureddy	Chairman	1
Mr. Sadhanala Viswa Prasad	Member	1
Mrs. Sadhanala Padmaja Kalyani	Member	1

The Committee reviews the Security Transfers / Transmissions, process of Dematerialization and the Investors' Grievances and the systems dealing with these issues.

Ms. Annie Jodhani, Company Secretary is appointed as the Compliance Officer of the Company.

The Board has authorised the Company Secretary, who is also the Compliance Officer, to approve Share Transfers / Transmission and comply with other formalities in relation thereto. All the Investor Complaints, which cannot be settled at the level of the Compliance Officer, will be placed before the Committee for final settlement.

A total of 0 (Zero) complaints were received during the year and were totally resolved to the satisfaction of the Shareholders. There were no complaints pending for redressal during the year under review. There were no pending transfers as on 31st March' 2021.

The Terms of Reference of the Stakeholders Relationship Committee are as under:

- i) Redressal of Grievances of Shareholders
- ii) Transfer and Transmission of Securities
- iii) Dealing with complaints related to transfer of Shares, Non – receipt of Annual Report etc.
- iv) Issuance of Duplicate Share Certificates
- v) Review of Dematerialization of Shares and related matters
- vi) 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; Listing Agreement with the Stock Exchanges and Regulations / Guidelines issued by the SEBI or any other Regulatory Authority. 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 Ms. Annie Jodhani, 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 Dematerialised form with NSDL and CDSL.

(4) 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.

(5) 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.

(6) General Body Meetings

The Annual General Meetings (AGMs) for Financial Year ended 31st March' 2018 and 31st March' 2019 were held at Andhra Pradesh Chemists and Druggists Association, 5-9-262/ 1, King Koti, Hyderabad – 500 001, Telangana and the Annual General Meeting for Financial Year ended 31st March' 2020 was held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) as detailed below:

Financial Year Ended	Date	Day	Time	Special Resolutions passed at the AGM by the Shareholders
31 st March' 2020	17-09-2020	Thursday	12:00 P.M.	No Special Resolution was passed at the AGM
31 st March' 2019	30-09-2019	Monday	11:00 A.M.	No Special Resolution was passed at the AGM
31 st March' 2018	28-09-2018	Friday	11:00 A.M.	No Special Resolution was passed at the AGM

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

Means of Communication:

a. 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.

- b. 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.

- c. Any Website, where displayed:

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

- d. 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 display the same on their Websites.

7) General Shareholder Information

- a. The 32nd Annual General Meeting of the Company will be held on Saturday, 25th September' 2021 at 12:00 P.M. through Video Conferencing (VC) / Other Audio Visual Means (OAVM) pursuant to MCA Circular dated 5TH May' 2020 and as such there is no requirement to have venue for the AGM. For details, please refer to the Notice of this AGM.

- Financial Calendar : 1st April' 2020 to 31st March' 2021
- Results for the Quarter ending
 - 30th June' 2020 : 13th August' 2020
 - 30th September' 2020 : 12th November' 2020
 - 31st December' 2020 : 5th February' 2021
 - 31st March' 2021 : 24th May' 2021
- Date of Book Closure : 18th September' 2021 – 25th September' 2021
- Dividend Payment Date : NA
- Listing on Stock Exchange(s) : BSE Limited, Phirozee Jeejeebhoy Towers, Dalal Street
Fort Mumbai – 400 001
- Stock Code : 524572
- ISIN Code (NSDL/CDSL) : INE117D01018

- b. The Listing Fees for the Year 2020-21 has been paid to the above Stock Exchange.

c. Market Price Data and Performance in comparison to Broad Based Indices i.e. SENSEX

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' 2020 to 31st March' 2021 and comparison of performance to broad based indices i.e., SENSEX are as follows:



Month	BSE SENSEX		PPL Share Price		No. of Shares Traded	Turnover (Rs.)
	High Price	Low Price	High Price	Low Price		
April' 2020	33,887.25	27,500.79	5.17	4.28	3,355	15,819
May' 2020	32,845.48	29,968.45				
June' 2020	35,706.55	32,348.10	4.92	4.92	6	29
July' 2020	38,617.03	34,927.20	4.92	4.47	336	1,582
August' 2020	40,010.17	36,911.23	4.25	2.73	32,854	1,05,461
September' 2020	39,359.51	36,495.98	7.37	3.58	98,057	4,87,551
October' 2020	41,048.05	38,410.20	9.75	7.16	79,891	6,27,600
November' 2020	44,825.37	39,334.92	14.38	9.94	52,008	6,19,810
December' 2020	47,896.97	44,118.10	18.74	14.66	5,48,594	94,01,068
January' 2021	50,184.01	46,160.46	16.50	11.45	1,76,236	25,66,122
February' 2021	52,516.76	46,433.65	15.98	11.60	2,20,797	31,33,239
March' 2021	51,821.84	48,236.35	14.69	9.76	3,78,283	45,03,649

d. Registrar and Transfer Agents and Place for Acceptance of Documents

M/s. Venture Capital and Corporate Investments Pvt Ltd
 12-10-167, Bharat Nagar, Hyderabad – 500 018
 E-mail: investor.relations@vccipl.com
 Website: <https://www.vccipl.com/index.html>

e. Share Transfer System

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 Venture Capital 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.

f. Shareholding Pattern of the Company and Distribution of shareholding as on 31st March' 2021

Shareholding Pattern as on 31st March' 2021:

Category Code	Category of Shareholder	No. of Shareholders	Total No. of Shares	As a Percentage of (A+B+C)
(A)	Promoter and Promoter Group			
(1)	Indian	27	67,85,942	65.81%
(2)	Foreign	-	-	-
	Total Shareholding of Promoter and Promoter group	27	67,85,942	65.81%
(B)	Public Shareholding			
(1)	Institutions			
(2)	Non-Institutions	5,836	35,25,292	34.19%
	Total Public Shareholding	5,836	35,25,292	34.19%
(C)	Shares held by Custodians, against which Depository Receipts have been issued			
(1)	Promoter and Promoter Group			
(2)	Public			
	GRANDTOTAL(A+B+C):	5,863	1,03,11,234	100.00%

**Distribution of Shareholding as on 31st March' 2021**

S No	Category	Cases	% of Cases	Amount	% Amount
1	Up to 1 - 5000	4,729	80.66%	92,07,940	8.93%
2	5001 - 10000	667	11.38%	56,55,760	5.49%
3	10001 - 20000	229	3.91%	34,79,470	3.37%
4	20001 - 30000	77	1.31%	19,85,960	1.93%
5	30001 - 40000	28	0.48%	10,07,510	0.98%
6	40001 - 50000	29	0.49%	13,68,630	1.33%
7	50001 - 100000	54	0.92%	38,02,040	3.69%
8	100001 and above	50	0.85%	7,66,05,030	74.29%
	Total:	5,863	100.00%	10,31,12,340	100.00%

a. Dematerialisation of Shares and Liquidity

As on 31st March' 2021, 92,12,483 Equity Shares of Rs. 10/- each representing 89.34% of the Total Number of Shares are in Dematerialised Form. The Company's Shares are compulsorily traded in Dematerialised form and are available for trading 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, Conversion Date and likely impact on Equity:

As on 31st March' 2021, the Company did not have any Outstanding GDR / ADR / Warrants or any Convertible Instruments.

c. Office Location : 4-4-211/212/3, 1st Floor, Inderbagh, Sultan Bazaar, Hyderabad – 500 095**d. Name and Designation of Compliance Officer:**

Ms. Annie Jodhani, Company Secretary, is designated as the Compliance Officer of the Company.

e. Address for Correspondence:

Pharmaids Pharmaceutical Limited
4-4-211/212/3, 1st Floor, Inderbagh,
Sultan Bazaar, Hyderabad – 500 095

f. No Credit Rating was obtained by the Company during the year under review.**g. Other Disclosures:**

(i) All Contracts / Arrangements / Transactions entered by the Company during the Financial Year with Related Parties were in the ordinary course of business and on an Arm's Length Basis. The Policy on materiality of Related Party Transactions and dealing with Related Party Transactions as approved by the Board may be accessed on the Company's website www.pharmaids.com



There were no materially significant Related Party Transactions that may have potential conflict with the interests of the Company, at large.

(ii) 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.

(iii) The Whistle Blower (Vigil) Mechanism provides a channel to the Employees to report to the Management concerns about unethical behavior, 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.

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.in>.

(iv) The Company does not have any Subsidiary.

(v) The Managing 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, 2021.

(vi) The Company has complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has complied with the Discretionary Requirements as specified by Regulation 27(1) of SEBI Listing Regulations which are as under:

* Reporting of the Internal Auditor: The Internal Auditor of the Company reports directly to the Audit Committee.

(vii) 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:

S No	Particulars	Number of Shareholders	Number of Equity Shares
1	Aggregate Number of Shareholders and the Outstanding Shares in the Suspense Account as on 1 st April' 2020	4	80,620
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 31 st March' 2021	4	80,620

(viii) Company's Practices and Procedures meet the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.



(ix) 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

(x) There is no Commodity Price Risk or Hedging Activities involved or applicable.

(xi) During the Year under review, your Company has not raised any Fund through Preferential Allotment or Qualified Institutions Placement.

(xii) The Company also complies with the following Non – mandatory requirements Regulation 27 of the SEBI Listing Regulations, 2015.

- There are no Audit qualifications during the year under review.
- The Internal Auditors report to the Audit Committee every quarter.

Date: 20th August' 2021

Place: Hyderabad

By Order of the Board of Directors

Sd/-	Sd/-
S Padmaja Kalyani	S Viswa Prasad
Director	Director
(DIN: 03096445)	(DIN: 08068933)



Declaration by Director of Affirmation by Directors and Senior Management Personnel of Compliance with the Code of Conduct:

To

The Shareholders

As provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Sadhanala Padmaja Kalyani, Executive Director of the Company do hereby declare that the Directors and Senior Management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the Code of Conduct as prescribed by the Company and have adhered to the provisions of the same.

By Order of the Board of Directors

Sd/-

S Padmaja Kalyani

Director (DIN:03096445)



**CEO / CFO CERTIFICATION
CERTIFICATE PURSUANT TO REGULATION 17(8) AND 33(2) OF THE
LISTING REGULATIONS**

We, Mrs. S Padmaja Kalyani, Executive Director and Mr. Chilam Srikanth, Chief Financial Officer hereby certify for the Financial Year ended 31st March' 2021 that:

- (a) We have reviewed the Financial Statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:
 - (i) The Financial Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) The Statements together, present a true and fair view of the Company's affairs and are in compliance with the 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 violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining the Internal Controls for Financial Reporting and have evaluated the effectiveness of Internal Control Systems pertaining to the Financial Reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) That there are no significant changes in Internal Control over Financial Reporting during the year;
 - (ii) That there are no significant changes in Accounting Policies during the year; and
 - (iii) That there are no instances of significant fraud of which we have become aware.

Date: 20th August' 2021
Place: Hyderabad

For Pharmajid Pharmaceuticals Limited

Sd/-
S Padmaja Kalyani
Director
(DIN: 03096445)

Sd/-
Chilam Srikanth
CFO



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. We have examined the compliances of the conditions of Corporate Governance by **Pharmaids Pharmaceuticals Limited** (“the Company”) for the Financial Year ended 31st March’ 2021 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.
4. We 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 Kashinath Sahu & Co
Company Secretaries**

**Date: 20th August’ 2021
Place: Hyderabad**

**Sd/-
Kashinath Sahu
Practicing Company Secretary
FCS:4790 CP:4807
UDIN: F004790C000808681**



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 of
Pharmaids Pharmaceuticals Limited
4-4-211/212/3, Inderbagh, Sultan Bazaar
Hyderabad – 500 095

I have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of **Pharmaids Pharmaceuticals Limited** (CIN: L52520TG1989PLC009679) and having the Registered Office at 4-4-211/212/3, Inderbagh, Sultan Bazaar, Hyderabad – 500 095 (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 31st March’ 2021 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.

S No	Name of the Director	Designation	DIN	Date of Appointment
1	Padmaja Kalyani Sadhanala	Executive Director	03096445	27.01.2020
2	Viswa Prasad Sadhanala	Executive Director	08068933	27.01.2020
3	Vyasmurti Madhavrao Shingatgeri	Independent Director	07728757	13.02.2020
4	Veerareddy Vallapureddy	Independent Director	08061781	29.05.2020
5	Mopperthy Sudheer	Independent Director	00404917	06.01.2021
6	Sadhanala Venkata Rao	Non – Executive Non – Independent Director	02906370	06.01.2021

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 Kashinath Sahu & Co
Company Secretaries**

Date: 20th August’ 2021
Place: Hyderabad

**Sd/-
Kashinath Sahu
Practicing Company Secretary
FCS:4790 CP:4807
UDIN: F004790C000808692**



Independent Auditor's Report

To
The Members of
Pharmajidha Pharmaceuticals Limited
Hyderabad

Report on the Audit of the Financial Statements

Qualified Opinion

1. We have audited the accompanying Financial Statements of Pharmajidha Pharmaceuticals Limited ('the Company'), which comprise the Balance Sheet as at 31st March' 2021, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the Year 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 except for the information referred to in basis for Qualified opinion of our Report, the aforesaid Financial Statements give the information required by the Companies Act, 2013(the 'Act') in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India 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' 2021, 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 Qualified Opinion

3. The Balances of Current Financial Assets, Other Non-Current Assets, Non-Current Liabilities and Current Liabilities Other Current Liability are subject to Confirmation / Reconciliations. The impact of the same is unascertained.
4. 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 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

5. Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the Current Period. These matters were addressed in the context of our Audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. 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
Going Concern Status of the Company	During this Pandemic, Business Operations and Financial Position has revealed that there has been no significant impact on the Company's Financial Results as at 31 st March' 2021. However, the impact assessment of COVID-19 will be a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these Financial Results. The Company will continue to monitor such impact to future economic conditions.

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

7. 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 no material misstatement of this Other Information, we have nothing to report in this regard.

Responsibilities of the Management for the Financial Statements

8. 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 Financial Statements that give a true and fair view of the state of affairs as at the year-end (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 the 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 judgements 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.
9. In preparing the Financial Statements, the Management is responsible for assessing the Company's ability to continue as a Going Concern, disclosing, as applicable, matters related to Going Concern and using the Going Concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. The Board of Directors are also responsible for overseeing the Company's Financial Reporting Process.

Auditors Responsibilities for the Audit of the Financial Statements

11. 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 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 the Users, taken on the basis of these Financial Statements.

12. As part of an Audit in accordance with Standards on Auditing, we exercise professional judgement 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 the Internal Controls.
 - 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 the Management.
 - Conclude on the appropriateness of Management's use of the Going Concern Basis of the 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.
13. 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 Controls that we identify during our Audit.
14. 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.
15. 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

16. As required by the Companies (Auditor's Report) Order, 2016 ('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.
17. 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 Financial Statements dealt with by this Report are in agreement with the Books of Account;
 - d) In Our Opinion, the aforesaid 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' 2021 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 31st March' 2021 in conjunction with our Audit of the 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 31st March' 2021;
 - ii. The Company did not have any Long Term Contracts including Derivative Contracts for which there were any Material Foreseeable Losses as at 31st March' 2021;
 - 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 31st March' 2021; and

For **PPKG & Co**

Chartered Accountants

Firm's Registration No. 009655S

Sd/-

Girdhari Lal Toshniwal

Partner

Membership No. 205140

UDIN: 21205140AAAA1F6875

Date: 24th May 2021

Place: Hyderabad



Annexure – A to the Independent Auditor’s Report of Even Date to the Members of Pharmaid Pharmaceuticals Limited, on the Financial Statements for the Year ended 31st March’ 2021

Based on the Audit Procedures performed for the purpose of reporting a true and fair view on the Financial Statements of the Company and taking into consideration the information and explanations given to us and the Books of Account 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 of three years, which in Our Opinion, is reasonable having regard to the size of the Company and the nature of its Assets. In accordance with this program, certain Fixed Assets were verified during the Year and no material discrepancies were noticed on such verification.
 - (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.
- (ii) In Our Opinion, the Inventories have been physically verified during the Year by the Management at reasonable intervals and as explained to us no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any Loans, Secured or Unsecured, to the Companies, Firms, Limited Liability Partnerships or other Parties covered in the Register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- (iv) 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 Securities.
- (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) We have broadly reviewed the Books of Accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of Cost Records under Sub-section (1) of Section 148 of the Act. As informed to us, the provisions of Section 148(1) are not applicable.
- (vii) 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. Further, Non-disputed amounts payable in respect thereof were outstanding at the year – end for a period of more than six months from the date they became payable.
- (viii) The Company has not defaulted in Repayment of Loans or Borrowings to any Bank during the Year. The Company has no Loans or Borrowings payable to the Financial Institutions or the Government and does not have any Outstanding Debentures during the Year.



- (ix) In Our Opinion, and according to the information and explanations given to us, the Company has not raised any monies by way of Term Loans. The Company has not raised any monies by way of Initial Public Offer or Further Public Offer (including Debt Instruments)
- (x) During the course of our examination of the Books and Records of the Company, carried out in accordance with the Generally Accepted Auditing Practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its Officers or Employees, noticed or reported during the Year, nor have we been informed of any such case by the Management.
- (xi) Managerial Remuneration has been paid / provided by the Company in accordance with the requisite approvals mandated by the Provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In Our Opinion, the Company is not a Nidhi Company. Accordingly, provisions of the Clause 3(xii) of the Order are not applicable.
- (xiii) In Our Opinion, all the transactions with the Related Parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the Financial Statements etc. as required by the applicable 'Ind AS'.
- (xiv) During the Year, the Company has not made any Preferential Allotment or Private Placement of Shares or Fully or Partly Convertible Debentures. Accordingly, the provisions of the Clause 3(xiv) of the Order are not applicable.
- (xv) In Our Opinion, the Company has not entered into any Non – Cash Transactions with the Directors or the 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.

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

Sd/-
Girdhari Lal Toshniwal
Partner
Membership No. 205140
UDIN: 21205140AAAA1F6875

Date: 24th May 2021

Place: Hyderabad



Annexure – B to the Independent Auditor’s Report of Even Date to the Members of Pharmajeeva Pharmaceuticals Limited, on the Financial Statements for the Year ended 31st March’ 2021

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’)

1. In conjunction with our Audit of the Financial Statements of Pharmajeeva Pharmaceuticals Limited (‘the Company’) as at and for the Financial Year ended 31st March’ 2021, we have Audited the Internal Financial Controls Over Financial Reporting (‘IFCOFR’) of the Company as at that Date.

Management’s Responsibility for Internal Financial Controls

2. The Company’s Board of Directors is responsible for establishing and maintaining Internal Financial Controls based on the Internal Controls Over Financial Reporting Criteria established by the Company considering the essential components of Internal Controls 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

3. 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 IFCOFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with the 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.
4. 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 Internal Controls based on the assessed Risk. The procedures selected depend on the Auditor’s Judgement, including the Assessment of the Risks of Material Misstatement of the Financial Statements, whether due to Fraud or Error.
5. We believe that the Audit Evidence we have obtained is sufficient and appropriate to provide a basis for our Audit Opinion on the Company’s IFCOFR.

Meaning of Internal Financial Controls Over Financial Reporting

6. 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 Generally Accepted Accounting Principles. A Company’s IFCOFR include those policies and procedures that
 - (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Assets of the Company;
 - (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of



Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the Company; and

- (3) Provide reasonable assurance regarding prevention or timely detection of un-authorised 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

7. Because of the Inherent Limitations of 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 the conditions, or that the Degree of Compliance with the Policies or Procedures may deteriorate.

Opinion

8. 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 31st March' 2021, based on the Internal Controls over Financial Reporting Criteria established by the Company considering the essential components of Internal Controls stated in the Guidance Note issued by the ICAI.

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

Sd/-
Girdhari Lal Toshniwal
Partner
Membership No. 205140
UDIN: 21205140AAAA1F6875

Date: 24th May' 2021
Place: Hyderabad



BALANCE SHEET AS AT 31ST MARCH' 2021

(Amount in Rupees)

ASSETS	NOTE	As at 31 st March' 2021	As at 31 st March' 2020
1 Non – Current Assets			
Property, Plant and Equipment	1	3,97,932	8,31,192
Capital Work in Progress		45,00,000	45,00,000
Financial Assets			
- Trade and Other Receivables	6	75,84,737	75,84,737
- Long Term Loans and Advances	2	6,65,88,275	6,43,35,275
- Others			
Deferred Tax Assets (Net)	3	35,06,419	34,57,657
Other Non – Current Assets	4	-	-
2 Current Assets			
Inventories	5	36,91,155	-
Financial Assets			
- Trade and Other Receivables	7	27,72,445	-
- Cash and Cash Equivalents	8	20,02,818	2,17,765
- Short Term Loans and Advances	9	-	36,55,000
Other Current Assets	10	1,06,256	-
TOTALASSETS		9,11,50,037	8,45,81,626
EQUITYANDLIABILITIES			
Equity			
Share Capital	11	10,26,88,190	10,26,88,190
Other Equity			
- Equity Component of Other Financial Instrument		-	-
- Retained Earnings	12	(1,74,23,839)	(1,83,56,949)
Share Application Money pending Allotment			
1 Non-Current liabilities			
Financial Liabilities			
- Long Term Borrowings		-	-
Long Term Provisions		-	-
Deferred Tax Liabilities (Net)		-	-
Other Non – Current Liabilities		-	-
2 Current Liabilities			
Financial Liabilities			
- Short Term Borrowings		-	-
- Trade and Other Payables	13	50,16,886	1,06,693
Other Current Liabilities	14	8,68,800	1,43,692
Short Term Provisions		-	-
TOTAL EQUITYANDLIABILITIES		9,11,50,037	8,45,81,626

See accompanying Notes to the Financial Statements – 1 to 32
As per our Report of even date attached

For PPKG & Co

Chartered Accountants

Firm Registration Number: 009655S

Sd/-

Girdhari Lal Toshniwal

Partner

Membership No. 205140

UDIN: 21205140AAAA1F6875

Date: 24th May' 2021

Place: Hyderabad

For Pharmajid Pharmaceuticals Limited

Sd/-

S Padmaja Kalyani

Director

(DIN: 03096445)

Sd/-

S Viswa Prasad

Director

(DIN: 08068933)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH' 2021

(Amount in Rupees)

ASSETS	NOTE	As at 31 st March' 2021	As at 31 st March' 2020
Revenue from Operations	15	8,55,10,029	-
Other Income	16	2,63,400	-
Total Revenue		8,57,73,429	-
Expenses			
Cost of Materials Consumed		-	-
Purchase of Stock in Trade	17	8,52,81,525	-
Changes in Inventories of Finished Goods	18	(36,91,155)	-
Work in Progress and Stock in Trade			
Employee Benefit Expenses	19	4,43,000	2,28,353
Finance Cost	20	-	8,401
Depreciation and Amortisation Expenses	1	4,48,260	3,88,023
Other Expenses	21	24,07,451	31,27,095
Total Expenses		8,48,89,081	37,51,873
Profit / (Loss) before Exceptional Items and Tax		8,84,348	(37,51,873)
Exceptional Items			
Profit / (Loss) before Tax		8,84,348	(37,51,873)
Tax Expenses			
Current Tax		-	-
Deferred Tax	22	(48,763)	(40,87,210)
Profit / (Loss) for the period from Continuing Operations		9,33,111	3,35,337
Profit / (Loss) from Discontinued Operations		-	-
Tax Expense of Discontinued Operations		-	-
Profit / (Loss) from Discounting Operations		-	-
(After Tax) Profit / (Loss) for the Period		9,33,111	3,35,337
Other Comprehensive Income		9,33,111	3,35,337
Total Comprehensive Income for the Period (Profit / Loss + Other Comprehensive Income)			
Earnings Per Equity Share (for Continuing Operations)			
a) Basic		0.09	0.03
b) Diluted		0.09	0.03
Earnings Per Equity Share (for Discontinued Operations)			
a) Basic			
b) Diluted			
Earnings Per Equity Share (for Discontinued & Continuing Operations)			
a) Basic		0.09	0.03
b) Diluted		0.09	0.03

See accompanying Notes to the Financial Statements – 1 to 32
As per our Report of even date attached

For PPKG & Co

Chartered Accountants

Firm Registration Number: 009655S

Sd/-

Girdhari Lal Toshniwal

Partner

Membership No. 205140

UDIN: 21205140AAAA1F6875

Date: 24th May' 2021

Place: Hyderabad

For Pharmajid Pharmaceuticals Limited

Sd/-

S Padmaja Kalyani

Director

(DIN: 03096445)

Sd/-

S Viswa Prasad

Director

(DIN: 08068933)



CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2021

(Amount in Rupees)

ASSETS	NOTE	As at 31 st March' 2021	As at 31 st March' 2020
A Cash Flow from Operating Activities :			
Net Profit after Interest and Depreciation but before Tax		8,84,348	(37,51,873)
Depreciation		4,48,260	3,88,023
Interest Paid		-	6
Interest Received			
Profit on Sale of Fixed Assets			
Loss on Sale of Fixed Assets			
Profit on Sale of Assets / Investments			
Bad Debts Written Off			
Deferred Tax			
Discount			
Operating Profit before Working Capital Changes		13,32,608	(33,63,844)
Adjustments for:			
Trade and Other Payables		49,10,193	(14,89,342)
Inventories		(36,91,155)	-
Trade Receivables		(27,72,445)	13,12,369
Loan and Advances		36,55,000	(36,55,000)
Other Assets		(1,06,256)	-
Other Current Liabilities		7,25,108	(3,06,038)
Cash Generated from Operations		40,53,053	(75,01,855)
Add: Income Tax Paid / (Refund)		-	(26,620)
Miscellaneous Expenditure			
B Net Cash flow from Operating Activities (Before and After Extraordinary Items) " A "		40,53,053	(74,75,235)
Net Cash from Investing Activities:			
(Purchase) / Sale of Fixed Assets		(15,000)	(4,23,610)
Capital Work in Progress			
Increase in Creditors for Capital Goods			
(Purchase) / Sale of Investments			
Interest Received			
Investment in Vardhaman Bank (Dividend Income)			
Sale of Fixed Assets			
Sale of Investments			
Long Term Loans and Advances		(22,53,000)	70,28,615
Net Cash Flow from Investing Activities " B "		22,68,000	66,05,005
C Cash Flow from Financing Activities			
Issue of Share Capital			
Dividend Paid			
Bank Borrowings and Unsecured Loans			
Dividend and Dividend Distribution Tax Paid			
Interest and Other Finance Costs (Including Borrowing Cost Capitalised)			(6)
Net Cash Flow from Financing Activities " C "		-	(6)
D Net (Decrease) / Increase in Cash and Cash Equivalents (A + B + C)		17,85,053	(8,70,236)
Cash and Cash Equivalents at the Beginning		2,17,765	10,88,001
Cash and Cash Equivalents at the End		20,02,818	2,17,765

See accompanying Notes to the Financial Statements – 1 to 32

As per our Report of even date attached

For PPKG & Co

Chartered Accountants

Firm Registration Number: 009655S

Sd/-

Girdhari Lal Toshniwal

Partner

Membership No. 205140

UDIN: 21205140AAAA1F6875

Date: 24th May' 2021

Place: Hyderabad

For Pharmajid Pharmaceuticals Limited

Sd/-

S Padmaja Kalyani

Director

(DIN: 03096445)

Sd/-

S Viswa Prasad

Director

(DIN: 08068933)

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH' 2021**For the Year ended 31st March' 2020

(Amount in INR Lakhs)

Particulars	Reserves and Surplus					Total Equity
	Share Capital	Capital Redemption Reserve	Retained Earnings	Capital Reserve	Capital Subsidy	
Balance as at 1st April' 2019	1,026.88	-	(260.51)	63.65	9.94	839.96
Total Comprehensive Income for the Year ended 31 st March' 2020	-	-	3.35	-	-	3.35
Other Comprehensive Income (Net of Tax) (Refer Note – 23)	1026.88	—	(257.16)	- 63.65	9.94	843.31
Transactions recorded directly in Equity Contributions and Distributions: Nil	-	-	-	-	-	-
Balance as at 31st March' 2020	1,026.88	-	(257.16)	63.65	9.94	843.31

For the Year ended 31st March' 2021

Particulars	Reserves and Surplus					Total Equity
	Share Capital	Capital Redemption Reserve	Retained Earnings	Capital Reserve	Capital Subsidy	
Balance as at 1st April' 2020	1,026.88	-	(257.16)	63.65	9.94	843.31
Total Comprehensive Income for the Year ended 31 st March' 2021	-	-	9.33	-	-	9.33
Other Comprehensive Income (Net of Tax)	1026.88	—	(247.83)	- 63.65	9.94	852.64
Transactions recorded directly in Equity Contributions and Distributions: Nil	-	-	-	-	-	-
Balance as at 31st March' 2021	1,026.88	-	(247.83)	63.65	9.94	852.64

For PPKG & Co
Chartered Accountants
Firm Registration Number: 009655S

For Pharmaids Pharmaceuticals Limited

Sd/-
Girdhari Lal Toshniwal
Partner
Membership No. 205140
UDIN: 21205140AAAA1F6875

Sd/-
S Padmaja Kalyani
Director
(DIN: 03096445)

Sd/-
S Viswa Prasad
Director
(DIN: 08068933)

Date: 24th May' 2021
Place: Hyderabad



NOTES TO FINANCIAL STATEMENTS

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31ST MARCH' 2021

1. Pharmalabs Pharmaceuticals Limited (“the Company”) is a Public Limited Company domiciled and Incorporated in India in accordance with the provisions of the Companies Act, 1956. The Registered Office of the Company is located at 4-4-211/212/3, Inderbagh, Sultan Bazaar, Hyderabad – 500095. The Equity Shares of the Company are listed on the Bombay Stock Exchange (BSE). 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 31st March' 2021 were authorized and approved for issue by the Board of Directors on 24th May' 2021.

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 the 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 the Assets and Liabilities in the Balance Sheet based on Current / Non – Current Classification.

An Asset is classified as Current when it is:

1. It is expected to be realized or intended to be sold or consumed in the Normal Operating Cycle
2. It is held primarily for the purpose of Trading
3. It is expected to be realized within twelve months after the Reporting Period, or
4. 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 the other Assets are classified as Non – Current. A Liability classified as Current when:

1. It is expected to be settled in the Normal Operating Cycle



2. It is held primarily for the purpose of Trading
3. It is due to be settled within twelve months after the Reporting Period, or
4. There is no Unconditional Right to defer the settlement of the Liability for at least twelve months after the Reporting Period.

All the 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 in the Statement of Profit and Loss as and when 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 the Technical Certification and Depreciation thereon is provided accordingly.

Depreciation on Property, Plant and Equipment is provided on the Straight Line Method (SLM), computed on the basis of Useful Lives as estimated by the Management which coincides with the rates prescribed in the 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 De-recognized 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 De-recognized.

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 the 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 of Assets (Cash Generating Units). The Company's Corporate Assets (Central Office Building for providing support to various CGUs) do not generate Independent Cashflows. To determine



the Impairment of Corporate Assets, Recoverable Amount is determined for the CGUs to which the Corporate Assets belongs.

2.3 Inventories

- Stores and 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 Face 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 the 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 charged 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 the 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 as Income on a Straight Line Basis over the Lease Term unless the Receipts are structured to increase in line with the 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 Amortised 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 the 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 the 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 the 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 the Statement of Profit or Loss.

Debt Instruments

Subsequent measurement of Debt Instruments depends on the Company's Business Model for managing the Asset and the Cash Flow Characteristics of the Asset. There are three measurement categories into which the Company classifies its Debt Instruments:

- Amortised Cost: Assets that are held for collection of Contractual Cash Flows where those Cash Flows represent Solely Payments of Principal and Interest are measured at Amortised Cost. A Gain or Loss on a Debt Instrument that is subsequently measured at Amortised Cost is recognised in Profit or Loss when the asset is De-recognised 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 recognised in the Profit or Loss. When the Financial Asset is De-recognised, the Cumulative Gain or Loss previously recognised in OCI is reclassified from Equity to Profit or Loss and recognised in 'Other Income'.
- Fair Value Through Profit or Loss: Assets that do not meet the criteria for Amortised Cost or FVOCI are measured at Fair Value through Profit or Loss. A Gain or Loss on a Debt Instrument that is subsequently measured at Fair Value through Profit or Loss is recognised in Profit or Loss and presented Net in the Statement of Profit and Loss 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 Amortised 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 recognised from Initial Recognition of the Receivables.

De-recognition of Financial Assets

A Financial Asset is De-recognized 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 the Risks and Rewards of Ownership of the Financial Asset. In such cases, the Financial Asset is De-recognised. Where the Entity has not transferred substantially all the Risks and Rewards of Ownership of the Financial Asset, the Financial Asset is not De-recognised.
- Where the Entity has neither transferred a Financial Asset nor retains substantially all the Risks and Rewards of Ownership of the Financial Asset, the Financial Asset is De-recognised if the Company has not retained control of the Financial Asset. Where the Company retains control of the Financial Asset, the Asset is continued to be recognised to the extent of continuing involvement in the Financial Asset.

Income Recognition Interest Income

Interest Income from Debt Instruments is recognised 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 the Statement of 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 the 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 recognised 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 the 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 recognised initially at Fair Value and subsequently measured at Amortised 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 recognised initially at their Fair Value and subsequently measured at Amortised Cost using the Effective Interest Method.

2.10 Borrowings

Borrowings are initially recognised at Fair Value, Net of Transaction Costs incurred. Borrowings are subsequently measured at Amortised Cost. Any difference between the proceeds (Net of Transaction Costs) and the Redemption amount is recognised in the Profit or Loss over the period of the Borrowings using the Effective Interest Method. Fees paid on the establishment of Loan Facilities are recognised as Transaction Costs of the Loan to the extent that it is probable that some or all of the facility will be Drawn Down. In this case, the Fees is deferred until the Drawn Down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be Drawn Down, the Fee is Capitalised as a Prepayment for Liquidity Services and Amortised over the period of the facility to which it relates.

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

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 recognised for any Initial or subsequent Write – Down of the Asset (or Disposal Group) to Fair Value Less Costs to Sell. A Gain is recognised 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 recognised. A Gain or Loss not previously recognised by the Date of the Sale of the Non – Current Asset (or Disposal Group) is recognised at the Date of De-recognition.

Non – Current Assets (including those that are part of a Disposal Group) are not Depreciated or Amortised 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 recognised.

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 recognised 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 recognised.

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 recognised at their Fair Value where there is a reasonable assurance that the Grant will be received and the Company will comply with all the attached Conditions.

2.14 Borrowing Costs

General and Specific Borrowing Costs that are Directly Attributable to the Acquisition, Construction or Production of a Qualifying Asset are Capitalised during the period of time that is required to complete and prepare the Asset for its Intended Use or Sale. Qualifying Assets are Assets that necessarily take a Substantial Period of Time to get ready for their Intended Use or Sale.

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 recognised in the Statement of 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'. 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 recognised in respect of Employees' services up to the end of the Reporting Period and are measured at the amounts expected to be paid when the Liabilities are settled.

Post – Employment Benefits: Defined Benefit Plans

The Liability or Asset recognised 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.

Remeasurement Gains and Losses arising from experience adjustments and changes in Actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. 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 recognised in the Balance Sheet for Defined Benefit Plans as the present value of the Defined Benefit Obligation (DBO) at the Reporting Date. The 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'.

The Company has subscribed to a Group Gratuity Scheme of Life Insurance Corporation of India (LIC). Under the said Policy, the Eligible Employees are entitled for Gratuity upon their Resignation or Retirement or in the event of Death, in Lumpsum, after deduction of necessary taxes up to a maximum limit of Rs.20.00 Lakhs. Liabilities in respect of the Gratuity Plan are determined by an Actuarial Valuation, based upon which the Company makes contributions to the Gratuity Fund.

Defined Contribution Plans

Contributions under Defined Contribution Plans payable in keeping with the related Schemes are recognised 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 the 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 recognised 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 and 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 recognised outside Profit or Loss is recognised outside Profit or Loss (either in 'Other Comprehensive Income' or in 'Equity'). Current Tax items are recognised 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 utilised. Unrecognised Deferred Tax Assets are re-assessed at each Reporting Date and are recognised 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 recognised outside Profit or Loss is recognized outside Profit or Loss (either in 'Other Comprehensive Income' or 'Directly in Equity').

218 Provision and Contingencies

Provisions are recognised when the Company has a present Legal or Constructive Obligation as a result of past events, it is probable that an outflow of resources will be required to settle the Obligation and the amount can be reliably estimated. Provisions are not recognised for Future Operating Losses.

Provisions are measured at the Present Value of the Management's best estimate of the expenditure required to settle the Present Obligation at the end of the Reporting Period. The Discount Rate used to determine the Present Value is a Pre – Tax Rate that reflects Current Market Assessments of the Time Value of Money and the risks specific to the Liability. The increase in the Provision due to the passage of time is recognised as Interest Expense.

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.

219 Dividends

Provision is made for the amount of any Dividend Declared, being appropriately authorised 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:

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 manufacturing of Generics, Bulk Drugs and Intermediaries, 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 1st April’ 2019.

‘Ind AS – 116: Leases’ eliminates the classification of Lease as either Finance Lease or Operating Lease. 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 recognised.

‘Ind AS 116’ is effective from 1st April’ 2019. The Company is currently assessing the impact of the New Standard and there are No Material Impact to the Assets and Liabilities recognised in the Financial Statements, as well as in the Statement of Profit and Loss.

2.23 Critical Estimates and Judgements

The preparation of Financial Statements in conformity with the ‘Ind AS’ requires the 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 recognised 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 represents 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

The 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 the 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 the 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 Discounted Cash Flow Model, which involve various Judgements and Assumptions.



NOTE NO. 1 : PROPERTY PLANT AND EQUIPMENT

S No.	Particulars	GROSS BLOCK				Rate of Depreciation	DEPRECIATION/AMORTISATION			NET BLOCK				
		Ason 01.04.2020	Additions During the Year	Additions through Business Acquisitions	Capitalised During the Year		Sales/ Disposal During the Year	Ason 31.03.2021	Ason 01.04.2020	Depreciation provided for the Year	Adjustment for Depreciation	Total ason 31.03.2021	Ason 31.03.2021	Ason 31.03.2020
1	Equipment	40,90,000	-	-	-	-	40,90,000	7.31%	37,44,454	2,98,979	-	40,43,433	46,567	3,45,546
2	Air Conditioners	1,06,200	-	-	-	-	1,06,200	9.50%	2,5,602	10,089	-	35,691	70,509	80,598
3	Computers	3,55,948	15,000	-	-	-	3,70,948	31.67%	1,86,854	1,16,025	-	3,02,879	68,069	1,69,094
4	Vehicle	2,50,000	-	-	-	-	2,50,000	-	2,50,000	-	-	2,50,000	-	-
5	Furniture	2,18,712	-	-	-	-	2,18,712	9.50%	5,251	20,778	-	26,029	1,92,683	2,13,461
6	Plant and Machinery	50,300	-	-	-	-	50,300	4.75%	27,807	2,389	-	30,196	20,104	22,493
	Total	50,71,160	15,000	-	-	-	50,86,160		42,39,968	4,48,260	-	46,88,228	3,97,932	8,31,192



Note No. 2: Long Term Loans and Advances

Particulars	As on 31 st March' 2021 Rupees	As on 31 st March' 2020 Rupees
I Long - Term Loans and Advances:		
a) Security Deposit		
Secured		
Unsecured	9,69,544	9,69,544
(Unsecured 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	6,56,18,731	6,33,65,731
Total Long Term Loans and Advances	6,65,88,275	6,43,35,275

Note No. 3: Deferred Tax Asset (Net)

Particulars	As on 31 st March' 2021 Rupees	As on 31 st March' 2020 Rupees
I Opening Deferred Tax Asset	34,57,657	(6,29,553)
Add:		
Deferred Tax Asset for the Year	48,763	40,87,210
Gross Deferred Tax Asset	35,06,419	34,57,657
Opening Deferred Tax Liability	-	-
Provision for Gratuity and Compensated Absences and Doubtful Debt	-	-
Gross Deferred Tax Liability	-	-
Deferred Tax Asset / (Liability) - Net	35,06,419	34,57,657

Note No. 4: Other Non – Current Assets

Particulars	As on 31 st March' 2021 Rupees	As on 31 st March' 2020 Rupees
I Other Non – Current Asset		
Product Development Advances	-	-
Total Non – Current Assets	-	-



Note No. 5: Inventories

Particulars	As on 31 st March' 2021 Rupees	As on 31 st March' 2020 Rupees
Inventories:		
a) Raw Materials	-	-
Sub – Total	-	-
b) Work in Progress		
Sub – Total	-	-
c) Finished Goods	36,91,155	-
Sub Total	36,91,155	-
Total Inventories	36,91,155	-

Note No. 6: Trade and Other Receivables (Non – Current Asset)

Particulars	As on 31 st March' 2021 Rupees	As on 31 st March' 2020 Rupees
I Trade Receivables		
Secured, Considered Good		-
Unsecured, Considered Good		
Less than Six Months		
More than Six Months	75,84,737	75,84,737
Doubtful		
Other Receivables:		
Secured, Considered Good		
Unsecured, Considered Good		
Doubtful		
Total Trade Receivable (Gross)	75,84,737	75,84,737
Less: Provision for Bad and Doubtful Debts		
Total Trade Receivables (Net)	75,84,737	75,84,737



Note No. 7: Trade and Other Receivables (Current Asset)

Particulars	As on 31 st March' 2021 Rupees	As on 31 st March' 2020 Rupees
I Trade Receivables		
Secured, Considered Good		
Unsecured, Considered Good		
Less than Six Months	27,72,445	-
More than Six Months		
Doubtful	-	-
Other Receivables:		
Secured, Considered Good		
Unsecured, Considered Good		
Doubtful	-	-
Total Trade Receivable (Gross)	27,72,445	-
Less : Provision for Bad and Doubtful Debts	-	-
Total Trade Receivables (Net)	27,72,445	

Note No. 8: Cash And Cash Equivalents

Particulars	As on 31 st March' 2021 Rupees	As on 31 st March' 2020 Rupees
I Cash and Cash Equivalents :		
a) Balances with Banks :		
1) On Current Accounts	14,25,430	1,95,977
2) On Deposit Accounts	-	-
b) Cash on Hand	5,77,388	21,788
Total Cash and Cash Equivalents	20,02,818	2,17,765

Note No. 9: Short Term Loans and Advances

Particulars	As on 31 st March' 2021 Rupees	As on 31 st March' 2020 Rupees
I Short - Term Loans and Advances:		
a) Other Loans and Advances	-	-
Unsecured	-	36,55,000
Total Short Term Loans and Advances	-	36,55,000



Note No. 10: Other Current Assets

Particulars		As on 31 st March' 2021 Rupees	As on 31 st March' 2020 Rupees
I	Prepaid Expenses		
	Interest Accrued on Deposits	-	-
	Inward GST	1,06,256	-
	Total Other Current Assets	1,06,256	-

Note No. 11 : Share Capital

Particulars		As on 31 st March' 2021 Rupees	As on 31 st March' 2020 Rupees
a	Equity Share Capital		
(a)	Authorised 1,10,00,000 Equity Shares of Rs.10/- each	11,00,00,000	11,00,00,000
(b)	Issued, Subscribed and Paid-up 1,03,11,234 Equity Shares of Rs.10/- each Fully Paid-up.	10,31,12,340	10,31,12,340
	Less: Calls in Arrear	4,24,150	4,24,150
	Total Equity Share Capital	10,26,88,190	10,26,88,190
b	A 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 Rs.10/- Each, Fully paid up :		
	At the Beginning of the Year	1,03,11,234	1,03,11,234
	Issued during the Year	-	-
	Allotted to Shareholders of Transferee Company		
	At the end of the Year	1,03,11,234	1,03,11,234

c Details of Shareholders holding more than 5% Shares of the Company: (Refer Note below)

Name of the Shareholder	As on 31 st March' 2021		As on 31 st March' 2020	
	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding
Sadhanala Venkata Rao	53,43,531	51.82	53,43,606	51.82
Sadhanala Padmaja Kalyani	9,57,663	9.29	9,57,638	9.29



Note No. 12: Other Equity

Particulars	As on 31st March' 2021 Rupees	As on 31st March' 2020 Rupees
I Other Equity		
a) Capital Subsidy		
As at the Commencement of the Year	9,93,750	9,93,750
Add: Additions during the Year	-	-
Less: Utilised during the Year	9,93,750	9,93,750
b) Capital Reserve		
As at the Commencement of the Year	63,65,353	-
Add: Additions during the Year	-	63,65,353
(As per Amalgamation in the Nature of Purchase)	-	-
Less: Utilised during the Year	63,65,353	63,65,353
c) Surplus :		
i) Opening Balance	(2,57,16,052)	(2,60,51,389)
Add: Total Comprehensive Income during the Year	9,33,110	3,35,337
Less: Bonus Shares / (Forfeiture of Bonus Shares)	-	-
	(2,47,82,942)	(2,57,16,052)
Total Reserves and Surplus	(1,74,23,839)	(1,83,56,949)

Note No. 13: Trade and Other Payables

Particulars	As on 31st March' 2021 Rupees	As on 31st March' 2020 Rupees
I Trade Payables	50,16,886	1,06,693
Total Trade Payables	50,16,886	1,06,693



Note No. 14: Other Current Liabilities

Particulars	As on 31st March' 2021 Rupees	As on 31st March' 2020 Rupees
I 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	8,68,800	1,43,692
f) Others	-	-
Sales Tax Deferral** (Refer Note)		
Total Other Current Liabilities	8,68,800	1,43,692

Note No. 15: Revenue From Operations

Particulars	As on 31st March' 2021 Rupees	As on 31st March' 2020 Rupees
I Revenue from Operations in respect of Non – Finance Company		
(a) Sale of Products	8,55,10,029	-
Total Revenue from Operations	8,55,10,029	-

Note No. 16: Other Income

Particulars	As on 31st March' 2021 Rupees	As on 31st March' 2020 Rupees
I (a) Interest Income		
(b) Other Non – Operating Income (Net of Expenses Directly Attributed to such Income)	2,63,400	
Total Other Income	2,63,400	-



Note No. 17: Purchases of Stock in Trade

Particulars	As on 31 st March' 2021 Rupees	As on 31 st March' 2020 Rupees
I Purchases during the Year	8,52,81,525	—
Total Purchases	8,52,81,525	-

Note No. 18: Changes in Inventories of Finished Goods, Work-in- Progress and Stock-in-Trade:

Particulars	As on 31 st March' 2021 Rupees	As on 31 st March' 2020 Rupees
I Finished Goods		
Finished Goods at the Beginning of the Year	-	-
Less : Finished Goods at the End of the Year	36,91,155	-
Sub – Total (A)	(36,91,155)	-
Work-in-Progress at the Beginning of the Year	-	-
Less: Work-in-Progress at the End of the Year	-	-
Sub – Total (B)	-	-
Work-in-Progress		
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)	(36,91,155)	-

Note No. 19: Employee Benefit Expenses

Particulars	As on 31 st March' 2021 Rupees	As on 31 st March' 2020 Rupees
I (a) Salaries and Wages	4,43,000	1,61,073
(b) Contribution to Provident and Other Funds	-	-
(c) Staff Welfare Expenses	-	67,280
Total Employee Benefit Expenses	4,43,000	2,28,353



Note No. 20: Finance Cost

Particulars	As on 31st March' 2021 Rupees	As on 31st March' 2020 Rupees
(a) Interest Expenses:		
- Interest on Term Loan	-	-
(b) Bank Charges	-	8,401
(c) Applicable Net Gain / Loss on Foreign Currency Translations & Transactions	-	-
Total Finance Cost	-	8,401

Note No. 21: Other Expenses

Particulars	As on 31st March' 2021 Rupees	As on 31st March' 2020 Rupees
I Advertisement Expenses	50,845	80,449
Annual Listing Fees	3,54,000	3,54,000
Audit Fees	30,000	30,000
Bank Charges	42	-
Bad Debts	-	-
Business Promotion	97,165	1,20,410
CDSL Fees	88,192	-
Conveyance	-	1,600
Directors' Remuneration	6,00,000	-
Discount	-	-
Electricity Charges	7,929	21,874
Office Expenses	1,73,200	99,000
General Expenses	24,777	6,23,480
Insurance	-	56,457
Lodging and Boarding Expenses	-	10,582
NSDL Custody Fee Charges	1,37,961	-
Postage and Telegram	1,72,999	69,395
Printing and Stationery	16,960	1,60,992
Professional Charges	35,000	95,100
Rates and Taxes	-	4,53,500
Rent	2,40,000	2,88,500
Repairs and Maintenance – Others	-	1,02,500
ROC Filing Expenses	25,724	3,12,200
Telephone and Internet Charges	7,909	11,075
Travelling Expenses	24,592	1,85,981
Amalgamation Expenses	-	50,000
Calibration Charges	5,000	-
Penalty	2,04,140	-
Rounding Off	3	-
Write Off	1,11,014	-
Total Other Expenses	24,07,451	31,27,095



Note No. 22: Tax Expenses

Particular	As on	As on
	31 st March' 2021 Rupees	31 st March' 2020 Rupees
I Current Tax		
Deferred Tax		
Adjustment for Previous Year Tax	(48,763)	(40,87,210)
- Income Tax Paid for Earlier Year	-	-
Total Other Income	(48,763)	(40,87,210)

Note No. 23.1: Details of Managerial Remuneration:

Particulars	Executive Director	
	2020-21	2019-20
Salary	6,00,000	-
Total	6,00,000	-

23.2 Balance of Trade Payables, Other Current Liabilities, Loans and Advances and Trade Receivables are subject to Confirmation / Reconciliation.

23.3 The Company's Operation mainly consist of only One Segment i.e. Drug Formulations and therefore the figures relate to that Segment only.

23.4 Related Party Disclosures (as identified by the Management) as per the 'Indian Accounting Standard – 24: Related Party Transactions' are given below:

Name of the Parties:

- Sadhanala Viswa Prasad
- Sadhanala Padmaja Kalyani

NAME OF THE TRANSACTIONS RELATED TO THE PARTY	TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL AND THEIR RELATIVES	
	2020-21	2019-20
Managerial Remuneration	6,00,000	-
Reimbursement of Expenses	-	-

**Note No. 24: Earning Per Share (EPS)**

	2020-2021	2019-2020
The Computation of EPS is set out below:		
Earning		
Net Profit / Loss for the Period	9,33,111	3,35,337
Shares		
Number of Shares at the Beginning of the Period	1,03,11,234	1,03,11,234
Add: Allotted to Transferee Company	-	-
Total Number of Equity Shares Outstanding at the End of the Period	1,03,11,234	1,03,11,234
Weighted Average Number of Equity Shares Outstanding during the Period	1,03,11,234	1,03,11,234
Earnings Per Share of Par Value Rs.10/- Basic and Diluted (Rs)	0.09	0.03

25. 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 Financial Year ended 31st March’ 2021.
26. Contingent Liability NIL
27. Foreign Currency Earnings / Outgoing NIL

For PPKG & Co

Chartered Accountants

Firm Registration Number: 009655S

Sd/-

Girdhari Lal Toshniwal

Partner

Membership No. 205140

UDIN: 21205140AAAA1F687**For Pharmaids Pharmaceuticals Limited**

Sd/-

S Padmaja Kalyani

Director

(DIN: 03096445)

Sd/-

S Viswa Prasad

Director

(DIN: 08068933)

Date: 24th May’ 2021

Place: Hyderabad



28. Income Tax

(Rs in Lakhs)

Particulars	As on 31 st March' 2021 Rupees	As on 31 st March' 2020 Rupees
Tax Expense / (Credit) comprises of:		
Current Income Tax	-	-
Deferred Tax	(0.49)	(40.87)
Income Tax Expense Reported in the Statement of Profit/Loss	(0.49)	(40.87)
The Major components of Income Tax Expense and Reconciliation of Expected Tax expense based on the Domestic Effective Tax Rate of the Company at 26 % (31 st March, 2019: 25.75 %) and the Reported Tax Expense in Profit or Loss are as follows:		
Reconciliation of the Tax Expenses and the Accounting Profit multiplied by India's Tax Rate		
Profit Before Tax	8.84	(37.52)
Tax at the Indian Tax Rate (26 %) (31 st March' 2019: 25.75 %)	-	-
<u>Adjustments:</u>		
CSR Expenses and other Donations	-	-
Weighted Deduction on Research and Development Expenses	-	-
Tax Incentives	-	-
Capital Gain Tax	-	-
MAT Credit Utilisation	-	-
Deferred Tax Assets not Recognized / (Utilized)	(0.49)	(40.87)
Effect of change in Tax Laws and Rate in the Jurisdictions outside India-	-	-
Other Adjustments	-	-
Income Tax Expense	(0.49)	(40.87)

29. 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 2020-21 and FY 2019-20.

Particulars	FY 2020 – 21	FY 2019 – 20
Borrowings	-	-
Trade Payables	50.17	1.07
Other Current Liabilities	8.69	1.44
Cash and Cash Equivalents	20.03	2.18
Net Debt	38.83	0.33
Equity Capital	779.05	769.72
Gearing Ratio	5%	0.04%

No Changes were made in the Objectives, Policies or Processes for Managing Capital during the Financial Years ended 31st March, 2021 and 31st March, 2020.

30. Fair Values

Set out below, is a comparison by class of the Carrying Amounts and Fair Values of the Company's Financial Instruments, other than those with the Carrying Amounts that are reasonable approximations of Fair Values:

Particulars	Carrying Values		Fair Values	
	31 st March' 2021	31 st March' 2020	31 st March' 2021	31 st March' 2020
Financial Assets				
Investments	0.00		0.00	
Other Financial Assets		0.00		0.00
Tax Assets (Net)		0.00		0.00
Trade Receivables	27.72	0.00	27.72	0.00
Cash and Cash Equivalents	5.77	0.22	5.77	0.22
Bank Balances other than Cash and Cash Equivalents	14.25	1.96	14.25	1.96
Other Financial Assets	0.00	0.00	0.00	0.00
Total 47.75	2.18	47.75	2.18	
Financial Liabilities				
Non – Current Borrowings	0.00	0.00	0.00	0.00
Other Non – Current Financial Liabilities	0.00	0.00	0.00	0.00
Current Borrowings	0.00	0.00	0.00	0.00
Trade Payables	50.17	1.07	50.17	1.07
Other Current Financial Liabilities	8.69	1.44	8.69	1.44
Total	58.86	2.51	58.86	2.51



The Management assessed that Fair Values 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.

31. Fair Values Hierarchy

Financial Assets and Liabilities measured at Fair Values 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 31st March' 2021:

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-21	-	-	-	-	-
Other Financial Assets	31-Mar-21	-	-	-	-
Tax Assets (Net)	31-Mar-21	-	-	-	-
Trade Receivables	31-Mar-21	27.72	-	27.72	-
Cash and Cash Equivalents	31-Mar-21	5.77	-	5.77	-
Bank Balances other than Cash and					
Cash Equivalents	31-Mar-21	14.25	-	14.25	-
Other Financial Assets	31-Mar-21	-	-	-	-
Total		47.74	-	47.74	-

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

Quantitative Disclosures Fair Value Measurement Hierarchy for Liabilities as at 31st March' 2021:



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-21	-	-	-	-
Other Non – Current Financial Liabilities	31-Mar-21	-	-	-	-
Current Borrowings	31-Mar-21	-	-	-	-
Trade Payables	31-Mar-21	50.17	-	50.17	-
Other Current Financial Liabilities	31-Mar-21	8.69	-	8.69	-
Total		58.86	-	58.86	-

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 31st March' 2020:

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-20	0.00	-	0.00	-
Other Financial Assets	31-Mar-20	0.00	-	0.00	-
Tax Assets (Net)	31-Mar-20	0.00	-	0.00	-
Trade Receivables	31-Mar-20	0.00	-	0.00	-
Cash and Cash Equivalents	31-Mar-20	0.22	-	0.22	-
Bank Balances other than Cash and Cash Equivalents	31-Mar-20	1.96	-	1.96	-
Other Financial Assets	31-Mar-20	0.00	-	0.00	-
Total		2.18	-	2.18	-

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



Quantitative Disclosures Fair Value Measurement Hierarchy for Liabilities as at 31st March' 2020:

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-20	-	-	-	-
Other Non – Current Financial Liabilities	31-Mar-20	-	-	-	-
Current Borrowings	31-Mar-20	-	-	-	-
Trade Payables	31-Mar-20	1.07	-	1.07	-
Other Current Financial Liabilities	31-Mar-20	1.44	-	1.44	-
Total		2.51	-	2.51	-

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

32. 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 31st March' 2021 and 31st March' 2020.

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 31st March' 2021 and 31st March' 2020.

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 the 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 carries 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. Both the Categories are Unquoted Non – Trade Equity.

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 the Operational Requirements, to Fund Scheduled Capex and Debt Repayments and to comply with the terms of Financing Documents.

For PPKG & Co

Chartered Accountants

Firm Registration Number: 009655S

Sd/-

Girdhari Lal Toshniwal

Partner

Membership No. 205140

UDIN: 21205140AAAA1F6875

For Pharmaids Pharmaceuticals Limited

Sd/-

S Padmaja Kalyani

Director

(DIN: 03096445)

Sd/-

S Viswa Prasad

Director

(DIN: 08068933)

Date: 24th May' 2021

Place: Hyderabad