

Ref. No. JPL/CS/1985/2023

To

The BSE Ltd.

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai - 400 001.

Date: 30th June, 2023Reg.: **Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.**Sub.: **Annual Report 2022-23.**

Dear Sir,

Kindly find attached a soft copy of the Annual Report of the Company, pertaining to financial year 2022-23 inter-alia containing followings:

1. Notice convening 38th Annual General Meeting, which will be held on Wednesday, 26th July, 2023 at 3.30 p.m. IST through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'). The notice also contain the instructions for e-voting and explanatory statement;
2. Audited financial statements for the financial year 2022-23 in accordance to IND-AS, with significant Accounting Policies and notes thereto;
3. Cash flow statements in accordance to IND-AS;
4. Directors' report thereon with annexures;
5. Management discussion and analysis report, as a part of Directors' report;
6. Auditors' report with unmodified opinion alongwith annexures and
7. Report on Corporate Governance.

The Annual Report is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrars and Transfer Agent/Depositories. This is in accordance to the Ministry of Corporate Affairs's Circulars No. 10/2022 dated 28th December, 2022 and the Securities and Exchange Board of India's Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 05th January, 2023.

A copy of Annual Report is also available on the website of the Company. viz. www.jenburkt.com.

Kindly take on record the above.

Thanking you,

Yours faithfully,

For Jenburkt Pharmaceuticals Limited,

Ashish R. Shah

Company Secretary and Compliance Officer

Encl.: As Stated Above.

2022-23

ANNUAL REPORT

**Embracing Innovation
For A Healthier Tomorrow**





Transforming lives with breakthrough innovation in health and wellness

Innovation is the engine that can propel us forward. We believe that the impact of the COVID-19 pandemic has accelerated innovation and our work as a life-sciences organisation has never been more important. A key focus area for us in 2022-2023 was accelerating the development and deployment of innovative new products that improve our people's health and wellbeing.

We would like to pay tribute to our robust 850+ member team, our health and care partners as well as the many innovators who we have worked with this year.

Thank you for your continued
support to our work.



Founders

Hemendra N. Bhuta
Uttam N. Bhuta

Board of Directors

| | | |
|-----------------------|-----------------------------------------------|---------------|
| Ashish U. Bhuta | Chairman and Managing Director | DIN: 00226479 |
| Dilip H. Bhuta | Whole Time Director & Chief Financial Officer | DIN: 03157252 |
| Bharat V. Bhate | Non-Executive and Independent Director | DIN: 00112361 |
| Rameshchandra J. Vora | Non-Executive and Independent Director | DIN: 00112446 |
| Arun R. Raskapurwala | Non-Executive and Independent Director | DIN: 00143983 |
| Hina R. Mehta | Non-Executive and Independent Director | DIN: 08719453 |

Company Secretary

Ashish R. Shah

Auditors

D. R. Mehta & Associates
Chartered Accountants, Mumbai.

Bankers

Bank of Baroda

Registered Office

Nirmala Apartments, 93, Jayprakash Road, Andheri (W), Mumbai – 400 058.
CIN: L24230MH1985PLC036541
Tel. No.: +91-22-67603603 • Fax. No.: +91-22-66943127
E-mail: investor@jenburkt.com • Website: www.jenburkt.com

Plant

11-12, GIDC, Phase - I, Bhavnagar Road, Sihor, Gujarat - 364 240.

Research & Development Centre

11-12, GIDC, Phase - I, Bhavnagar Road, Sihor, Gujarat - 364 240.

Registrar & Transfer Agents

Bigshare Services Pvt. Ltd.
Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East) Mumbai - 400093, India.
Tel. No.: +91-22-62638200, 62638222/23 • E-mail: charmi@bigshareonline.com • Website: www.bigshareonline.com

Index

| | | | |
|----------------------------------|----|---------------------------------------|----|
| Notice | 02 | Auditors' Report | 45 |
| Directors' Report | 14 | Financial Statements | 51 |
| Corporate Governance Report..... | 33 | Significant Accounting Policies | 55 |

Notice



Notice

NOTICE is hereby given that the 38th Annual General Meeting of the Members of **Jenburkt Pharmaceuticals Limited** ("the Company) will be held on Wednesday, 26th July, 2023 at 3.30 p.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the financial year ended on 31st March, 2023, together with the Board of Directors' and Auditors' report thereon.
2. To appoint Shri Ashish U. Bhuta, (DIN-00226479), Director liable to retire by rotation and being eligible, offers himself for re-appointment as a Director.
3. To declare a dividend of ₹ 14.40 (144 %) per equity share of ₹ 10/- each, for the financial year ended 31st March, 2023.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass the following resolution, as a Special Resolution:

"RESOLVED THAT Pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V of the Act, including any statutory modification(s) or re-enactment thereof and such other permissions, sanction(s) as may be required, and further to the special resolution passed at the 35th Annual General Meeting of the Company held on 01st September, 2020 for the re-appointment of Shri Ashish U. Bhuta, Chairman and Managing Director (DIN:00226479) from 1st April, 2021 to 31st March, 2026 and payment of his remuneration from 1st April, 2021 to 31st March, 2024, the consent of the Members of the Company, be and is hereby accorded for payment of remuneration to Shri Ashish U. Bhuta, Chairman and Managing Director of the Company, payable for the remaining period of two years of his present terms of appointment, i.e. with effect from 1st April, 2024 up to 31st March, 2026, as set out in the explanatory statement containing details of his proposed remuneration annexed to the notice convening this meeting and that the other terms and conditions of his appointment shall remain the same till 31st March, 2026.

RESOLVED FURTHER THAT the Board of Directors and/or any Committee thereof be and is hereby authorised and empowered in their absolute discretion to change, alter or modify the terms and conditions of Chairman and Managing Director's appointment and payment of remuneration within the overall limit as stated in explanatory statement, in consultation with Shri Ashish U. Bhuta, subject to the applicable provisions of the Act, any rules made thereunder and Provisions of Schedule V of the Act (including any alterations / modifications, if any, thereof for the time being in force).

RESOLVED FURTHER THAT in the event of a loss or inadequacy of the profit of the Company in any financial year during his tenure, the proposed remuneration shall be paid to the Chairman and Managing Director as a minimum remuneration, for the period of two years from 1st April, 2024 to 31st March, 2026, subject to all applicable provisions of the Act, any rules made thereunder and Schedule V of the Act (including any alterations / modifications, if any, thereof for the time being in force)."

5. To consider and if thought fit, to pass the following resolution, as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualifications of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 16(1)(b) and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI-LODR') and the Company's policy viz. "policy for selection of Directors, Senior Managerial Personnel and determining Directors' independence", Shri Sumit Ajaybhai Thakkar (DIN 10157663) who has submitted a declaration that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI-LODR and is eligible for appointment, and in respect of whom the Company has received a notice in writing from a member of the Company in terms of Section 160(1) signifying his candidature, be and is hereby appointed as a non-executive and Independent Director of the Company for a period of five consecutive years with effect from 26th July 2023 to 25th July, 2028 not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee/s) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

6. To consider and if thought fit, to pass the following resolution, as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of the Section 186 and other applicable provision of the Companies Act, 2013 and the rules made thereunder including any statutory modification or re-enactment thereof for the time being in force, subject to such approvals, consents, sanctions and permissions, as may be necessary, all applicable provisions of all the applicable laws and in supersession of all previous resolutions passed by the members of the Company, in this regard, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to

as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to directly or indirectly (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide security and/or collateral security in connection with a loan to any other body corporate or person; and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, for an aggregate amount up to ₹200 Crores (Rupees Two Hundred Crores only) on such terms and conditions as the Board may think fit at its absolute discretion, notwithstanding that such investments or acquisitions together with existing investments of the Company in all other bodies corporates, loan & guarantee given and securities provided shall be in excess of the limits prescribed under section 186 of the Companies Act, 2013, from time to time i.e. (a) 60% of its paid-up capital, free reserves and securities premium account or (b) 100% free reserves and securities premium account, whichever is more.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of the Company be and is hereby authorised to take, from time to time, all such decisions and steps as may be necessary and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate, to give effect to this resolution."

7. To consider and if thought fit, to pass the following resolution, as a Special Resolution:
- "RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or any amendments or any substitution or re-enactment thereof, if any, for the time being in force, all other applicable Acts, laws, rules, regulations and guidelines for the time being in force and in supersession of all previous resolutions, passed by the members of the Company, in this regard, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow, from time to time, as they may think fit, any sum or sums of money not exceeding ₹ 200 cr. (Two Hundred Crore only) including the money already borrowed by the Company on such terms and conditions as the Board may deem fit in its absolute discretion, whether the same may be secured or unsecured and if secured, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever, in respect of all, or any of the Company's assets and effects or properties whether moveable or immovable, including stock-in-trade, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid-up capital of the Company, its free reserves and securities premium account.

RESOLVED FURTHER THAT for the purpose of giving effect to

this resolution, the Board of the Company be and is hereby authorised to take from time to time all such decisions and steps as may be necessary and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate, to give effect to this resolution."

8. To consider and if thought fit, to pass the following resolution, as an Ordinary Resolution:
- "RESOLVED THAT in supersession of previous resolution passed by the members in the previous AGM held on 29th July, 2022 ratifying payment of remuneration to M/s. Jagdish R. Bhavsar, Cost Accountants and pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modifications or re-enactments thereof for the time being in force, the remuneration payable for the financial year ending 31st March, 2023 to M/s. Kirit Mehta & Co., Cost Accountants' firm (Registration No. M000353), appointed by the Board of Directors of the Company to fill-up casual vacancy created due to demise of the then Cost Auditor of the Company (M/s. Jagdish R. Bhavsar) during the financial year 2022-23, to conduct the audit of the Cost Records of the Company, amounting to ₹ 2,15,000/- (Rupees Two Lacs Fifteen Thousand only) be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts and take appropriate steps as may be necessary and proper to give effect to this resolution."

9. To consider and if thought fit, to pass the following resolution, as an Ordinary Resolution:
- "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modifications or re-enactments thereof for the time being in force, the remuneration payable for the financial year ending 31st March, 2024 to M/s. Kirit Mehta & Co., Cost Accountants' firm (Registration No. M000353), appointed by the Board of Directors of the Company to conduct the audit of the Cost Records of the Company, amounting to ₹ 2,50,000/- (Rupees Two Lacs Fifty Thousand only) be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts and take appropriate steps as may be necessary and proper to give effect to this resolution."

By order of the Board of Directors

Ashish R. Shah
Company Secretary

Mumbai, 23rd May, 2023.

NOTES:

1. Explanatory Statement pursuant to the provisions of Section 102 (1) of the Companies Act, 2013 ("the Act") in respect of special business to be transacted at the Annual General Meeting (AGM) is annexed to this Notice.
2. Members may please note that in view of the Ministry of Corporate Affairs (MCA)'s Circular No. 20/2020 dated 5th May, 2020, circular no. 02/2022 dated 5th May, 2022 and 10/2022 dated 28th December, 2022, Securities and Exchange Board of India's (SEBI) circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 (hereafter collectively referred as "the relevant circulars"), allowed the Companies to hold Annual General Meeting (AGM) through video conferencing (VC) or other audio-visual means (OVAM) till 30th September, 2023 and that physical presence of the Members at a common venue is not required and also provided relaxation to the companies from dispatching hard copies of the Annual Report till 30th September, 2023. Accordingly, this 38th AGM of the Company has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI-LODR), read with the relevant circulars, cited above.
3. The meeting shall be deemed to be conducted at the Registered Office of the Company.
4. In confirmation with the relevant circulars, the Notice calling the AGM is being sent to all those shareholders who have registered their e-mail address with the Company/RTA/ Depositories unless any member has requested for a physical copy of the same. The notice is also uploaded on the website of the Company at www.jenburkt.com. The notice can also be accessed at the website of BSE Limited at www.bseindia.com and at the website of NSDL i.e. www.evoting.nsdl.com.
5. Relevant details, in accordance to the Regulation 36(3) of SEBI-LODR and the Secretarial Standards-2 on General Meetings as issued by the Institute of Company Secretaries of India, regarding the Directors being appointed is appearing in the report on Corporate Governance.
6. Pursuant to the relevant circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
7. The e-voting related instructions and other information including User ID and Password are given in detail, herein below:
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
9. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
10. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI -LODR (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system during e-voting period as well as during the AGM will be provided by NSDL.
11. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13th April, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.jenburkt.com. The Notice can also be accessed from the websites of BSE Limited at www.bseindia.com and is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
12. Members attending the AGM through VC / OAVM should note that those who are entitled to vote but have not exercised their right to vote by remote e-voting, may cast their votes through e-voting, for all businesses specified in the Notice, during the AGM and up to 15 minutes after the conclusion of the AGM.
13. The Members who have exercised their right to vote by remote e-voting may attend the AGM but cannot vote during the AGM.
14. A person who is not a member as on the cut-off date, i.e. Wednesday, 19th July, 2023 should treat the Notice for information purpose only.
15. Members who wish to seek any information or raise question at the AGM, are requested to write an e-mail to the Company, at investor@jenburkt.com, on or before 11.59 p.m. on Thursday 20th July, 2023, so that the information required can be made available during the AGM.
16. Members who have not registered their bank details or their e-mail address are requested to provide the same to their depository participant, if shares are held in demat form OR to the Company/ Bigshare Services Pvt. Ltd. (RTA), if shares are held in physical certificate and participate in green initiative

by receiving dividends directly into registered bank account and receive all communication from the company viz. annual report, notices, circulars, etc., electronically.

17. SEBI Circulars and their impact:

- A. SEBI has vide its Circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023 have mandated that all the Shareholders including joint holders, holding physical share certificates, must submit their valid PAN (PAN Linked with Aadhar), email address, mobile number, bank account details in form ISR-1, verification of signature in form ISR-2 and registration of nomination in form SH-13 or cancellation / variation of nomination in form SH-14 or declaration for opting-out nomination in form ISR-3 to the Company or its RTA (all forms are available on Company's website at www.jenburkt.com and RTA's website at www.bigshareonline.com), by 30th September, 2023. Non availability of any one of the above cited documents/details in your folio, the same will be frozen by the RTA from 1st October, 2023. Further, with effect from 1st April, 2024, payments like dividend etc. to such frozen folios will be made by electronic mode only upon updation of the above stated requirements. Folio remaining frozen as on 31st December, 2025, will be referred by the Company / RTA to the authority under the Benami transactions (prohibition) Act 1988 and/or prevention of Money Laundering Act, 2002. Members may note that to safeguard the interest of physical shareholders who haven't complied as stated above, the Company / RTA had sent communications requesting to comply at the earliest, from time to time, as mandated by SEBI. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form.
- B. SEBI vide its Circular No.: SEBI/HO/MIRSD/MIRSD_RTAMB/PCIR/2022/8 dated 25th January, 2021 has mandated the listed companies to issue securities in dematerialized form only while processing service requests for issuance of duplicate certificate and other services in form ISR-4, the format of which is available on the Company's website at www.jenburkt.com and on the website of the Company's Registrar and Transfer Agents, Bigshare Services Pvt. Ltd. at www.bigshareonline.com. It may be noted that any service request can be processed only after the folio is KYC compliant.
- C. SEBI vide its notification number SEBI/LAD-NRO/GN/2022/66 dated 24th January, 2021 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with holding of physical shares and to avail various benefits of dematerialisation, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA for assistance in

this regard.

18. Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders with effect from 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates for various categories. Please refer to the Finance Act, 2020 and the amendments thereof in this regards. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company / Bigshare Services Pvt. Ltd. (if shares held in physical form).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source, by e-mail to investor@jenburkt.com by 11:59 p.m. IST on Saturday, 15th July, 2023. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors(FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose the shareholder may submit the above documents (PDF / JPG Format) by e-mail to investor@jenburkt.com. by 11:59 p.m. IST on Saturday, 15th July, 2023.

19. The register of members and the share transfer books of the Company will remain closed from Thursday, 20th July, 2023 to Wednesday, 26th July, 2023 (both days inclusive).
20. Since the AGM will be held through VC / OAVM, the route map is not annexed to the Notice.
21. All the documents referred in the Notice are available for inspection electronically from the date of dispatch of Notice till Wednesday, 19th July, 2023. Members seeking to inspect such documents are requested to write to the Company at investor@jenburkt.com.
22. Members who are entitled to participate in the AGM can view live the proceedings of the AGM by logging in the website of NSDL at <https://www.evoting.nsdl.com>, as explained below.
- 23. INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**
- I. Remote e-voting and voting at AGM:**
- The remote e-voting period begins at 09:00 a.m. on Sunday, 23rd July, 2023 and ends at 05:00 p.m. on Tuesday, 25th July, 2023. The remote e-voting module shall be disabled by NSDL for voting thereafter.
- i. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. 19th July, 2023, may cast their vote electronically. Their voting rights shall be in proportion to their shares in the paid-up equity share capital of the Company held by

them as on the cut-off date.

- ii. M/s. Nilesh Shah & Associates, Practicing Company Secretaries represented by Mr. Nilesh Shah, (Membership No. FCS 4554), or in his absence, Ms. Hetal Shah (Membership No. FCS 8063) has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - iii. The Scrutinizer after scrutinizing the votes cast through remote e-voting and during the Annual General Meeting will prepare a consolidated scrutinizer's report, not later than 48 hours of the conclusion of AGM and submit the same to the Chairman.
 - iv. The scrutinizer's report containing the results of the voting shall be placed on the Company's website www.jenburkt.com and on the website of NSDL, www.evoting.nsdl.com.
- II. **How do I vote electronically using NSDL e-voting system?**

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

Step 1: Access to NSDL e-voting system

A) Login method for e-voting and joining virtual meeting for individual shareholders holding securities in demat mode :

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

1. Login method for Individual shareholders holding securities in demat mode with NSDL

- i. Existing IDeAS user can visit the e-Services website of NSDL Viz. <https://eservices.nsdl.com> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
- ii. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- iii. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/

Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

- iv. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



2. Login method for Individual shareholders holding securities in demat mode with CDSL

- i. 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 users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
- ii. After successful login 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 & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
- iii. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
- iv. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending

OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. **Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.**

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

i. 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 022 - 4886 7000 and 022 - 2499 7000

ii. Individual Shareholders holding securities in demat mode with CDSL

Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

4. Your User ID details are given below:

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) For Members who hold shares in demat account with NSDL | 8 Character DP ID followed by 8 Digit Client ID. For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the Company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

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

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid

two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to nilesh@ngshah.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the

correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms.Pallavi Mhatre at evoting@nsdl.co.in
4. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. 19th July, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 19th July, 2023 may follow steps mentioned herein.

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

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

and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the

EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions by Thursday, 20th July, 2023 mentioning their name demat account number/folio number, email id, mobile number at (investor@jenburkt.com). The same will be replied by the company suitably.

By order of the Board of Directors
For Jenburkt Pharmaceuticals Limited

Ashish R. Shah
Company Secretary

Mumbai, 23rd May, 2023.

Annexure to the Notice

EXPLANATORY STATEMENT

Pursuant to Section 102(1) of the Companies Act, 2013 (the Act), setting out all material facts relating to the Special Business mentioned at item no.4 to 9:

For item number 4 of the Notice:

The members of the Company, at 35th Annual General Meeting of the Company held on 1st September, 2020, approved by way of Special Resolution, the re-appointment of Shri Ashish U. Bhuta, Chairman and Managing Director (DIN: 00226479) of the Company for a period of five years, with effect from 1st April, 2021 to 31st March, 2026. By the same resolution they also approved his remuneration by way of salary, perquisites and allowances including the minimum remuneration to be paid in case Company has no profits or the profits of the Company are inadequate for a period of 3 years from 1st April, 2021 up to 31st March, 2024.

In view of the dedicated and meritorious services and significant contribution to the overall growth of the Company rendered by the Chairman and Managing Director, over the years, the

Nomination and Remuneration Committee and the Board is of the opinion that the remuneration payable to him for a period of remaining 2 (Two) years of his term i.e. from 1st April, 2024 to 31st March, 2026, be approved with an increase in the upper limit. The approval of the members of the Company is sought for payment of and revision in the maximum limit of remuneration payable to him in accordance to the resolution number 4 as the minimum remuneration, detailed as below for the remaining period of two years of his present appointment.

The terms of proposed remuneration of Shri Ashish U. Bhuta is as set out below:

Remuneration: from 1st April, 2024 to 31st March, 2026:

- A. Salary: Salary of ₹ 27,00,000/- (Rupees Twenty Seven Lac only) per month with an annual increment effective from the 1st April every year, at the discretion of the Board of Directors and/or the Nomination and Remuneration Committee of the Company.
- B. Commission: In addition to above salary Shri Ashish U Bhuta, will be eligible for receipt of a maximum commission up to

3% of the net profit of the Company, payable yearly for a period of two years. The Board of Directors and/or the Nomination and Remuneration Committee of the Company shall have the power to decide and approve his commission, within the above stated limit.

- C. Other perquisites: in addition to above salary and commission, Shri Ashish U. Bhuta will be eligible for perquisites, as follows:
- House Rent Allowances at 40% of the basic salary;
 - Utilisation of gas and electricity at residences;
 - Telephones at residences and mobile phone for official use;
 - Furnishing and repairs at residences;
 - Medical reimbursement for self and family;
 - Cars with services of drivers for official use;
 - Leave travel allowance;
 - Club Membership fees;
 - Medical insurance for self and family;
 - Contribution to Provident Fund and Superannuation Fund;
 - Gratuity;
 - Reimbursement of expenses incurred for the business purpose;
 - Services of Security Guards at residences and
 - All such other perquisites, benefits and allowances under the schemes / rules as applicable to the other employees of the Company, and/or as may be approved by the members of the Company.
- D. The following perquisites, however, shall not be included in the computation of the ceiling on remuneration: (a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent that these either singly or put together are not taxable under the Income Tax Act, 1961; (b) Gratuity payable under the payment of Gratuity Act, 1972 and (c) Encashment of leave.

The present resolution is proposed to seek members' approval for Shri Ashish U. Bhuta's terms of remuneration for a period from 1st April, 2024 to 31st March, 2026, in compliance with Section 197, 198, the rules framed thereunder and Schedule V and all other applicable provisions of the Act.

The Company has not committed any default in repayment of any dues to the banks/ public financial institution of its debt (including public deposits) or debentures or any other secured creditors.

Shri Ashish U. Bhuta holds 261127 equity shares of the Company as on 31st March, 2023, in his individual capacity. He is not related to any of the Directors on the Board or any Key Managerial Personnel of the Company.

Shri Ashish U. Bhuta is considered to be interested in the resolution as set out at item no. 4 in the notice. His relatives may be deemed to be interested in the resolution to the extent of their shareholdings, if any, in the Company.

The Board of Directors recommends a special resolution as set out at item no. 4 in the accompanying Notice for approval of members.

None of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in the resolution.

The proposed resolution at item no. 4 and this statement may also be regarded as an appropriate compliance / disclosure under the applicable provisions of SEBI-LODR.

Brief resume of Shri Ashish U. Bhuta is provided herein below:

Statement of information as required under Schedule V, Part II, Section II (B) (iv) of the Companies act 2013:-

I. General Information:

- Nature of Industry: The Company is the manufacturer and marketer of Pharmaceutical and Healthcare Products.
- Date of Commencement of Commercial Production: 10th June, 1985.
- Financial Performance based on Given Indicators: The financial data as per last audited Balance Sheet as on 31st March, 2023 is as under:

| Particulars | (₹ in Lacs) |
|----------------------------------------|-------------|
| Income from Operation | 13,674.92 |
| Other Income | 512.32 |
| Total Income | 14,187.24 |
| Net Profit before Depreciation and Tax | 3,512.38 |
| Depreciation | 225.91 |
| Net Profit Before Tax | 3,286.47 |
| Provision for Income Tax | 825.77 |
| Net Profit after Tax | 2,460.70 |
| Total Comprehensive Income | 2,502.96 |

- Foreign Investments or Collaborators: N.A.

II. Information about the Appointee:

- Background Details: Shri Ashish U. Bhuta, aged 50 years, is a Bachelor of commerce. He has done his master's degree in Finance Management and postgraduate diploma in Patent Law & Practice. He was first appointed in the Company on 1st June, 1994 and since then has worked at several levels and across various departments of the Company and was elevated as Vice-president on 1st April, 1997, as Senior Vice President on 1st April, 2006 and as the Whole Time Director on 2nd June, 2007 and as the Chairman and Managing Director on 16th July, 2013. He has gained immense experience in operations, purchase, manufacturing, marketing, finance, etc. by working across all sectors and departments of the company since 1994. Shri Ashish U. Bhuta has many achievements to his credits like obtaining ISO 9002 and WHO GMP Certification of the Plant, setting up a R&D unit approved by the Central Government and International Business Department to foray in to new countries. The Wellness department created recently, is his brainchild. He is also shouldering responsibilities of overall supervision of operations and departments of finance,

purchase, manufacturing, marketing and human resources development along with developing various strategies and their implementation. He has coordinated commissioning of plant, the formulation development centre and R&D Centre at Sihor and has established Batch Costing System, precise MIS system at senior level and budgeting system in the Company. He is also responsible for computerization of the organization including commissioning Company's own developed Q-logie TM a supply chain software and later setting up of ERP and then SAP systems. He is part of the team to decide new products, expansion of territories in India, appointment of Distributors / Agents in India and abroad and selecting talent for the Company. He has created and is still very active in the development of the cross functional team- QUEST&QUEST-II Team. He is also instrumental in setting up the best practices in Cost Accounting systems, as a result of which the Company received prestigious National Award, ranked as "FIRST" from ICWAI, New Delhi under the category of Small Industries, for consecutive two years. Shri Ashish U. Bhuta holds 2,61,127 equity shares of the Company as on 31st March, 2023.

2. Past Remuneration: for F.Y. 2022-23 ₹ 200.54 Lacs, per annum (inclusive of salary, commission and perquisites).
3. Recognition or Awards: Shri Ashish U. Bhuta has at a young age coordinated the commissioning of Sihor Plant, led the team to achieve ISO 9002, WHO GMP Certification, setting up and procuring approval of Central Government for R&D unit and winning two National Awards ranked "FIRST" from ICWAI. He was awarded the best mooter and also achieved moot court team award, at the moot court competition in Patent Law held by IIPS.
4. Job Profile and Suitability: Shri Ashish U. Bhuta, exercises substantial executive power, under the control and direction of the Board of Directors of the Company. He is responsible for overall operation and working affairs of the Company. He is managing and monitoring under his direct control the core functional departments of the Company viz. purchase, production, marketing, accounts, finance, information technology, human resource development, R & D and exports. Considering his experience about the industry and ability to skilfully coordinate all the departments for the growth of the company, he is best suitable for the responsibility assigned by the Board as the Chairman and Managing Director. He is a member of Stakeholders' Relationship Committee and Corporate Social Responsibility Committee of the Company.
5. Remuneration proposed: As stated above.
6. Comparative Remuneration in the Industry: Shri Ashish U. Bhuta, has introduced lot of initiatives in the Company, during his stint. His knowledge, skills, experience about the industry place him in a correspondingly equal position at major pharmaceuticals

Companies in India. Remuneration as proposed to Shri Ashish U. Bhuta, as provided herein above is most competitive in quantum. Considering the nature / size of the industry, his profile and position in the Company, the specialty of services rendered by Shri. Ashish U. Bhuta and the complex role performed by him, the proposed remuneration is in line with the industry levels and that of comparatively placed employees in the Companies in India.

7. Pecuniary Relationship: Shri Ashish U. Bhuta does not have any direct or indirect pecuniary relationship with the Company or other managerial personnel, except his remuneration and dividend on his and his relatives' shareholding.

III. Other information:

1. Reason for inadequate Profit: The Company was incorporated in year 1985 and falls under SME Sector. Though, it is a profit making Company, the performance of the Company for the FY 2022-23, is yet to reach to its optimum manufacturing capacity. In addition to that the factors like the ever increasing cost of material, manufacturing, marketing and administrative expenditures, plant and product registration at various countries, R&D activities, and fluctuation in foreign currency rates and stiff competition and covid-19 effect in domestic as well as the foreign market have also put pressure on the profit margin of the Company. The Company is taking every possible steps to increase the business volume and thereby profitability. Few products of the Company are under DPCO, which has ceiling on the selling price.
2. Steps taken or proposed to be taken for improvement: The Company has its WHO GMP compliant plant at Sihor, which is also approved under Schedule-M. The Company is focusing on product development through its own R&D unit and on exports vide its international business division and expecting to register sizable top line and bottom line growth in years to come, with steps taken for improvement. The company is confident of improving its financial position with existing plan, strategies.
3. Expected increase in productivity and profits in measurable terms: Considering the nature of business of the Company, it is not possible to ascertain and quantify the expected increase in productivity and profits in next three financial years. The Company expect to better its profitability, as compared to its profitability achieved in past three financial years.

IV. Disclosures:

Following information are disclosed under report on Corporate Governance in this Annual Report:

1. All elements of remuneration package such as salary,

- commission, perquisites, etc., of all the directors;
2. Service contracts period, etc.; and
 3. The Company has not introduced any stock option scheme.

For item number 5 of the Notice:

With a view to expand and strengthen the Board of directors of the Company and to have diverse views on the Board, Shri Sumit Ajaybhai Thakkar (DIN 10157663) was selected to be the new independent director of the Company. Shri Sumit A. Thakkar having a degree in law has expertise and experience in corporate business law, matters related to labour law, revenue etc. and as a social worker. He has good ability in identifying, monitoring CSR project or activities.

The Company is in receipt of a declaration from Shri Sumit A. Thakkar confirming that he meets the criteria of independence under the Section 149 (6) and other applicable provisions of the Companies Act, 2013 and SEBI-LODR. Further, the Company has also received his consent to act as a Director on the Board of the Company in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. The Company has also received a notice in writing from a member proposing his candidature for appointment as a Director of the Company.

In the opinion of the Board, Shri Sumit A. Thakkar fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI-LODR, for his appointment as an Independent Director of the Company and that he is independent of the management. Considering Shri Sumit A. Thakkar's overall knowledge and experience as an advocate and a social worker with an ability to identify impactful CSR project and activities and ability to be firm to Company's core values and beliefs, the Nomination and Remuneration Committee and the Board of Directors are of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five consecutive years with effect from the date of this AGM i.e. from 26th July, 2023 to 25th July, 2028.

In terms of the notification dated 19th August, 2021, certain professionals including persons having completed ten years as an advocate, are not required to pass independent directors proficiency self-assessment test of Indian Institute of Corporate Affairs (IICA). Accordingly, Shri Sumit Ajaybhai Thakkar, having received 'SANAD' in the year 2009, is not required to pass the said test. He has already enrolled himself in the databank at IICA.

For additional information in respect of Shri Sumit A. Thakkar, pursuant to Regulation 36(3) of SEBI-LODR and the Secretarial Standards on General Meetings (SS-2) and his brief profile kindly refer to a separate note under the report of Corporate Governance in this Annual Report.

The above proposal is in the interest of the Company and the Board of Directors recommends an Ordinary Resolution as set out in Item No.5 of the Notice for approval of the Members.

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

For item number 6 of the Notice:

Members may note that pursuant to Section 186 (2) and (3) of the Companies Act, 2013 ("Act"), the Company can directly or indirectly (i) give loan or give any guarantee, (ii) provide security in connection with a loan to any other body corporate or person and (iii) acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with approval of members by a special resolution passed at the general meeting. In past by a special resolution passed on 28th March, 2015 through the postal ballot route; the members have accorded their approval of a maximum limit up to ₹ 75 Crores or 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, in this regard. It is proposed by the Board of Directors that in order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in the securities of the other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required, in future.

Accordingly, it is proposed to pass a special resolution authorizing the Board to invest/give loan/guarantee etc. for an enhanced value of up to ₹ 200 Crores (Rupees Two Hundred Crores Only).

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, authorizing the Board to invest/give loan/guarantee etc. for an enhanced value of up to ₹ 200 Crores (Rupees Two Hundred Crores Only) or 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, as proposed in the Notice.

The above proposal is in the interest of the Company and the Board of Directors recommends a Special Resolutions as set out in Item No.6 of the Notice for approval of the Members.

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

For item number 7 of the Notice:

In terms of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a Company can exercise the power to borrow money, where money to be borrowed, together with the money already borrowed by the Company to the extent of aggregate of its paid up share capital, free reserves and securities premium account apart from temporary loans obtained from the Company's bankers in the ordinary course of business only. However, the consent of the members is required by passing a Special Resolution to borrow money in excess of above stated limit.

In past by a special resolution passed on 28th March, 2015 through the postal ballot route; the members have accorded their approval to borrow money in excess of its paid up share capital, free reserves and securities premium account or ₹ 75 Crores whichever is more.

The Board of Directors of the Company recommend to pass a special resolution to authorise itself to borrow monies for and on behalf of the Company from, time to time, as deemed to be requisite and proper for the conduct of the business of the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) to the extent that at any given point of time the amount remaining outstanding shall not exceed ₹ 200 Crores (Rupees Two Hundred Crores Only) or the aggregate of the paid up capital of the Company, its free reserve and securities premium account i.e. reserves not set apart for any specific purpose, as per the latest annual audited financial statement.

The above proposal is in the interest of the Company and the Board of Directors recommend the special resolution set forth at item no. 7 of the Notice for the approval of the Members.

None of the Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the said resolution.

For item number 8 & 9 of the Notice:

M/s. Jagdish R. Bhavsar, Cost Accountants, (Membership No. 8000), a proprietary firm of Cost Accountant was appointed by the Board to carry out the cost audit of the company for the financial year 2022-23, their remuneration was also ratified by the members at the previous AGM held on 29th July, 2022. Due to demise of Shri Jagdish Bhavsar, Proprietor of said firm during financial year 2022-23, the Board on the recommendation of the Audit Committee filled in the casual vacancy by appointing M/s. Kirit Mehta & Co. (Firm Registration No. 000353) as the Cost Auditors of the Company for the financial year 2022-23.

The resolution as set out at item no.8 of the Notice is to supersede the previous resolution of the members, as stated above and to ratify the remuneration payable to M/s. Kirit Mehta

& Co., Cost Accountants, amounting to ₹ 2,15,000/- for the financial year 2022-23 which is equal to the remuneration that was payable to M/s. Jagdish R. Bhavsar and as ratified by the members at the AGM held on 29th July, 2022.

In view of above explanation the said remuneration is now payable to M/s. Kirit Mehta & Co., Cost Accountants as the Cost Auditors for the financial year 2022-23.

Further to above, M/s. Kirit Mehta & Co., Cost Accountants, (Firm Registration No. 000353) was appointed by the Board of Directors of the Company, on the recommendation of its Audit Committee, as the Cost Auditors to conduct the audit of the cost records relating to its drug formulations of the Company for the financial year 2023-24. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Consent of the members is sought by way of an Ordinary Resolution as set out at Item No. 8 & 9 of the Notice for ratification of the remunerations payable to M/s. Kirit Mehta & Co., Cost Accountants as the Cost Auditors of the Company for the financial year 2022-23 and 2023-24.

All the Partners of M/s. Kirit Mehta & Co, Cost accountants, are independent of the management of the company and does not hold any share of the Company, in their individual capacity.

The Board of Directors recommend an ordinary resolutions set forth at item no. 8 & 9 of the Notice for the approval of the Members.

None of the Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolutions at item no. 8 & 9 of the Notice.

By order of the Board of Directors

Ashish R. Shah
Company Secretary

Mumbai, 23rd May, 2023.

Directors' Report



2022-2023 Annual Report

Directors' Report

Your Directors with pleasure present their report on the business and operations of your Company ("the Company" or "Jenburkt") along with the audited financial statements of the Company and auditors' report thereon for the financial year ended on 31st March, 2023.

1. Summary of Financial Performance: (₹ in Lacs)

| Particulars | Year ended 31 st March, 2023 | Year ended 31 st March, 2022 |
|------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| Revenue from operations | 13,674.92 | 12,398.04 |
| Other income | 512.32 | 494.87 |
| Total Income | 14,187.24 | 12,892.91 |
| Total expenditure | 10,900.77 | 9,905.82 |
| Profit before tax | 3,286.47 | 2,987.09 |
| Tax expenses | 825.77 | 757.37 |
| Profit after tax | 2,460.70 | 2,229.72 |
| Other comprehensive income | 42.26 | 130.02 |
| Total other comprehensive income, net of tax | 2,502.96 | 2,359.74 |
| Earnings per share (EPS) (Basic & Diluted in ₹) * | 53.90 | 48.58 |
| Reserves and Surplus | 11,797.64 | 11,279.31 |

“*”: EPS for the financial year 2022-23 is calculated on weighted average basis, due to buyback of equity shares during the year under review.

During the period under review, the Company has registered a good growth. The total revenue from the operations of the Company recorded at ₹ 13,674.92 Lacs for the financial year 2022-23, as against ₹ 12,398.04 Lacs, recorded for the financial year 2021-22, a rise of 10.30% year on year.

The profit before tax recorded a rise of 10.02% year on year, which stood at ₹ 3,286.47 Lacs for the financial year 2022-23, as against ₹ 2,987.09 Lacs recorded for the previous financial year 2021-22. The profit after tax recorded a rise of 10.36% year on year and stood at ₹ 2,460.70 Lacs for the financial year 2022-23, as against ₹ 2,229.72 Lacs recorded for the financial year 2021-22. The EPS of the Company for the financial year 2022-23, increased to ₹ 53.90 from ₹ 48.58 recorded for the financial year 2021-22.

2. Dividend and Reserves:

The Board of Directors of the Company is pleased to recommend a dividend of ₹ 14.40 (144%) on ₹ 10/- paid-up 4413300 (post buyback) equity shares of the Company, for the financial year 2022-23, subject to the applicable tax deducted at source (TDS). ₹ 635.52 Lac will be absorbed by this dividend out of surplus profit of the Company available for appropriation for the financial year 2022-23.

With effect from financial year 2020-21 the dividend declared by the Company is subject to the TDS. Kindly refer to a note on TDS on dividend, appearing in the Notice convening the 38th AGM.

The reserves and surplus amount which stood at ₹ 11,797.64 Lacs as at 31st March, 2023 as compared to ₹ 11,279.31 Lacs as on 31st March, 2022, increased by 4.60% year on year.

No amount is proposed by the Board to be transferred to general reserve, for the year under review.

The 38th AGM is scheduled on Wednesday, 26th July, 2023. The register of members and share transfer books will remain closed from Thursday, 20th July, 2023 to Wednesday, 26th July, 2023 (both days inclusive), for the purpose of payment of dividend and the 38th AGM. The cut-off date for recognition of members eligible for e-voting is Wednesday, 19th July, 2023.

3. Management Discussion & Analysis Report:

A. Overview of Indian pharmaceutical industry structure, development and important changes:

Looking back at what Pharmaceutical sector in India has achieved in 2022, it has been transformed from a volume creator to a value provider in 2022. Covid came as a huge challenge for the pharmaceutical industry. Identifying the disease and then developing medicine for it was the biggest challenge for Indian and global pharma. The Indian pharmaceutical industry, however, took it as a challenge and developed vaccines that saved millions of lives. World leaders have already been impressed with Indian pharma industry and how it has the potential to reduce barriers to produce drug with affordability and accessibility. The pharmaceutical industry was primarily focused on covid drugs in 2020, but by 2022, the focus had shifted to other severe diseases such as anaemia and cancer. In addition, the Indian pharmaceutical industry placed a high value on research and development. By expanding its R&D ecosystem and increasing pharmaceutical exports, India has emerged as a global medical giant in 2022. The COVID-19 pandemic has altered public perception of pharmaceutical research. It has demonstrated the significance of investigating novel therapeutic modalities, conducting complex clinical studies, and cultivating specialised knowledge and abilities to navigate the drug research and development process. A greater degree of collaboration between the government and industry was seen this year, with both playing an important role in helping the sector strengthen its position on the global market. A paradigm shift has taken place in the pharmaceutical industry as a result of COVID-19, and the industry and government have become increasingly united, resulting in an increasing sense of collaboration. In 2022-23, despite geopolitical concerns, India continued to supply medicines to over 200 countries, living up to its reputation as the world's pharmacy. However, as the industry expands its global footprint, it will need to invest continuously in upgrading manufacturing standards in

order to keep its promise of being a high-quality, dependable supplier of medicines to the world.

India has been placed at the forefront of the global stage by CRO and CMO, for its agility, competence, and quality in supplying efficacious vaccines in large quantities, using COVID-19 as a model. It is critical that Indian pharmaceuticals continue to move upstream, which provides small and large molecule discovery, development, and manufacturing in order to develop the next generation of medicines and materials while creating value for investors.

The pharmaceutical industry has grown tremendously in recent years, and the outlook for 2023 remains positive.

According to a recent EY FICCI report, the Indian pharmaceutical market is expected to reach \$130 billion in value by the end of 2030, as there has been a growing consensus on providing new innovative therapies to patients. Meanwhile, the global market for pharmaceutical products is expected to exceed \$1 trillion by 2023.

The advancement of advanced biologics, cell therapies, and gene therapies has the potential to change people's lives. "India is working to develop a policy framework that includes intellectual property and technology commercialization, government procurement, scientific research, education, and skill development, as well as ease of doing business, regulatory legislation, and tax and financial incentives." These regulatory changes will allow for additional private-sector investment in pharmaceutical R&D.

(Source: Mint December, 2022)

B. Business performance, opportunities and outlook:

Post covid the operations of the entire company returned to normal. All the employees even while remotely have ensured that the continuity of the operations remain unhindered.

During covid while the major brands were not impacted significantly, the new brands launched a year or so prior to covid, which were in the initial stages of building stage were severely affected as medical practitioners could not be met and the momentum built could not continue.

However this year, post covid, we launched a new product in the Indian market ~ Nervijen D3 tablets. The initial response has been encouraging and this will further increase the visibility and equity of our brand Nervijen, which is now a prominent brand in the industry.

Last year your company had launched a new OTC division ~ Jenburkt Wellness, with a view to blend the best of nature and science. The first brand launched was Zixa Strong. Zixa Strong a high performance, natural, pain relief product was developed at Jenburkt's R & D.

The launch of Zixa Strong also marked the foray of your company to market and sell products digitally, apart from being the first OTC brand. Zixa Strong (Gel, Roll-on, and Spray) is now available on Amazon and 1mg, apart from company's web site www.zixa.co

The launch was on a pilot basis, OTC being a new frontier for your company.

The launch was very successful in terms of creating a high level of interest and awareness of the brand. The advertisement film was much appreciated for its creativity garnering a lot of attention and accolades. Your company also participated in a couple of events, as the Pain Relief partner, like the Ladakh Marathon, the highest marathon in the world, Indian Football League, as Pain Relief partner to the Mumbai City FC and FC Goa. This was apart from several local events. The concept of pain relief partners in such associations was introduced by your company ~ a unique marketing collaboration.

The response to the product itself has also been encouraging and we have been observing repeat purchase from consumers.

Based on the above, your company has now decided to take the next step and create a field force to make the wellness products available at physical retail stores apart from other online market places. Though in the short term it will impact the profitability of the Company, as additional expenses will have to be incurred for promotion of the product and employing talent at the head office and field in the wellness division, we are hopeful that this will pave the way for future growth for the company.

C. Risks, concerns and threats

Post covid, while in India, overall, we did not feel a significant downturn. However, in smaller countries, which are important markets for your company, are still struggling with foreign exchange crisis. Those countries which depend for their foreign exchange earnings, primarily on tourism and export of goods are yet to see a complete recovery of business. Their challenges were added by the inflationary pressure created by more expensive, foreign exchange intensive fuel and costly medicines. The extraordinary challenges faced by Sri Lanka, one of our foreign markets, is known to all. Our brands continue to be available in spite of this unprecedented crisis.

Some of our international distributors are finding it difficult to procure and remit foreign exchange in time as procurement of fuel has been prioritise in their country.

As your company is very conscious of its financial discipline, some shipments had to be delayed if the distributor had not paid for the past dues, beyond the financial exposure limits. This has impacted the sales and profits and it may continue to impact in future.

The impact of the war and global economy is a matter of concern for the international business.

Legal Matters:

A. NPPA had served a show cause notice to the Company alleging that a Company's product was violating a NPPA's standing order. However, after a Personal Hearing and detailed submission, NPPA passed a written order stating that the Company's product did not violate the standing order. Subsequently, NPPA reviewed its own order, without having any power to review, issued show cause notices and demand notice to the Company. The Company subsequently filed a writ petition against the demand of NPPA, at the Hon'ble High Court of Bombay. The matter was settled in favour of the company. The NPPA after over a year filed a Special Leave Petition (SLP) (demanding ₹ 16.45 crore) at the Hon'ble Supreme Court. DPCO, 1995, explicitly debar NPPA to review its own order, the very reason cited by Hon'ble High Court of Bombay, while quashing the show cause notices and demand notice in their judgment dated 08th August, 2013 and 26th September, 2013. The Company has been legally advised, that based on the facts and merits of the case, the demand raised by NPPA is not likely to crystallize.

The matter is pending at Supreme Court after being admitted for further hearing.

B. The Assistant Director, Employee State Insurance Corporation (ESIC), had on 18th May, 2018, issued order under Section 45A of E.S.I. Act 1948, ordering the Company to pay ₹ 0.75 Lacs being contribution @6.50% on alleged omitted wages for the month of March 2013 and to pay ₹ 19.67 Lacs being contribution @6.50% on Head Quarter allowance and other expenses during the year 2013-14 and 2014-15. The company has been regular in paying contribution to ESIC. However, the subject order is based on alleged wrong interpretation by the Assistant Director ESIC, that Head Quarter Allowance paid by the company to its Field Force cadre is a part of wages. As the Company is not in agreement with the interpretation of ESIC, has filed

petition on 23rd October, 2018 at Employees Insurance Court, Mumbai, challenging the order of the Assistant Director, ESIC. The Company has also deposited on 5th October, 2018, an amount of ₹ 10.21 Lacs- as 50% of the Demand as per requirement. The company has got an Interim Order from the ESIC Court, Mumbai, staying the Demand under Section 45A and restraining the ESI Corporation from proceeding to recover any amount on the basis of said orders pending hearing and disposal of main application.

C. The Drug Inspector, Tirupati, took a company product from a local chemist and sent for test at a Government laboratory in Vijayawada which declared the samples as not of standard quality. Further, the said samples were sent to Central Drug Laboratory at Kolkata. Both these laboratories did not test the product in accordance to the Company's method of analysis, as mandated for the Proprietary medicine where no previous reference is available for testing. They conducted testing by different/random method of Analysis which was inappropriate and hence the product failed at such analysis. Whereas same product of same batch tested thereafter at Company's laboratory at Sihor and recognised Laboratory in Mumbai which passed the analysis, as they were based on the Company's method of analysis for proprietary medicine. The Drug Inspector then filed a case at I-Additional District Sessions Court, Chittoor. The Company swiftly approached the High Court, of Andhra Pradesh, Amravati and succeeded in obtaining stay on 5th May, 2022 on all further proceedings initiated by lower court i.e. at I-Additional District Sessions Court, Chittoor.

D. The company received a notice dated 04th October, 2022 from Narpoli Police Station that crime has been registered by them. They have confiscated expired stock of 500 strips of Cartisafe D Tablets from a third party godown which was expected to be destroyed after expiry. They have vide their letter dated 26th April, 2023 handed over the said stock to the company, with advise to get them destroyed and submit the certificate to them. The company has complied with the same.

4. Buyback and Change in Paid-up Share Capital:

The Board of the Company had, in compliance with the applicable provisions of the Companies Act, 2013, SEBI (Buyback of Securities) Regulations, 2018 and all other applicable laws, by a resolutions passed at its meeting held on 1st December, 2022 approved the buyback of the Company's fully paid-up equity shares of the face value of ₹

10/- (Rupees Ten only) each from its shareholders / beneficial owners (excluding promoters, promoter group and persons who are in control of the Company), via the 'open market' route through the stock exchange (BSE Ltd.), for a total amount not exceeding ₹ 11,60,00,000/- (Maximum Buyback Size), and at a price not exceeding ₹ 702/- per Equity Share (Maximum Buyback Price), payable in cash. Company was also authorised to utilize at least 50% of the Maximum Buyback Size i.e. ₹ 5,80,00,000/- (Minimum Buyback Size) towards the Buyback of equity shares in terms of the Buyback regulations. The above buyback sizes were exclusive of transaction cost associated to the buyback and the buyback tax.

The Buyback commenced on 13th December, 2022 and was closed on 24th March, 2023. During this period, the Company bought back 1,76,078 Equity Shares (representing 3.84% of pre Buyback outstanding equity shares of the Company) at total cost of ₹ 11,42,39,205.25, excluding transaction cost.

The Buyback tax in accordance to Income Tax Act, 1961 was paid by the Company. The Shareholders who participated in the buyback, are not liable to pay any capital gain tax, according to said Act.

As required a Public Announcement was published in nationwide newspapers, prior to opening of buyback and an advertisement was published in similar newspapers, post closure of the buyback offer.

Post buyback the paid-up share capital of the Company has been reduced from 4589378 equity shares of ₹ 10/- each to 4413300 equity shares of ₹ 10/- each. The shareholding of the promoter has been increased from 45.73% to 47.56% and the shareholding of the Public was reduced from 54.27% to 52.44%.

The history of capital structure of the Company is as shown in the Table below:

| S. No. | Events | Date | No. of Authorised equity Shares (F.V. ₹ 10/-) | No. of issued, Subscribed and Paid-up equity Shares (F.V. ₹ 10/-) |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-----------------------------------------------|-------------------------------------------------------------------|
| 1 | Pre Public issue | Oct-1994 | 5000000 | 25700 |
| 2 | Post Public Issue | Jan-1995 | 5000000 | 4649300 |
| 3 | Increased in Authorised share Capital | Mar-2012 | 10000000 | 4649300 |
| 4 | Post First Buyback (06 th December, 2017 to 19 th December, 2017) 59,922 shares bought back @ ₹ 576/- by tender route. | Dec-2017 | 10000000 | 4589378 |
| 5 | Post Second Buyback (13 th December, 2022 to 24 th March, 2023) 1,76,078 equity shares bought back through Stock Exchange @ ₹ 648.80 average price (excluding transaction charges and buyback taxes). | Mar-2023 | 10000000 | 4413300 |

5. Management:

A. Appointment of Director(s):

Shri Ashish U. Bhuta (DIN: 00226479) director of the Company is liable to retire by rotation basis at the ensuing AGM of the Company. Being eligible for re-appointment, he has offered himself to be re-appointed. He was appointed as the Chairman and Managing Director of the Company, for a period of five consecutive years from 1st April, 2021 to 31st March, 2026 by a special resolution at the 35th AGM of the Company held on 1st September, 2020. In accordance to the said Special Resolution his remuneration was approved for three years from 1st April, 2021 to 31st March, 2024. A special resolution is proposed, for payment of his remuneration for the remaining period of two years from 1st April, 2024 to 31st March, 2026, in the ensuing 38th AGM of the Company.

A brief profile of Shri Ashish U. Bhuta being re-appointed as the Director, is appearing in the Report on Corporate Governance in this Annual Report.

Shri Dilip H. Bhuta (DIN 03157252) Director of the Company was appointed as the Whole Time Director and CFO of the Company at the 36th AGM of the Company held on 7th September, 2021 for a period of five years from 1st April, 2022 to 31st March, 2027. His remuneration was approved for a period from 1st April, 2022 to 31st March, 2025 under the said special resolution. His appointment was subject to retirement by rotation.

Shri Sumit Ajaybhai Thakkar (DIN: 10157663): A ordinary resolution is recommended in the ensuing 38th AGM, for the appointment of a new director viz. Shri Sumit Ajaybhai Thakkar, as a non-executive and independent director of the Company, for a period of five years, from the date of the AGM i.e. 26th July, 2023 to 25th July, 2028.

A brief profile of Shri Sumit A. Thakkar being appointed as an Independent Director, is appearing in the Report on Corporate Governance in this Annual Report.

B. Independent Directors:

At present, the Company has four independent Directors, viz. Shri Bharat V. Bhate (DIN: 00112361), Shri Rameshchandra J. Vora (DIN: 00112446), Shri Arun R. Raskapurwala (DIN: 00143983) and Mrs. Hina Ravindra Mehta (DIN: 08719453). The total strength of the Board is six directors.

The existing independent Directors on the Board of the Company have confirmed compliance with the Code for independent Directors as prescribed in Schedule IV to the Act and the code of business conduct of the Company, for the financial year 2022-23.

The Board has received necessary declaration from the individual Independent Directors confirming their independence from the management of the Company and that there has been no circumstances affecting their status as an Independent Director of the Company. There is no conflict of interest of any of the Independent Directors with the Company.

The Board propose to appoint one more independent director viz. Shri Sumit A. Thakkar and recommend his appointment in the ensuing AGM.

The composition of the Board of Directors is in accordance and in compliance with the provisions of SEBI-LODR.

The Company has insured all the Directors on the Board and officers of the Company under Directors and officers (D&O) insurance policy.

For further details with regard to independent Directors of the Company, kindly refer to report on Corporate Governance in this Annual Report.

C. Details of the Meetings of Board of Directors:

The Directors of the Company met for five times, for the meeting of the Board during the year under review, on 27th May, 1st August, 8th November, 1st December, 2022 and 7th February, 2023.

Kindly refer to report on Corporate Governance in this annual report for further details about Board, its composition and meetings.

D. Composition and details of meeting of the Committees of the Board:

No changes in the composition of any of the Committees

of the Board of the Company has taken place during the financial year under review. Details of the meetings of each of the Committees is as under:

- i. Audit Committee: This Committee met for five times during the year under review: on 27th May, 1st August, 8th November, 1st December, 2022 and 7th February, 2023.
- ii. Stakeholders Relationship Committee: This Committee met for four times during the year under review: on 27th May, 1st August, 8th November, 2022 and 7th February, 2023.
- iii. Corporate Social Responsibility Committee: This Committee met for three times during the year under review: on 27th May, 1st August, 2022 and 7th February, 2023.
- iv. Nomination and Remuneration Committee: This Committee met for three times during the year under review: on 27th May, 1st August, 2022 and 7th February, 2023.

For further details about the above Committees and its meetings, kindly refer to report on Corporate Governance in this annual report.

The Committees take decisions at their respective meetings and recommended them to the Board for its considerations. All such recommendations forwarded by the Committees to the Board, which are considered by the Board, to arrive at appropriate decisions. None of such recommendations were rejected during the year under review by the Board, i.e. all the recommendations of all the Committees have been accepted by the Board for its consideration.

E. Annual performances evaluation procedure:

Annual evaluations/reviews of performances of the Board, its Committees and individual Directors were carried out, at the meetings of Board and Committees, based on set criteria for evaluations/reviews. Criteria such as qualifications, knowledge, attendance at the meetings, participation in long-term strategic planning, leadership qualities, responsibility shouldered, interpersonal relationship and analytical decision making and other abilities were taken in to consideration, in evaluating the performance of individual Directors. In accordance to the applicable provisions of Section 134(3)(p) read with rule 8(4) of companies (Accounts) Rules, 2014, section 178(2), Schedule IV and other applicable provisions of the Act and regulation 17(10) and 25(4) and other applicable regulation(s) of SEBI-LODR, the Board carried out performance evaluation of independent Director without the participation of the Director being evaluated. The evaluation by the Board was carried out, after seeking inputs from all Directors at the Board and Committee meetings, including observance of governance, quality of deliberation and effectiveness of the procedures adopted by the Board. The performances of the Committees were evaluated by the Board, by seeking feedback/inputs on set criteria, from the members of the respective Committees. Evaluation of the Chairperson was also carried out by the

Directors. All the directors shown their satisfaction for the fair evaluation process.

The assessment about the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors, necessary for the Board of Directors to effectively and reasonably perform their duties, was carried out by the independent directors at their separate meeting.

F. Salient features of Company's policies on Directors' appointment and remuneration:

Followings are the salient features of the Company's two policies viz. "Selection of Directors, Senior Managerial Personnel and determining Directors' independence" and "Remuneration of Directors, Key Managerial Personnel and other Employees".

i. For selection of Directors and determining Directors' independence:

For providing guidance towards appointee's qualification, experience as required and determine their independence of the management of the Company, the Company has framed a policy viz. "Selection of Directors, Senior Managerial Personnel and determining Directors' independence" containing the guiding principles for the Nomination and Remuneration Committee for identifying Directors.

The Nomination and Remuneration Committee, for the appointment of a Director on the Board of the Company take in to account criteria such as education, professional background, knowledge, experience, understanding about Company's business and industry, in general, personal and professional ethics, integrity values and willingness to shoulder his/her duties, attendance at the Board and Committee meetings, perform his/her role with responsibility, analytical decision making ability, interpersonal relationship qualities and participation in long-term strategic planning, adherence to the company's policies and codes, provision of all acts, rules and regulations, as applicable, are consider to act as the Director on the Board of the Company. In case of independent Directors, his/her independence of the management of the Company, no conflict of interest in any transaction entered in to or to be entered in to by the Company with any person(s), firms, Companies, body corporates, whether directly or indirectly are take into account.

This policy has been hosted on the website of the Company viz. www.jenburkt.com

ii. For remuneration of Directors, Key Managerial Personnel and other employees:

The Nomination and Remuneration Committee

recommend to the Board about the remuneration of all the Directors, key managerial personnel and senior employees of the Company including the sitting fees of the independent Directors, in pursuance to the Company's policy viz. "Remuneration of Directors, Key Managerial Personnel and other Employees". The remuneration packages are designed in such a manner that they are not only competitive but also are attractive enough to retain the talent in the Company. For employees of the Company this package basically include, the salary, perquisites, allowances, bonus and other benefits, etc., as applicable. Your company has also insured all its Directors and senior officers, under D&O liability insurance, for indemnifying them from any liability that may occur while performing their role, duties, responsibilities etc. The premium towards the said policy is borne by the Company.

This policy has been hosted on the website of the Company viz. www.jenburkt.com

G. Directors Responsibility Statement:

Pursuant to Section 134 (5) of the Act, in relation to the financial statements for the financial year 2022-23, your Board of Directors state that:

- i. in the preparation of the annual accounts, the Company has adopted and followed the Indian Accounting Standards (IND-AS), as applicable;
- ii. the estimates and judgments relating to financial statements have been made, based on application of sound and consistent accounting policies, on a prudent and reasonable basis in order to ensure that financial statements reflect, in a true and fair manner, the form and substance of the transactions and reasonably present the Company's state of affairs and profit for the year;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls, which are adequate and operating effectively. The internal auditors have conducted periodic audits of the Company's financials and
- vi. the systems are in place to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

H. Key Managerial Personnel (KMP)

In compliance with the provisions of the Section 203(1) of the Act, the Company has three KMPs, viz. Shri Ashish U. Bhuta - Chairman and Managing Director, Shri Dilip H.

Bhuta - Whole Time Director and CFO and Shri Ashish R. Shah - Company Secretary and Compliance Officer as on 31st March, 2023. No changes in KMP took place during the year under review.

6. Internal control system and their adequacy:

The Internal control system involve overseeing the process effected by the Board and Senior Personnel of the Company, to provide reasonable assurance that the Company compliances with the applicable laws, policies, codes, etc. and that such compliances are done in timely manner and are accurate and reliable. The Audit Committee, the internal and statutory auditors seek information as required for audit of financial records of the Company and maintain stricter vigilance for the financial control to avoid and mitigate the risk involved with financial activities of the Company. Proactive approach towards prevention and corrective measures are ensured.

Appropriate systems of internal control, including monitoring procedures are maintained at the Company. This ensure that all assets are safeguarded against loss from unauthorized use or disposition and that the overall objections and goals are met within the organisation.

The policies and procedures framed and practiced by the employees of the Company endeavours to provide for adequate checks and balances and are meant to ensure that all the approvals, authorisations, verifications, reconciliation, reviews are performed and recorded.

The Company keeps investing in automation and latest technology to improve efficiency in business operations. A SAP based ERP system is in place in the Company. This ERP system integrate the Company's manufacturing and supply chain and key supporting functions like finance and accounts, marketing, sales, HR, etc. The system has also been installed with your Company's Super Stockists to get data of their sales, stock, collection, breakage/expiry etc. The Company's investment in such technology ensured that your Company could work remotely almost instantaneously during pandemic.

A software for Structured Digital Database has been installed in the own server of the Company, as required under SEBI - Prohibition of Insider Trading Regulations, 2011 (SEBI - PIT). All the Unpublished Price Sensitive Information (UPSI) of the Company are recorded in it, as and when generated. The trading, transactions etc. by the designated and connected persons in the equity shares of the Company are also recorded regularly.

The audit committee of the Company carries out inter-alia, the functions specified under the Act and SEBI-LODR. The Company has a well-defined whistle blower policy under its vigil mechanism.

Based on internal financial control policy frame work established and followed by the Company, the audit work performed by the Company's internal auditors, statutory auditors, cost auditors and secretarial auditors and based on reviews of the management and the audit Committee, the board is of the opinion that the Company's internal financial controls are adequate and effective.

7 Research and Development (R&D)

The newly upgraded and renovated R&D set up at Sihor, approved by Ministry of Science and Technology, Government of India is developing products for both the pharmaceutical and wellness division.

We hope to keep adding to our list of brands on promotion products developed at our state of the art R&D Centre.

8 Material development in human resources

We consider People - "Jenburktians" - as our core asset who consistently keep Jenburkt on the path of growth. Covid unlock presented us with opportunity to implement people centric initiatives to help them grow technically, functionally and behaviourally. We introduced power packed twin programs - Management Development and Executive Development. These programs helped our employees to develop relevant competencies. In-person training programmes for the field force have resumed.

It's a proven fact that an actively engaged employee delivers high performance. In line with the discovered insight we launched series of employee engagement activities delivering specific business objectives.

Performance planning and assessment is an integral aspect of a successful organisation. Last year, we launched a new robust initiative to build a culture of planned performance. We are certain about building a high potential and high performance team through this initiative.

Organisational culture plays a vital role in its journey to sustained growth. We did existing culture mapping and have consciously arrived at a desired organisational culture to match the competitive environment. HR has initiated various initiatives enabling cultural shift.

It is our constant endeavour to build policies which are assisting compliance and are industry wide competitive.

It will be our continuous endeavour to build a robust people centric organisation delivering sustained growth.

During the year, the Company had total 724 employees on its payroll.

9 International Business:

The global pharmaceutical market is highly competitive. We

compete against other major international companies that have substantial financial and other resources, as well as against smaller companies and exporters from India that operate regionally or nationally.

Competition within the industry is intense and extends across a wide range of activities, including pricing, product characteristics, regulatory approvals, customer service, credit facilities, sales and marketing, and research and development.

Despite having above competitions, challenges in getting regulatory approvals to launch newer molecules in the markets and by maintaining a healthy accounts receivable to sales ratio, your company has registered growth in the business, as compared to the previous financial year and achieved 25 Crores Sales during the year.

Your Company is aiming for a better business volumes from the global operations by increasing products portfolio of 3-5 Products in the current Markets and Venturing into 2-3 newer countries during 2023-2025.

10 Segmentwise performance

Your Company operates exclusively in one segment i.e. pharmaceutical formulations.

11. Details of significant changes in key financial ratios

- a. Inventory Turnover ratio has remained same from 3.60 times (2021-22) to 3.62 times (2022-23).
- b. Interest coverage ratio improved from 69.76 times (2021-22) to 90.55 times (2022-23), due to marginal reduction in finance cost coupled with higher net profit.
- c. Change in Return on Net worth: The net worth of the Company rose from ₹ 11,738.25 Lacs (2021-22) to ₹ 12,238.97 Lacs (2022-23). The return on net worth increased from 19% (2021-22) to 20.10% (2022-23), thereby reporting a jump of 1.10%.
- d. Total Debt Equity Ratio improved from 0.22 times (2021-22) to 0.16 times (2022-23).
- e. Debtors' turnover ratio remained static at 8.47 times (2021-22) compared to 8.46 times (2022-23).
- f. Current Ratio decreased from 3.57 times (2021-22) to 5.14 times (2022-23).
- g. Operating profit margin was static as 24.49% (2021-22) compared to 24.41% (2022-23).

Figures of the previous year are re-arranged wherever required due to re-grouping or re-arranging of figures of the financial year 2021-22, for proper comparison.

12. Statutory Auditors and Report:

M/s. D. R. Mehta & Associates (Reg. No.:106207W), a Chartered Accountants' partnership firm, was appointed as the statutory auditors of the Company, for the second term of a consecutive period of five years, from the conclusion of

the 37th AGM held on 29th July, 2022 to the conclusion of the 42nd AGM to be held in the year 2027.

The auditors have confirmed their eligibility to act as the auditors of the Company for the period from conclusion of the ensuing 38th AGM (2023) till conclusion of 39th AGM (2024) for auditing the financial statement of the Company for the financial year 2023-24.

The auditors' report with unmodified opinion on the financial statements of the Company pertaining to financial year 2022-23 as submitted by them was disclosed/circulated, as required.

Pursuant to Section 143 (12) of the Act, as stated in their report the auditors of the Company, in the course of their duties, had no reason to believe that any of the officer or employee of the Company, had or has committed any offence or fraud.

13. Secretarial Auditors and Report:

The Secretarial Auditors viz. M/s. Nilesh Shah & Associates (C.P. No.: 2631), practicing Company Secretaries' existing appointment to carry out the secretarial audit of the Company is for seven consecutive financial years from 2018-19 till 2025-26. They have confirmed by submitting their letter that they are eligible to act as the secretarial auditors of the Company for the financial year 2023-24.

The secretarial audit report for the financial year 2022-23, presented by M/s. Nilesh G. Shah & Associates is attached as "Annexure-"A" and "A-1" to this report which is in prescribed format i.e. Form MR-3.

Their annual secretarial compliance report under regulation 24A(2) of SEBI-LODR pertaining to FY 2022-23 was also received by the Company and submitted to the stock exchange, as required.

14. Maintenance of Cost records and the Cost Auditors:

Pursuant to section 148(1) of the Act, Companies (Cost Record and Audit) Rules, 2014 as amended, and in pursuance of the order of the Central Government, your Company is preparing and maintaining cost records, as required.

For the financial year 2022-23: Mr. Jagdish R. Bhavsar, Proprietor of M/s. Jagdish R. Bhavsar, firm of Cost Accountants, Mumbai, expired during the year under reference. He was associated with the Company as the Cost Auditors since the financial year 1999-2000. The Directors at the Board meeting held on 1st December, 2022 place on record their condolences for his sudden departure.

M/s. Kirit Mehta & Co. Cost Accountants, holding a valid certificate of practice, were appointed to fill-up the casual vacancy. They were appointed as the cost auditors, by the

Board of Directors of the Company, on the recommendation of the Audit Committee, for auditing the cost records of the Company, for the financial year 2022-23. Their fees was fixed at ₹ 2,15,000/- (Rupees Two Lac Fifteen Thousand only) which is same as of previous cost auditors, as ratified by the members at previous AGM. The Cost Auditors have confirmed by submitting a letter that their firm is free from disqualification and eligible for appointment as the Cost Auditor for the financial year 2022-23. They have also confirmed that the firm and its partners are independent of the management of the Company and that no order or proceedings were pending against the firm/partners relating to professional misconduct at the Institute of Cost Accountant of India or any competent authority/court.

For the financial year 2023-24; M/s. Kirit Mehta & Co. were appointed as the cost auditors, by the Board of Directors of the Company, on the recommendation of the Audit Committee, for auditing the cost records of the Company. Their fees was fixed at ₹ 2,50,000/- (Rupees Two Lac Fifty Thousand only) for the financial year 2023-24, ratification of which is required by the members at the ensuing AGM. The Company is in receipt of their letter confirming that their firm is free from disqualification and eligible for appointment as the cost auditors of the Company for the financial year 2023-24.

In view of the above, remuneration of M/s. Kirit Mehta & Co.'s for the financial year 2022-23 and 2023-24 as recommended by the Board of Directors of the Company is to be ratified by the members at the ensuing 38th AGM of the Company. Two separate ordinary resolutions have been proposed in the notice convening the ensuing 38th AGM of the Company, in this regard.

Pursuant to section 148(6) of the Act, read with rules thereunder, the Company's cost audit report for the FY 2021-22 under Form No.: CRA-4 was submitted to the Central Government during the year.

15. Annual Return:

In compliance with section 92(3) and 134(3)(a) of the Act, Company's annual return, in the prescribed form no. MGT-7, containing particulars, as they stood on the close of the financial year 2021-22, as duly submitted to the Ministry of Corporate Affairs is placed on the website of the Company, viz. www.jenburkt.com. For the web link of the same, kindly refer to report on Corporate Governance in this Annual Report.

16. Particulars of loans, guarantees or investments made by the Company:

Pursuant to Section 186 of the Act, during the financial year 2022-23, no loan or guarantee was given to any person or body corporate directly or indirectly by the Company. The investments in securities made by the Company are within

the limits set under the applicable provisions of the Act. A special resolution has been proposed for consideration of the Members, at the ensuing AGM, for the increase in limit, in this regard.

17. Particulars of related party transactions:

A. In terms of Section 188 of the Act and rules made thereunder, no materially significant related party transaction was entered into by the Company during the financial year 2022-23, with its promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company, at large. None of the Directors have any material pecuniary relationships or transactions vis-à-vis the Company.

Two Leave and License agreements, which are "not material", in nature, were entered into by the Company for a period of five years from 1st April, 2019 to 31st March, 2024 with M/s. Bhuta Holdings Private Ltd., the Promoter of the Company (a related party, holding shares of the Company in excess of 10%). These agreements are for the usage of their seven premises by the Company for its business office/place. Pursuant to section 188 (1) of the Act, these two transactions entered into by the Company are in its ordinary course of business and at arm's length basis and are disclosed voluntarily (not "Material" in nature) and presented in the prescribed form No. AOC-2, by the Company and annexed to this report as "Annexure-B".

The Company has no "Material" related party transactions in terms of Regulation 23 of SEBI-LODR and in terms of the Company's policy.

Apart from receiving their respective remuneration and dividend on their shareholdings, none of the Directors on the Board or KMPs has any pecuniary transaction with the Company, or interse, which has potential conflict of interest with the Company.

A policy on "Materiality of related party transactions and dealing with related party transactions" of the Company is available on the Company's website, viz. www.jenburkt.com. For the web link of the same, kindly refer details provided in the report on Corporate Governance in this Annual Report.

B. Disclosure in terms of Regulation 34(3) read with sub clause (1) of clause A (Related Party Disclosure) of Schedule V of SEBI-LODR:
-This requirement is not applicable to the Company.

Disclosure in terms of Regulation 34(3) read with sub clause (2) of clause A (Related Party Disclosure) of Schedule V of SEBI-LODR:

-This requirement is not applicable to the Company as it doesn't have any Holding or Subsidiary Company.

Disclosure in terms of Regulation 34(3) read with sub clause (2A) of clause A (Related Party Disclosure) of Schedule V of SEBI-LODR:

-Kindly refer to disclosure in AOC-2 at "Annexure-B" annexed to this report.

18. Corporate Social Responsibility (CSR):

CSR is an integral part of Company's culture and is being followed with emphasis on its implementation as required by the applicable laws. On the basis of recommendation by the CSR Committee and approval by the Board, in compliance with the provisions of Section 135 and Schedule VII of the Act, the CSR activities are being carried out by the Company, directly, in accordance to requirements laid under the Companies (Corporate Social Responsibility Policy) Rules 2014, as amended. A brief outline on Company's CSR policy and a brief note on CSR activities of the Company, CSR expenditures made during the year under review and other required details are set out in prescribed format in the report on CSR, which is annexed to this report as "Annexure-C". The CSR policy of the Company is available on the website of the Company, viz. www.jenburkt.com.

19. Investors' Education and Protection Fund (IEPF):

Your Company had taken appropriate steps towards intimating those shareholders, who has not encashed their dividend for the period of past seven consecutive years, by way of writing individual letters, information under notes to the notice convening AGMs and publishing newspaper notices, regarding their unclaimed dividend and corresponding shares that were liable to be transferred to IEPF account. Necessary action were taken by the Company for creating unpaid dividend account and uploading status of unpaid dividends with required details on its website, in pursuance to section 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, from time to time. Further, steps were taken, as required under the said Act and Rules, for transfer of the unclaimed dividend amount lying in the Company's unclaimed dividend bank account pertaining to the dividend for the financial year 2014-15 and for the interim dividend for the financial year 2015-16 to IEPF authority during the financial year 2022-23 along with the corresponding equity shares.

The shareholder are hereby informed that the dividend amount and equity shares transferred to IEPF can be claimed back by the shareholders from the IEPF authority by following procedure mentioned in the above said rules of IEPF. The Company Secretary is the nodal officer of the Company. The shareholders are requested to claim their dividend, from the Company, if not encashed yet, from

financial year 2015-16 (final dividend) onwards, to avoid hardship of claiming later from IEPF, along with corresponding shares, if any. Individual letters are already sent to the shareholders, in this regard and newspapers advertisement are also published, to alert those who have not yet claimed their past dividend(s) if any.

The shareholders are advised to take note that the details of the shareholders whose dividend and shares transferred to IEPF are available on the website of the Company, viz. www.jenburkt.com as well as uploaded on the website of IEPF viz. www.iepf.gov.in. Further, transfer of unclaimed dividend amount pertaining to financial year 2015-16 (final) will take effect during financial year 2023-24. The details of the unpaid/unclaimed dividends if any for the last seven years, are available at <https://jenburkt.com/investors/unclaimed-dividends>.

20. Secretarial Standards:

The Institute of Company Secretaries of India (ICSI) has formulated and issued the secretarial standard-1 on the meetings of Board of Director and its Committees, and the secretarial standard-2 on general meetings. Your Company has during the financial year 2022-23 complied with the applicable provisions of these standards.

Majority of the provisions of the other secretarial standards, as formulated by ICSI and which are non-mandatory and recommendatory in nature, were voluntarily complied with by the Company, during the financial year 2022-23.

21. Report on Corporate Governance:

Pursuant to the relevant provisions of the Act and SEBI-LODR, a detailed report on the Corporate Governance of the Company and the auditor's certificate regarding Company's compliances with Corporate Governance norms during financial year 2022-23 are attached to this Annual Report. As a continued commitment, your Directors re-affirm adherence to the highest standard of Corporate Governance.

22. Policy on Vigil Mechanism:

Your Company has a policy of zero tolerance towards unethical conduct or behavior within the Company. Over the years, through its strong vigil mechanism, your Company is known for carrying on business with integrity and values.

A vigil mechanism of the Company has been established in pursuance of Section 177(9) of the Act and rules made thereunder and Regulation 22(1) of SEBI-LODR, by forming a whistle blower policy of the Company, inter alia providing adequate safeguard against any victimization of any employee and / or Director of the Company. They are free to disclose or report any genuine concern, regarding wrongful misconduct (as defined in said policy), including reporting instances of leak of unpublished price sensitive information of the Company, as required under regulation 9A(6) of SEBI

(Prohibition of Insider Trading) Regulations, 2015. No employee or Director of the Company was denied access to the audit Committee. There was no reporting of any such event during the year. The Audit Committee review the functioning of vigil mechanism / whistle blower policy. The said whistle blower policy of the Company is uploaded on the website of the Company, viz. www.jenburkt.com. Policy on code of conduct is also uploaded on the said website www.jenburkt.com.

23. Audit Committee:

A detailed note on audit Committee including its composition, role and number of meetings held during the financial year 2022-23 etc. is presented in the report on Corporate Governance, which is forming part of this annual report. All the recommendations made by the audit Committee during the financial year, were accepted by the Board.

24. Internal Financial Control:

Adequate internal financial controls are in place in the Company, with reference to financial statements. No reportable material weaknesses in the operations were observed, during the financial year. For further details, kindly refer to a section titled "internal control and their adequacy" in the report of management discussion and analysis in this Directors' report.

25. Other Information:

- A. A detailed information on conservation of energy and technology absorption, foreign exchange earnings and outgo is annexed as "Annexure-D", to this report.
- B. Risk management policy: Your Company has formulated a risk management plan and have constituted a risk management Committee. The risks are classified in different areas such as market, finance, operational, etc. These risks are reviewed regularly to mitigate the risk, if any.
- C. In pursuance of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, details of employees, are annexed herewith as "Annexure-E" to this report.

26. General:

Disclosure or reporting is not required by the Company with respect to the following items as there were no transactions nor any reporting required on these items for the year under review:

- A. The disclosure under Schedule V (A) (2) of SEBI-LODR relating to the accounts of holding Company and subsidiary Company is not applicable to the Company, since your Company does not have any holding or subsidiary or associate Company, nor it is a subsidiary or associate of any other Company.
- B. Details relating to deposits covered under Chapter V of the Act.
- C. Issue of equity shares with differential rights as to

dividend, voting or otherwise.

- D. Issue of shares (including sweat equity shares) to employees of the Company, under any scheme.
- E. No significant or material orders were passed by the regulators or courts or tribunals which may impact the going concern status and Company's operations in future. However, details of pending legal matters are mentioned herein above.
- F. Your Company has in place a Policy, in line with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 and has complied with the requirement of constitution of internal committee headed by a woman employee under the Act. No complaint, in this regard, was received by the Committee, during the year. The Annual Report under the said Act, for the year 2022 has been submitted to the District Officer, as required.
- G. As certified by the RTA no shares are lying with them which are under demat suspense account or unclaimed suspense account, in terms of Schedule-V- (F) of the SEBI- LODR.

27. Cautionary Statement:

Few statements in this report particularly that pertains to management discussion and analysis may contain certain remarks that might be considered forward looking. These statements are subject to certain risks and uncertainties and actual results may differ materially from those expressed in the statement as unforeseen factors could influence the Company's operations such as domestic or international government's policies, adversities that may be caused by situations like natural calamities, Covid-19 like pandemic, political and economic developments, risks inherent to the Company's growth and such other factors.

28. Appreciation:

Stakeholders, including the employees are the engine of the growth of the Company, your Directors acknowledge their support, hard work and place on record their gratitude and convey their sincere appreciations for the hard work and excellent commitment displayed by each of them, during the year under review. Your Director also thank all the various Government Departments and Agencies for their co-operation and support throughout. The Directors also appreciate the valuable support of the independent Directors.

For and on behalf of the Board of Directors

Ashish U. Bhuta
Chairman and Managing Director
DIN: 00226479

Mumbai, 23rd May, 2023.

Annexure A

FORM NO. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014] UDIN: F004554E000360107.

To
The Members,
JENBURKT PHARMACEUTICALS LIMITED
Nirmala Apartments, 93, Jay Prakash Road, Andheri (West), Mumbai 400 058.

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by Jenburkt Pharmaceuticals Limited (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information as provided by the Company, its officers and authorized representatives during the conduct of secretarial audit in physical / electronic form, the explanations and clarifications given to us and the representations made by the concerned employees and KMP, we hereby report that in our opinion, the Company has during the financial year ended 31st March, 2023, generally 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.

We herewith report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records including fully functional website is responsibility of management and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon.

We have examined on test check basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31st March, 2023, as per the provisions of:

- (i) The Companies Act, 2013 and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
 - (e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (to the extent applicable to the Company);
 - (f) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018;
- (v) The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016

We have in-principally verified systems and mechanism which is in place and followed by the Company to ensure Compliance of the following specifically applicable Laws / Orders (in addition to the above mentioned Laws (i to v) and applicable to the Company since the company is engaged in dealing of Pharmaceutical products). We have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the same.

- Drugs and Cosmetics Act, 1940 and Drugs and Cosmetics (6th Amendments) Rules, 2016
- The Drug (Price Control) Order, 2013
- Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954

We have also examined compliance with the applicable clauses of the Secretarial Standards (SS-1 and SS-2) as issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

We further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations / Guidelines as covered under MR-3:

- (a) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (c) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (e) Foreign Exchange Management Act, 1999 and the rules and regulations made there under, to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB) applicable to the Company;

Based on the afore said information and explanation provided by the Officers and Employees of the Company, we report that during the financial year under review, the Company has generally complied with the provisions of the above mentioned Act/s and Regulations, as applicable, including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Standards etc. mentioned above.

We further report that:

The Board of Directors of the Company and the Committees thereof are duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, as required under applicable laws. The appointment of Directors (including Independent Directors) were carried out in compliance with the provisions of the Act.

We also report that adequate notices were given to all directors/members to schedule the Board /Committee Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance (except in case of short notice consent obtained), and a reasonable system exists for Board and Committee Members to seek and obtain further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings. It is also noted that majority decision is carried through and proper system is in place, which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the Minutes.

Based on representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of other Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules and regulations.

We further report that following events occurred during the financial year:

- 1) The Board of Director declared a buyback of Equity Shares of ₹ 10/- each at its meeting held on 1st December, 2022, the process of Buying back of Company share, commenced from 13th December, 2022 and ended on 24th March, 2023. During said period the Company has acquired total 1,76,078 Equity Shares from the trading window of BSE Limited. The activities under the buyback scheme were carried out in compliance with the Companies Act, 2013 and rules made thereunder read with Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 and all other applicable laws.
- 2) M/s. D.R. Mehta & Associates, Chartered Accountants, Mumbai was re-appointed as Statutory Auditors of the Company for the second term of five consecutive years, commencing from 1st April, 2022 to 31st March, 2027 in the 37th Annual General Meeting of the members held on 29th July, 2022;
- 3) M/s. Kirit Mehta & Co., Cost Accountant was appointed w. e. f. 1st December, 2022 to fill the casual vacancy caused due to the sad demise of Mr. Jagdish R. Bhavsar (Proprietor of M/s. Jagdish R. Bhavsar) who was appointed as Cost Auditor of the Company.

Save and except the above, the Company has not undertaken any major event having a material bearing on the Company's statutory compliance and affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For Nilesh Shah & Associates
Company Secretaries
Nilesh Shah
FCS : 4554; C.P. : 2631
Peer Review No: 698/2020

Mumbai, 23rd May, 2023.

Note: This Report has to be read with "Annexure - A1", attached herewith.

'ANNEXURE - A1'

Forming an integral part of the Form No. MR-3 Secretarial Audit Report for the Financial Year Ended 31st March, 2023)

UDIN: F004554E000360107

To The Members,

JENBURKT PHARMACEUTICALS LIMITED

Nirmala Apartments, 93, Jay Prakash Road, Andheri (West), Mumbai 400 058.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as was appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records made available to us) to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained Management representation about the compliance of laws, rules and regulations and occurrence of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is responsibility of the management. Our examination was limited to the verification of process followed by Company to ensure adequate Compliance.
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 Nilesh Shah & Associates

Company Secretaries

Nilesh Shah

FCS : 4554, C.P. : 2631

Peer Review No: 698/2020

Mumbai, 23rd May, 2023.

Annexure B

Form No. AOC-2:

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

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

Details of contracts or arrangements or transactions not at arm's length basis during financial year 2022-23 : None and
Details of Material contracts or arrangement or transactions at arm's length basis during financial year 2022-23: None.

The Company has not entered into any contract/arrangement/transaction with its related parties which is Material in nature, during the financial year 2022-23. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject provisions in the Companies Act, 2013, the corresponding rules thereunder and the applicable provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015.

Presented below is the detail of the existing contracts (though not "Material" in nature) of leave and license agreements entered into by the Company at arm's length basis and in the ordinary course of business with a related party, as approved by the Board at its meeting held on 5th February, 2019.

| Name of the Related Party and Relationship | Nature of Contract | Duration | Salient Terms | Aggregate Amount |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------|
| Bhuta Holdings Pvt. Ltd. (A Promoter Company holding more than 10% of Company's Shares, in which directors of the Company are directors / members) | Two Leave and License Agreements | From 01.04.2019 To 31.03.2024 | On arm's length basis and in ordinary course of business | (I) Security Deposit: ₹30.00 lacs (ii) Rent: ₹51.00 lacs (For F.Y. 2022-23) |

For and on behalf of the Board of Directors

Ashish U. Bhuta
Chairman and Managing Director
DIN: 00226479

Mumbai, 23rd May, 2023.

Annexure C

Report on Corporate Social Responsibility (CSR) Activities for Financial Year 2022-23

1. A brief outline of the Company's CSR Policy:

The CSR Committee of the Company identifies the project to be funded under CSR, preferably in and around the local area of its registered office and plant and after careful analysis the committee recommend its proposal to the Board for their consideration and decision thereon. The Board takes final decision about sanctioning the proposal and fund to be spent as CSR, in terms of the provision of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014 the Company's policy on CSR and in terms of the Company's annual action plan for financial year 2022-23. The Company was involved, in its own way, into social responsibilities, prior to the mandatory CSR provisions came into effect, by way of statute. Your Company believe in philanthropy i.e. giving back to the society and this culture has been inculcated by its promoters viz. Bhuta family. Based on these principles a CSR policy of the Company was framed, in pursuance of the applicable provisions of the Companies Act, 2013.

The CFO had after completion of the financial year, presented to the Board a certificate for the proper utilization of the CSR amount during the year in reference.

2. Composition of CSR committee:

| Sr. No | Name of Director | Designation | No. of Meetings in F.Y. 2022-23 | |
|--------|---------------------------|---------------------------------------------------|---------------------------------|----------|
| | | | Held | Attended |
| 1 | Shri Arun R. Raskapurwala | Chairman-A Non-Executive and Independent Director | 3 | 3 |
| 2 | Shri Ashish U. Bhuta | Member-Chairman and Managing Director | 3 | 3 |
| 3 | Shri Dilip H. Bhuta | Member-Whole Time Director and CFO | 3 | 3 |

3. Kindly refer to web-link: http://www.jenburkt.com/Other_Info/20152016/Policy%20on%20CSR.pdf for the Composition of CSR committee, Company's policy on CSR and details of the CSR projects approved by the board. Kindly refer corporate governance section for further details regarding CSR Committee, its role etc.

4. The details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: N.A.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

(Amount in ₹)

| Financial Year | Amount available for set-off from preceding financial years | Amount required to be set-off for the financial year, if any |
|----------------|-------------------------------------------------------------|--------------------------------------------------------------|
| 2022-23 | 3,227 | 3,227 |

(Amount in ₹)

| | |
|------------------------------------------------------------------------------------------------------------|--------------|
| 6. Average net profit of the Company for last three financial years for the purpose of computation of CSR: | 24,29,02,190 |
|------------------------------------------------------------------------------------------------------------|--------------|

(Amount in ₹)

| | |
|----------------------------------------------------------------------------------------------------------|-----------|
| 7. (a) Prescribed CSR expenditure (two percent of the amount as in item 3 above): | 48,58,044 |
| (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: | Nil |
| (c) Amount required to be set off for the financial year, if any: | 3,227 |
| (d) Total CSR obligation for the financial year (7a+7b-7c): | 48,54,817 |

8. (a) CSR amount spent or unspent for the financial year 2022-23:

| Total Amount Spent for the Financial Year. (₹) | Amount Unspent (₹) | | | | |
|------------------------------------------------|-----------------------------------------------------------------------|------------------|------------------------------------------------------------------------------------------------------|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 50,00,000 | Nil | - | - | Nil | - |

- (b) Details of CSR amount spent against ongoing projects for the financial year:

| Sr. No | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local Area (Yes/No) | Location of the project (State and District) | Project duration | Amount allocated for the project (₹) | Amount spent in the current financial Year (₹) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | |
|--------|---------------------|-------------------------------------------------------------|---------------------|----------------------------------------------|------------------|--------------------------------------|------------------------------------------------|-------------------------------------------------------------------------------------|------------------------------------------|------------------------------------------------------|-------------------------|
| | | | | | | | | | | Name | CSR Registration number |
| 1 | - | - | - | - | - | - | - | - | - | - | - |
| | Total | - | - | - | - | - | - | - | - | - | - |

- (c) Details of CSR amount spent against other than ongoing projects for the financial year:

| Sr. No | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local Area (Yes/No) | Location of the project | | Amount spent for the project (₹) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | |
|--------|------------------------------|-------------------------------------------------------------|---------------------|-------------------------|----------|----------------------------------|------------------------------------------|------------------------------------------------------|-------------------------|
| | | | | State | District | | | Name | CSR Registration number |
| 1. | Prime Minister's Relief Fund | Contribution to Prime Minister's National Relief Fund. | No | NA | NA | 50,00,000 | Direct | NA | NA |
| | Total | | | | | 50,00,000 | | | |
| | Total of 8(b) + 8(c) | | | | | 50,00,000 | | | |

- (d) Amount spent in Administrative Overheads : Nil
(e) Amount spent on Impact Assessment, if applicable : Nil
(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 50,00,000
(g) Excess amount for set off, if any:

(Amount in ₹)

| Sr. No | Particular | Amount (₹) |
|--------|------------------------------------------------------------------------|------------|
| i. | Two percent of average net profit of the Company as per section 135(5) | 48,58,044 |
| ii. | Total amount spent for the Financial Year | 50,00,000 |
| iii. | Excess amount spent for the financial year [(ii)-(i)] | 1,45,183 |
| iv. | Amount available for set off in succeeding financial years | 1,45,183 |

9. (a) Details of Unspent CSR amount for the preceding three financial years:

| Sr. No | Preceding Financial Year | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹) | Amount spent in the reporting Financial Year (in ₹) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. | | | Amount remaining to be spent in succeeding financial years. (₹) |
|--------|--------------------------|-------------------------------------------------------------------------------------|-----------------------------------------------------|--------------------------------------------------------------------------------------------|---------------|------------------|-----------------------------------------------------------------|
| | | | | Name of the Fund | Amount (in ₹) | Date of transfer | |
| 1 | | Nil | Nil | | Nil | | Nil |
| | Total | Nil | Nil | | Nil | | Nil |

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

| Sr. No | Project ID | Name of the Project | Financial Year in which the project was commenced | Project duration | Total amount allocated for the project (₹) | Amount spent on the project in the reporting Financial Year (₹) | Cumulative amount spent at the end of reporting Financial Year (₹) | Status of the project - Completed / Ongoing |
|--------|------------|---------------------|---------------------------------------------------|------------------|--------------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------|---------------------------------------------|
| 1 | | Nil | | | Nil | Nil | Nil | |
| | Total | Nil | | | Nil | Nil | Nil | |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: No such case.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): N. A. The Company has spent in excess of the required spending, as detailed above.

For Jenburkt Pharmaceuticals Limited

For Jenburkt Pharmaceuticals Limited

Arun R. Raskapurwala
Independent Director
(Chairman, CSR Committee)
DIN: 00143983

Ashish U. Bhuta
Chairman and Managing Director.
(Member, CSR Committee)
DIN: 00226479

Mumbai, 23rd May, 2023.

Annexure D

Conservation of Energy, Technology Absorption, Foreign exchange earnings and outgo:

[Particulars pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule (8)(3) of Companies (Accounts) Rules, 2014 and forming part of the Directors' Report, for the financial year ended on 31st March, 2023.]

(A) Conservation of energy:

- i. **The steps taken or impact on conservation of energy.**
 - a. Power factor maintained near unity at Sihor manufacturing facilities and R&D resulted curtailment of power losses.
- ii. **The steps taken by Company to utilise alternate source of energy.**
 - a. The Company has initiated process of connecting supply of Piped Natural Gas (PNG) for operations of Boilers and Canteen of Sihor plant.
- iii. **The capital investment on energy conservation equipments:**
 - a. NIL

(B) Technology absorption, adoption and innovation:

- i. **Efforts in brief made towards technology absorption.**
 - a. Research & Development plays a vital role in developing and adopting new technologies to enhance our operational efficiencies.
 - b. The Company has developed and introduced a series of new products into the market under WELLNESS division through digital portal. These products contains ingredients from natural and plant source and are useful in our day to day life. Some of the New additions are :
 - Zixa Strong Gel in the form Gel, Roll on and Spray.
 - Zixa Ultra Strong Gel
 - Energy Gel (Oral) for sports fraternity
 - Zixa Strong Oil
 - Sports Massage Oil
 - Zixa Balm with variants, Strong, Light and Ultra Strong.
 - Sports drinks with Caffeine.
 - Zixa feminine Cramp relief Roll on gelAlso developed ZIX- DT tablets for the pharmaceuticals marketing division.
- ii. **The benefits derived like product improvement, cost reduction, product development or import substitution.**

Technology adoption resulted in

 - a. Product yield improvement.
 - b. Availability of products at affordable price.
 - c. Entry into newer markets and export of quality products and compliance with Regulatory Guidelines of counties.
- iii. **The details of imported technology (imported during last 3 years)**
 - a. The details of technology imported : NIL
 - b. The year of import : NIL
 - c. Whether the technology been fully absorbed : NIL
 - d. If not fully absorbed, areas where absorption has not taken place and the reasons thereof : NIL
- iv. **The expenditure incurred on research and development.**

Capital Expenditure: ₹ Nil, Recurring Expenditure: ₹ 122.59 Lacs.
- v. **Foreign exchange earnings and outgo.**

During the year under review, the foreign exchange earnings by the Company was ₹ 2,525.76 Lacs and the foreign exchange expenditure of the Company was ₹ 220.34 Lac (including ₹ 0.36 Lac towards dividend on equity shares).

For and on behalf of the Board of Directors

Ashish U. Bhuta
Chairman and Managing Director
DIN: 00226479

Mumbai, 23rd May, 2023.

Annexure E

Details of Employees Remuneration

[Details Pursuant to Section 197(12) Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014]

- i. The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year, 2022-23 and
- ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year 2022-23 are as under:

| Sr. No. | Director / Key Managerial Personnel | Designation | Remuneration for the Year 2022-23 (₹ in Lacs) | Percentage increase/decrease in Remuneration in 2022-23 | Ratio of remuneration to median remuneration (times) |
|---------|-------------------------------------|-----------------------------------------------|-----------------------------------------------|---------------------------------------------------------|------------------------------------------------------|
| 1 | Ashish U. Bhuta | Chairman and Managing Director | 200.54 | 16.21 | 77.43 |
| 2 | Dilip H. Bhuta | Whole Time Director & Chief Financial Officer | 60.37 | 11.57 | 23.31 |
| 3 | Bharat V. Bhate | Non-Executive and Independent Director | 1.25 | 0.00 | 0.48 |
| 4 | Rameshchandra J. Vora | Non-Executive and Independent Director | 1.25 | 0.00 | 0.48 |
| 5 | Arun R. Raskapurwala | Non-Executive and Independent Director | 1.25 | 0.00 | 0.48 |
| 6 | Hina R. Mehta | Non-Executive and Independent Director | 1.25 | 0.00 | 0.48 |
| 7 | Ashish R. Shah | Company Secretary | 43.31 | 12.52 | 16.72 |

- iii. The percentage increase in the median remuneration of employees in the financial year 2022-23 is: 0.39%
- iv. The number of permanent employees on the roll of the Company at the end of the financial year 2022-23 is: 724
- v. Average percentage increase in the remuneration of employees other than the managerial personnel in the financial year 2022-23 was 9.13% as against increase in remuneration of the managerial personnel at 9.03%.
- vi. Shri Ashish U. Bhuta's remuneration include salary and perquisites of ₹ 171.50 Lacs and a commission of ₹ 29.04 Lacs, aggregating to ₹ 200.54 Lacs.
- vii. The statement containing particulars of the employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014:

Name, designation, age, date of joining and remuneration of top 10 employees of the Company, in terms of remuneration drawn (Rs. in lac). (1) Ashish U. Bhuta, Chairman and Managing Director, 50, 01.06.1994, ₹ 200.54; (2) Mahender Paul Singh, Sr. VP, 63, 06.04.2001, ₹ 176.74 (3) Vinay L. Bhatt, Head-International Business, 55, 01.04.2006, ₹ 81.78; (4) Uday Kalele, VP, 67, 13.03.2009, ₹ 71.00; (5) Dilip H. Bhuta, WTD & CFO, 71, 16.07.2013, ₹ 60.37; (6) Jayesh D. Tanna, GM (IT), 58, 01.07.1997, ₹ 44.73; (7) Ashish R. Shah, CS, 59, 01.12.1999, ₹ 43.31; (8) Ravindra D. Mankar, GM Production, 48, 02.03.2021, ₹ 39.59; (9) Dharmesh Kashyap, GM (HR&Admn.), 50, 05.04.2022, ₹ 36.56, (10) Bhanudas Kadam, GM (Q.C), 46, 14.03.2022, ₹ 25.00.

Shri Ashish U. Bhuta and Mahender Paul Singh have drawn remuneration in excess of ₹ 102.00 lacs during financial year 2022-23.

The above referred employees are in the employment of the Company and none of them is a relative of any director of the Company.

The Company affirm that the above remunerations is in accordance to the Company's policy on remuneration.

For and on behalf of the Board of Directors

Ashish U. Bhuta
Chairman and Managing Director
DIN: 00226479

Mumbai, 23rd May, 2023.

Corporate Governance



Corporate Governance Report

1. Brief Statement on Company's Philosophy on Corporate Governance:

Jenburkt's philosophy on corporate governance is to ensure sound and efficient business conduct and aspire to achieve the Company's goals by creating value for all the stakeholders, by observing highest level of ethics, in all its dealings. Jenburkt is committed to creating values, not only in business related profits, but which is sustainable in long-term interest of all the stakeholders.

It encompasses every sphere of management- action plans, internal controls, performance measurement and corporate disclosures. Robust system of corporate practices are followed by the Company through policies, Standard Operating Procedures (SOPs) and Processes. Concept of Environment, Social and Governance (ESG) is ensured at highest level. Corporate Social Responsibility (CSR) activities are carried out on regular basis. Timely disclosures of various information is made with responsibility.

2. Board of Directors:

Your Company's Board of total six Directors has a required combination of executive and non-executive Directors having the required skill, knowledge, experience and gender mix, in accordance to the requirements of the applicable provisions of the Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI-LODR"). Out of six Directors on the Board, four are non-executive and independent Directors i.e. more than fifty percentage of the total strength, the other two Directors are executive Directors. A woman Director is a part of the team of non-executive and independent Director on the Board. The four independent Directors out of total six Directors on the Board ensure independent judgment in all the discussion and decision at Board level.

The Board oversees the management of the Company and is actively involved in making strategies and providing guidance and directions to the Company. It meets at least once in every quarter, as required, to consider the quarterly financial results of the Company, by maintaining the statutory gap between two Board meetings which does not exceed one hundred and twenty days.

Each of the independent Director have furnished their individual confirmation and declaration, about their independence of the management of the Company. None of them has any kind of relationship with the Company, nor does any individual Director have any relationship with any other Director on the Board of the Company. Their independence does not influence their judgment while taking business decisions of the Company.

All the Directors on the Board always ensure exercising fiduciary relationship with highest standard of ethics and transparency. They are actively involved in strategic supervision, providing guidance and direction and overseeing the management of the Company. Vide their respective meetings, the Committees, recommend their decision to the Board and the Board consider their respective recommendations in its meetings. All the recommendations made by all the Committees were accepted for consideration by the Board in the interest of all the stakeholders. Their interest are well nurtured, enhanced and equally protected by the Board.

Five Board meetings were held by the Company, during the financial year 2022-23, on 27th May, 1st August, 8th November, 1st December, 2022 and 7th February, 2023. Throughout all these Board meetings of the Company, the requisite quorum was present.

In compliance with the applicable laws, the notices convening the Board meetings and other relevant documents, are being sent well in advance to all the Directors of the Company, to enable each of them to take their decisions in an efficient manner. The draft financial statements for each quarter and for the end of financial year are first presented to the audit Committee for their review and then recommended by it to the Board for their consideration and decision thereon.

The details of composition and category of Directors, their attendance at Board meetings and at the last Annual General Meeting (AGM) and their individual positions on the Board of the Company during the financial year 2022-23 are as under:

| Name of the Director | Category of directorship / designation | No. of Board meetings in F.Y. 2022-23 | | Attendance at last AGM held by OAVM | No. of directorships held in another Company | No. of equity shares held as on 31 st March, 2023 |
|----------------------------|---------------------------------------------|---------------------------------------|----------|-------------------------------------|----------------------------------------------|--------------------------------------------------------------|
| | | Held | Attended | | | |
| Shri Ashish U. Bhuta | Promoter/Chairman and Managing Director | 5 | 5 | Yes | 1 | 2,61,127 |
| Shri Bharat V. Bhate | Non-Executive/Independent Director | 5 | 5 | Yes | 1 | 2,500 |
| Shri Rameshchandra J. Vora | Non-Executive/Independent Director | 5 | 5 | Yes | Nil | 500 |
| Shri Arun R. Raskapurwala | Non-Executive/Independent Director | 5 | 5 | Yes | Nil | 100 |
| Shri Dilip H. Bhuta | Whole Time Director/Chief Financial Officer | 5 | 5 | Yes | 1 | 600 |
| Mrs. Hina R. Mehta | Non-Executive/Independent Director | 5 | 5 | Yes | Nil | Nil |

Notes:

- The Directorships held by Directors, as disclosed above, are in private limited companies only. None of the Director is a Director in any other listed entity.
- The above shareholdings are those, in which the Director is the first named shareholder, as on 31st March, 2023.
- None of the Directors, is inter-se related to any other Director on the Board of the Company.
- None of the Directors has any membership in any Committee of any other listed entity.

3. Matrix setting out the list of core skills/expertise/competencies identified by the Board of Directors, in context of Company's business and sector, to function effectively and those actually available with the Board:

The Board believes that Directors of the Company possess certain skills/ expertise / Competencies, which helps the company function effectively. In this regards the Directors have identified the list of core skills/ expertise / Competencies as required for them to function effectively as follows: Banking, Business Acumen, Finance, Governance, Management, Strategy, Technology.

Shri Ashish U. Bhuta: Management, Strategy, Finance, Business Acumen, Governance.

Shri Dilip H. Bhuta: Finance, Strategy, Management, Banking.

Shri Bharat V. Bhate: Technology, Strategy, Finance, Governance.

Shri Arun R. Raskapurwala: Business Acumen, Strategy.

Shri Rameshchandra J. Vora: Business Acumen, Management.

Mrs. Hina R. Mehta: Finance, Management.

Apart from the above, the roles, responsibilities, duties and obligations of Directors as laid down in the Act and SEBI-LODR, are being performed / followed by the Directors of the Company.

4. Independent Directors and their separate meeting:

4.1. Appointment:

The independent directors are appointed on the Board of the Company in accordance to the applicable provisions of section 149, 150, Schedule-IV and other applicable provision of the Act and SEBI-LODR. As defined by Section 149(6) and other applicable provisions of the Act and rules thereunder and regulation 16(1) and all other applicable provisions of SEBI-LODR, an independent Director is a non-executive Director, other than a managing Director or a whole time Director or a nominee Director on the Board of the Company, they possess qualities as listed out in the said regulations. Their role, duties and power are as described under the applicable provisions of the Act and SEBI-LODR. The appointments of the independent Directors are not subject to retirement by rotation.

For the selection of a person as an independent Director, the nomination and remuneration Committee consider the Company's policy viz. "Selection of Directors, senior managerial personnel and determining Directors' independence". A copy of terms and conditions of appointment of independent Director is available on the Company's website, viz. www.jenburkt.com.

4.2. Confirmation and declaration of independence:

In pursuance of regulation 25(8) of SEBI-LODR all the four independent directors on the Board viz. Shri Bharat V. Bhate, Shri Rameshchandra J. Vora, Shri Arun R. Raskapurwala and Mrs. Hina R. Mehta have submitted a confirmation and declaration to the Board stating that: (i) He / She meets the criteria of independence as provided under regulation 16(1)(b) of SEBI-LODR and (ii) He/ She is not aware of any circumstances or situation, which exists or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence.

In the opinion of the Board, all the above four independent Directors fulfill the applicable conditions regarding independence specified in the Act and SEBI-LODR and are independent of the management.

None of the independent Directors on the Board of the Company, during the year under review, had any pecuniary relationship with the Company or other Director(s) of the Company, excluding the sitting fees they receive from the Company, for attending the Board and Committee meetings, which they are entitled to and the dividend they receive on their respective shareholdings in the Company.

The Company has voluntarily insured all the directors and senior officers by a directors & officers (D&O) insurance policy.

4.3 Annual Performance Evaluation:

In accordance to the applicable provisions of Section 134(3)(p) read with rule 8(4) of companies (Accounts) Rules, 2014, section 178(2), Schedule IV and other applicable provisions of the Act and regulation 17(10) and 25(4) and other applicable regulation(s) of SEBI-LODR, the Board carried out performance evaluation of independent Director without the participation of the Director being evaluated. The evaluation by the Board was carried out, after seeking inputs from all Directors at the Board and Committee meetings, including observance of governance, quality of deliberation and effectiveness of the procedures adopted by the Board.

4.4 Separate meeting of the Independent Directors:-

In pursuance to the regulation 25(3) of SEBI-LODR and Schedule IV of the Act, during the year under review, the independent Directors of the Company met once, at their separate meeting held on 27th May, 2022, to evaluate the performances of the non-independent Directors viz. (i) the Chairman and Managing Director with the views of other executive Director, (ii) the Whole Time Director & Chief Financial Officer, (iii) the Board as a whole; and (iv) for the evaluation of the quality, content and timeline of the flow of information between management and the Board to effectively and reasonably perform its duties. All the independent Directors attended the said meeting.

4.5 Familiarisation program for independent directors:-

In accordance to Regulation 25(7) of SEBI-LODR, the Company have conducted few familiarization programs for the independent Directors of the Company during the year under review, including amendments to various laws applicable to the Company. Such programs enables the independent Directors to have fair understanding about the operations and affairs of the Company, regularly, including various policies, codes, systems and procedures of the Company. A familiarization policy and details of programs conducted have been hosted on the Company's website at https://www.jenburkt.com/Other_Info/20222023/Details-of-Familiarization-Programmes-held-during-the%20FY-2022-23.pdf

5. Committees of the Board:

5.1 Audit Committee:

Your Company has constituted a qualified and independent audit Committee and has framed its terms of reference and role in the Company, in pursuance of the provisions of Section 177 (2) of the Act and Regulation 18 of SEBI-LODR. The Audit Committee comprises of four Directors out of which three are non-executive and independent Directors and one is an executive Director.

Shri Bharat V. Bhate, a non-executive and independent Director, is the chairman of the Audit Committee. Shri Rameshchandra J. Vora and Shri Arun R. Raskapurwala, both non-executive and independent Directors and Shri Dilip H. Bhuta, an executive Director of the Company, are the other three members of the committee.

The Company Secretary of the Company acts as the secretary to the Committee and remains present in all the meetings of the Committee.

The audit Committee met for five times during the financial year under review, i.e. on 27th May, 1st August, 8th November, 1st December, 2022 and 7th February, 2023. Requisite quorum was present in all the meetings. The gap between any two meetings did not exceed 120 days.

The details of the meetings of the audit Committee held and attended by the members during the financial year 2022-23, are as follows:

| Name of director | Category of directorship | No. of Meetings in F.Y. 2022-23 | |
|----------------------------|---------------------------------------------------------|---------------------------------|----------|
| | | Held | Attended |
| Shri Bharat V. Bhate | Chairman, Non-Executive and Independent Director | 5 | 5 |
| Shri Rameshchandra J. Vora | Member, Non-Executive and Independent Director | 5 | 5 |
| Shri Arun R. Raskapurwala | Member, Non-Executive and Independent Director | 5 | 5 |
| Shri Dilip H. Bhuta | Member, Whole Time Director and Chief Financial Officer | 5 | 5 |

Shri Bharat V. Bhate, Chairman of the Audit Committee attended the 37th AGM of the Company held on 29th July, 2022, by VC/OAVM.

All the minutes of the meetings of the Audit Committee are circulated to directors and noted at the subsequent Board Meetings.

The terms of reference of the audit committee, inter-alia are as under:

- (1) Overseeing the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommending appointment and terms of appointments of internal and statutory auditors of the Company;
- (3) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to the following items:
 - matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of section 134 (3)(c) of the Act;
 - changes in accounting policies and practices, if any;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions and quarterly financial statements.
- (4) Scrutinising of any inter-corporate loans and investments; if any;
- (5) Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
- (6) Discussing with internal auditors of any significant findings and follow-up thereon;
- (7) Discussing with statutory auditors about the nature and scope of audit as well as to ascertain any area of concern;
- (8) Reviewing the functioning of the whistle blower mechanism;
- (9) Approving of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (10) Carrying out any functions as is mentioned in the role of the audit Committee in SEBI-LODR and
- (11) To further review the following mandatory items: (a) management discussion and analysis report, (b) statement of significant related party transaction, if any, (c) appointment and terms of remuneration of internal auditors.

5.2. Nomination and Remuneration Committee:

Pursuant to Section 178(1) of the Act, and Regulation 19 of SEBI-LODR, the Company has constituted the Nomination and Remuneration Committee (NRC).

Shri Rameshchandra J. Vora is the chairperson of the NRC, Shri Bharat V. Bhate and Shri Arun R. Raskapurwala are the other two Members of the NRC. All three members of the NRC are non-executive and independent directors. The NRC met three times during the financial year under review, i.e. on 27th May, 1st August, 2022 and 7th February, 2023. Requisite quorum was present in all the meetings.

The NRC inter alia, oversees and recommend to the Board, the process of recruiting Directors and the senior managerial personnel of the Company, including recommending their remunerations. In this regard, two policies were formulated viz.: i) Selection of Directors, senior managerial personnel and determining Directors' independence and ii) Remuneration of Directors, KMP and other employees of the Company. These policies were amended from time to time, under the terms of reference of NRC, web-link of which are i) https://www.jenburkt.com/Other_Info/20152016/Policy-on-Remuneration-of-Directors-Key-Managerial-Personnel-and-Other-Employees.pdf and ii) https://www.jenburkt.com/Other_Info/20152016/Policy-Selection-of-Directors-Senior-Managerial-Personnel-Determining-Directors-Independence.pdf

The Company Secretary of the Company acts as the secretary to the Committee and remains present in all the meetings of the Committee.

Followings are the details of meetings held and attended by the members of NRC, during the financial year 2022-23:

| Name of director | Category of directorship | No. of Meetings in F.Y. 2022-23 | |
|----------------------------|--------------------------------------------------|---------------------------------|----------|
| | | Held | Attended |
| Shri Rameshchandra J. Vora | Chairman, Non-Executive and Independent Director | 3 | 3 |
| Shri Bharat V. Bhate | Member, Non-Executive and Independent Director | 3 | 3 |
| Shri Arun R. Raskapurwala | Member, Non-Executive and Independent Director | 3 | 3 |

Shri Rameshchandra J. Vora, the Chairman of the NRC attended the 37th AGM of the Company held on 29th July, 2022, by VC/OAVM.

All the minutes of the meetings of the NRC are noted at the subsequent Board meetings.

The terms of reference of NRC, inter alia, include the followings:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- (2) Formulation of criteria for evaluation of independent directors, the Board and its Committees and carryout performance evaluation of all the directors and the manner in which their performance evaluation to be carried out;
- (3) Devising a policy on Board diversity;
- (4) Identifying persons who are qualified to become directors and who may be appointed as KMP or in senior management in accordance with the criteria laid down, and recommend to the Board about their appointment and removal, if required.
- (5) Recommend to the Board, all remuneration, in whatever form payable to directors and senior management.

The details of the remuneration paid to the directors of the Company during the period under review are as follows:

(₹ in Lacs)

| Name of director | Remuneration including salary, perquisites and all benefits (₹) | Sitting fees (₹) | Total (₹) | Present service contract |
|----------------------------|-----------------------------------------------------------------|------------------|-----------|--------------------------|
| Shri Ashish U. Bhuta | 200.54 | Nil | 200.54 | 01.04.2021 to 31.03.2026 |
| Shri Dilip H. Bhuta | 60.37 | Nil | 60.37 | 01.04.2022 to 31.03.2027 |
| Shri Bharat V. Bhate | Nil | 1.25 | 1.25 | N.A. |
| Shri Rameshchandra J. Vora | Nil | 1.25 | 1.25 | N.A. |
| Shri Arun R. Raskapurwala | Nil | 1.25 | 1.25 | N.A. |
| Mrs. Hina R. Mehta | Nil | 1.25 | 1.25 | N.A. |

Notes:

- i. The non-executive and independent directors receive sitting fees for attending the Board and for the Committee meetings, where they are members.
- ii. No other pecuniary benefits or remuneration, apart from above, is paid to any of the Directors by the Company nor was any financial transaction entered into by the Company with the independent and non-executive Directors, apart from the dividend paid on their individual shareholdings.
- iii. The Company doesn't have any stock-option plan.
- iv. Shri Ashish U. Bhuta's remuneration includes salary and perquisites of ₹ 171.50 lacs and a commission of ₹ 29.04 lacs

5.3. Stakeholders' Relationship Committee:

In compliance with the provisions of Section 178 (5) of the Act and regulation 20 of SEBI-LODR, a Stakeholders Relationship Committee (SRC) has been constituted by the Company. The SRC has total three members and it is chaired by Shri Bharat V. Bhate, a non-executive and independent director. The other two members are Shri Rameshchandra J. Vora, a non-executive and independent director and Shri Ashish U. Bhuta who is an executive Director of the Company.

SRC's main activities involves to review transmission, splitting, dematerialization etc. of shares and issuance of duplicate share certificates and redressal of shareholders' grievances etc. which are carried out by M/s. Bigshare Services Private Ltd., Mumbai, the Registrar and Transfer Agent (RTA). The RTA also handle all other ancillary activities related to above and redress all types of complaints of the shareholders including those related to transmission, duplicate etc. of shares, non-receipt of annual report and dividend etc. The aforesaid activities of RTA are monitored by the Company Secretary and compliance officer, as authorized by the SRC. The SRC also formulates and implements steps to better the service standards towards the investors.

Shri Ashish R. Shah is the Company Secretary and Compliance Officer of the Company. He acts as the secretary to the Committee and remains present in all the meetings of the Committee.

The share transmission, issuance of duplicate certificates etc. and ancillary activities, including redressal of shareholders' grievances carried out by the SRC are periodically informed to the Board. The minutes of all the meetings of the SRC are noted at the subsequent Board meetings.

The SRC met four times during the year under review, 27th May, 1st August, 8th November, 2022 and 7th February, 2023. Requisite quorum was present in all the meetings.

The details of the Committee's meetings held and attended by its members during the financial year 2022-23 are as under:

| Name of director | Category of directorship | No. of Meetings in F.Y. 2022-23 | |
|----------------------------|--------------------------------------|---------------------------------|----------|
| | | Held | Attended |
| Shri Bharat V. Bhate | Non-Executive / Independent Director | 4 | 4 |
| Shri Rameshchandra J. Vora | Non-Executive / Independent Director | 4 | 4 |
| Shri Ashish U. Bhuta | Promoter / Executive Director | 4 | 4 |

Shri Bharat V. Bhate, chairman of the SRC attended the 37th AGM of the Company held on 29th July, 2022, by VC/OAVM. Nine complaints were received from shareholders by the Company/ RTA during the financial year. All nine complaints were resolved during the year and no complaint was outstanding as on 31st March, 2023.

5.4. Corporate Social Responsibility Committee:

In pursuance of the provisions of Section 135(1) of the Act, the Company has constituted the Corporate Social Responsibility (CSR) Committee. The CSR Committee is chaired by Shri Arun R. Raskapurwala, a non-executive and independent Director. The Committee has total three members. The other two members are Shri Ashish U. Bhuta and Shri Dilip H. Bhuta, the executive Directors of the Company.

The Committee met three times during the year under review on 27th May, 1st August, 2022 and 7th February, 2023. Requisite quorum was present in all the meetings.

The Company Secretary of the Company acts as the secretary to the Committee and remains present in all the meetings of the Committee.

The details of the Committee's meetings held and attended by its members during the financial year 2022-23 are as under:

| Name of director | Category of directorship | No. of Meetings in F.Y. 2022-23 | |
|---------------------------|--------------------------------------------------|---------------------------------|----------|
| | | Held | Attended |
| Shri Arun R. Raskapurwala | Chairman, Non-Executive and Independent Director | 3 | 3 |
| Shri Ashish U. Bhuta | Member, Promoter and Executive Director | 3 | 3 |
| Shri Dilip H. Bhuta | Member, Executive Director | 3 | 3 |

The minutes of the CSR Committee meetings held during the financial year 2022-23 were noted at the subsequent meetings of the Board.

Terms of reference of CSR Committee:-

1. Formulate and put up to the Board for its approval a CSR policy of the Company, indicating the activities the Company to undertake, in line with the prevailing rules /laws, etc.
2. Formulate and recommend to the Board, an annual action plan in pursuance to this Policy and the provisions of the Companies Act, 2013 and rules made thereunder, as amended from time to time.
3. Indicate the amount it would like to spend in the above stated activities ensuring minimum amount required to be spent under prevailing act and rules and recommend to the Board.
4. Monitor the mechanism of CSR activities in transparent manner and review it from time to time.

6. General Body Meetings:

Location, date, time and details of the last three Annual General Meetings held by the Company:

| Financial Year | Venue | Date & Time | Special resolutions passed |
|---------------------------------|----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2021-22 37 th AGM | Deemed to be held at the registered office of the Company by Video Conferencing (VC)/other Audio Visual Means (OAVM) | 29 th July, 2022 at 3.30 p.m. | Pursuant to section 94 of the Companies Act, 2013 and rules thereunder to keep the registers and annual returns together with other documents as may be required at the registered office of the Company or the office/place of the RTA, in Mumbai. |
| 2020-21 36 th AGM | Deemed to be held at the registered office of the Company by Video Conferencing (VC)/other Audio Visual Means (OAVM) | 07 th September, 2021 at 3.30 p.m. | Re-appointment of Shri Dilip H. Bhuta as the Whole Time Director and CFO for five years (01.04.2022 to 31.03.2027) and payment of remuneration for three years (01.04.2022 to 31.03.2025). |
| 2019-20 35 th AGM | Deemed to be held at the registered office of the Company by Video Conferencing (VC)/other Audio Visual Means (OAVM) | 01 st September, 2020 at 3.30 p.m. | Re-appointment of Shri Ashish U. Bhuta as the Chairman and Managing Director for five years (01.04.2021 to 31.03.2026) and payment of remuneration for three years (01.04.2021 to 31.03.2024). |

Note: No special resolution was proposed during last year through postal ballot procedure and the Company does not propose any special resolution to be considered through postal ballot in the financial year 2023-24.

7. Means of Communication:

The quarterly/annual financial results of the Company are generally published in "The Free Press Journal"-English and in "Navshakti" – Marathi (regional) newspapers. All the financial results are submitted to BSE Ltd, within stipulated time period and are placed on the Company's website viz. "www.jenburkt.com". A separate segment viz. "investors" containing financial results and investor related details are available on the Company's website. Thus ensuing wide coverage of the financial results. The notice calling Board and general meeting are also uploaded at the "investor" segment of the Company's website along with the quarterly/annual financial results and the annual reports which are available in the downloadable formats.

The Company has not made any presentation to the institutional investor or to the analysts. Results / reports mentioned above and all official news releases are sent to the BSE Ltd., where the shares of the Company are listed. BSE Ltd. also hosts the said results and other updation on its website viz. www.bseindia.com.

The Company has provided an exclusive e-mail address viz. investor@jenburkt.com, for facilitating communications by the investors.

8. Other Disclosures:

- i. Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large:
No materially significant related party transactions was entered into by the Company, during the year, that may have potential conflict with the interest of the Company. The Company's policy for Related Party Transactions has been uploaded on the website of the Company (Weblink https://www.jenburkt.com/Other_Info/20212022/Policy-on-Materiality-Related-Party-Transactions-Dealing-with-Related%20Party-Transac.pdf).
The Register of Contracts containing NIL material transactions in which Directors are deemed to be concerned or interested is placed before the Board and Audit Committee regularly. Disclosures from Directors and senior management staff have been obtained to the effect that they have not entered into any material, financial and commercial transactions where they have personal interest that may have potential conflict with the interest of the Company at large.
Transactions with the related parties which are not material, are disclosed in form AOC-2 ("Annexure-B" to the Directors Report) and in the notes to the accounts forming part of this Annual Report.
- ii. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the Board or any other statutory authorities on any matter related to capital market during the last three financial years: No such case. Clarifications provided whenever required by the exchange.
- iii. Vigil Mechanism: As required u/s 177 (9) of the Act and applicable provisions of SEBI-LODR, a whistle blower policy, is in place. The Directors and employees of the Company are free to report their concerns about any unethical behaviors, actual or suspected fraud or violation in the Company, under vigil mechanism of the Company. The said mechanism provides adequate safeguards against victimization and direct access to the chairman of the audit Committee of the Company, in exceptional cases. No person/personnel has been denied access to the chairman of Audit Committee. However, no event was occurred, during the year, invoking the policy. Kindly refer to Directors' report for further details in this regard and for the content of the policy kindly refer the website of the Company.
- iv. As per the certificate received by the Company from M/s. Nilesh Shah & Associates, Practicing Company Secretary, none of the Director on the Board of the Company have been debarred or disqualified by Ministry of Corporate Affairs, SEBI or any such statutory authority from being appointed or continuing as Directors of the Company.
- v. Company's Codes viz. Code on prohibition of insider trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI): Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has framed a code on prohibition of insider trading, prohibiting trading in equity shares of the Company, by designated persons/insiders while in possession of UPSI and during closure of trading window. The code applies to all the insiders, including designated, connected persons and insiders of the Company, who are required to pre-clear their transaction in securities of the Company, while the notional trading window is open for transactions, for which a threshold limit is specified in the code. Trading window remains closed, regularly, in accordance to the said code.
The "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" of the Company, is also in place.
- vi. All the recommendations of each of its Committees which were mandatory in nature were accepted by the Board in the financial year under review.
- vii. Policy on criteria for determining materiality of events: In accordance to the provisions of SEBI-LODR, this policy was framed by the Company. The objectives of the policy is to determine materiality of event or information and to ensure its dissemination, as required. It also provide overall governance with regard to timely dissemination of such an event or information.
- viii. The statutory auditors of the Company viz. M/s. D. R. Mehta & Associates, were paid a total fees of ₹ 11.25 Lac for all the services rendered by them, during the financial year 2022-23.
- ix. The Company has in place a policy on preservation, archives management and destroying of documents. The objectives of this policy are to establish the frame work needed for effective record management and ensure best practices in this regard, as per regulatory requirements.
- x. The Company is in compliance with the provisions relating to the constitution of internal complaints Committee under the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013. No complaint was filed with the Committee during the year under review, under the said Act.
- xi. The Company has not raised or given any loan or advances in the form of loan to any person/firm or Company in which any of the Director is interested.
- xii. Management discussion and analysis: A report on management discussion and analysis as required under regulation 34(1) (e) and Schedule-V of SEBI-LODR, forms a part of the Directors' report.
- xiii. Risk Management: The Company has a risk management frame work, by which the information of any risk assessment and minimization activity, if any, would be informed to the Board. A risk management plan of the Company is in place prescribing various

- probable risks, their assessment and mitigation.
- xiv. Code of Business Conduct: Pursuant to the regulation 17(5) of the SEBI-LODR, the Company has in place a comprehensive code of business conduct (the code) applicable to all the Directors on the Board and the senior management of the Company, to an extent as may be applicable to them depending on their roles and responsibilities. The code contains the duties of independent Director as laid down by the Act and gives guidance and support needed for ethical conduct of business. The code has been uploaded on the Company's website. All the Directors and senior management personnel have affirmed their compliance to the code for the financial year 2022-23, and a declaration signed by the Company's Chairman and Managing Director to this effect is as below:

Certificate on Affirmation on compliance with the Code of Business Conduct of the Company for the financial year 2022-23.

To,
The Board of Directors,
Jenburkt Pharmaceuticals Limited, Nirmala Apts., 93. J. P. Road, Andheri (W), Mumbai - 400058.

It is hereby declared that the Company has obtained, from all the members of the Board and all the senior management personnel, an affirmation that they have complied with the code of business conduct of the Company, for the financial year 2022-23.

For Jenburkt Pharmaceuticals Limited

Sd/-
Ashish U. Bhuta
Chairman and Managing Director
DIN: 00226479

Mumbai, 23rd May, 2023.

- xv. The Company has not raised any amount through public issue, right issue and preferential issue or any issuance of any other securities, etc. during the financial year, under review.
- xvi. CEO / CFO certificate: In pursuance of the regulation 17(8) of SEBI-LODR, a compliance certificate from the Managing Director and CFO of the Company on the financial statements for the financial year 2022-23, was placed before the Board and was noted by the Board at its meeting held on 23rd May, 2023, the same has been reproduced below:

Certificate in pursuance of Regulation 17(8) read with Part "B" of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year 2022-23.

To
The Board of Directors,
Jenburkt Pharmaceuticals Limited, Nirmala Apts., 93. J. P. Road, Andheri (W), Mumbai - 400058.

- We have reviewed financial statements and the cash flow statement for the financial year ended on 31st March, 2023 and that to the best of our knowledge and belief:
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 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.
- We accept our responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit Committee, deficiencies, if any, in the design or operation of such internal controls of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- We have indicated to the auditors and the Audit Committee that none of the following events occurred during the financial year:
 - significant changes, if any, in internal control over financial reporting during the year;
 - significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
ASHISH U. BHUTA
Chairman and Managing Director
DIN: 00226479

Sd/-
DILIPH. BHUTA
Whole Time Director & CFO
DIN: 03157252

Mumbai, 23rd May, 2023.

9. Mandatory Requirements:

The Company has complied with all the mandatory disclosures, in pursuance of Regulation 34 and schedule V of SEBI-LODR. The Company has also made additional disclosures, wherever possible in this report. Further, as specified in Regulation 17 to 27 of SEBI-LODR the Company have complied with all the requirements of Corporate Governance and have disseminated on its website, the information as listed under clauses (b) to (i) of sub-clause (2) of Regulation 46 of SEBI-LODR.

10. Profile of the directors being appointed/re-appointed:

i. Shri Ashish U. Bhuta:

For a brief profile and other details, kindly refer item no.4 in the explanatory statement to the Notice.

ii. Shri Sumit A. Thakkar:

Shri Sumit A. Thakkar aged 40 years, resident of Bhavnagar, Gujarat, is an advocate by profession and a social worker. He is a well-qualified person having done BA, LLB, LLM, DLL (Diploma in Labour Law) DNYS, DYED, Journalism. His area of expertise are Business Law matters pertaining to civic, labour, revenue and corporate law etc., which he is practicing since last 15 years. Shri Sumit A. Thakkar obtained his "Sanad" as an advocate in 2009, from Gujarat and practicing as an Advocate at District Court, Bhavnagar and at High Court, Gujarat.

Apart from professional practice as an advocate, he is also actively involved in social services. He joined Indian Red Cross Society (IRCS), Bhavnagar branch in 2001. In view of his providing selfless services, he was elevated to higher positions and at present serving as Vice Chairman of the branch since 2016. He received the prestigious "Merit Award" from the President of India in 2016, for his services to the society.

He is actively involved in at least thirty three projects providing health related services to general public, besides managing four clinics, one mobile van and two hospitals in Bhavnagar District. Because of tireless performances of his and his team, the Bhavnagar branch of IRCS, have received more than six awards for providing human services, by the hands of the Governor of Gujarat. He has been member, chairman of various social services organization including civil defense and disaster management at a young age of 40 years.

Shri Sumit A. Thakkar is not related to any other director on the Board and doesn't hold any shares of the Company. He is independent to the management of the Company.

Apart from his above stated expertise, competencies and skills, his ability to identify impactful CSR projects/activities and to be firm to the Company's policy, core values and beliefs, will be added advantages to the Company and to the already diversified Board of the Company. Based on his above profile and proposed role to bring unbiased and independent views in the Board, the Nomination and Remuneration Committee and Board of the Company found him to be most suitable to be an independent director of the Company.

11. A. General Shareholders' Information:

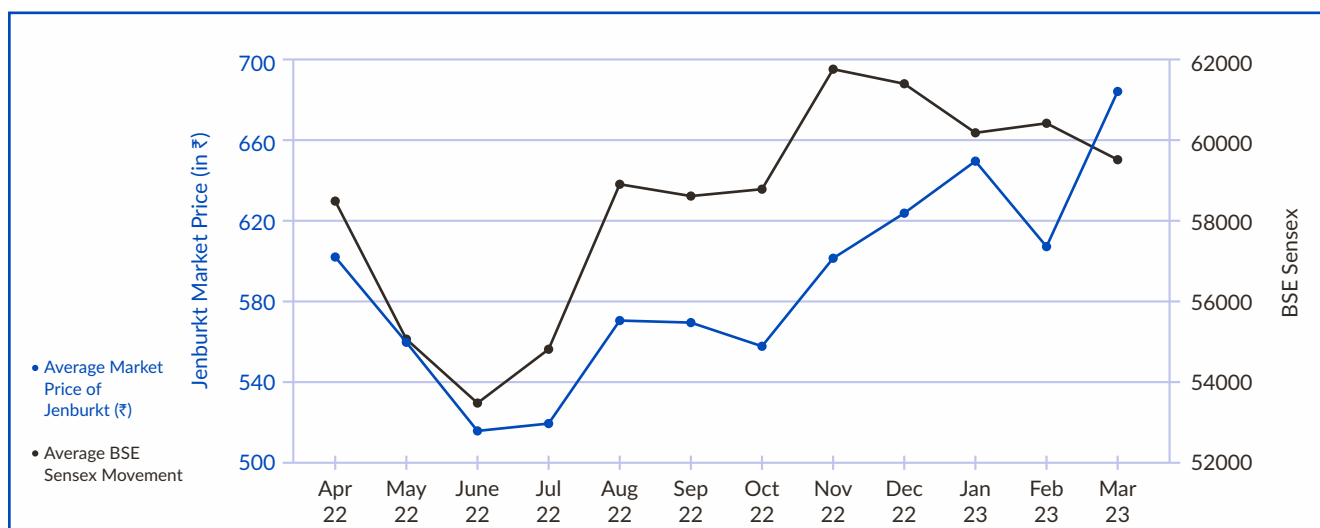
| | |
|----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| AGM: Date and Timing | Wednesday, 26 th July, 2023 at 3.30 p.m. Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"). Registered office shall be deemed to be the Venue. |
| Financial calendar (Proposed) for F.Y. 2023-24. | Results for Q1 (June 30 th , 2023) - By 4 th week of July, 2023 Results for Q2 (Sept 30 th , 2023) - By 4 th week of Oct, 2023 Results for Q3 (Dec 31 st , 2023) - By 4 th week of Jan, 2024 Results for Q4 (Mar 31 st , 2024) - By 4 th week of May, 2024 |
| Cut-off date | 19 th July, 2023 |
| Date of book closure | 20 th July, 2023 to 26 th July, 2023 (both days inclusive). |
| Expected date of dividend payment | Within 30 days of the date of the 38 th AGM. |
| Listing of equity shares on Stock Exchange | The BSE Ltd. (The Listing fee for financial year 2023-24 has been paid to the BSE Ltd., Mumbai.) Phiroze Jeejeebhoy Towers, Dalal Street, Kala Ghoda, Fort, Mumbai, Maharashtra 400001. |
| Stock Code | Trading code "524731" at the BSE Ltd., Mumbai. |
| Security ISIN No. | INE354A01013 |
| Company's Registration No. | The Corporate ID No. (CIN) allotted by the Ministry of Corporate Affairs (MCA) is L24230MH1985PLC036541. |

B. Market price data, performance chart:

High / low of the market price per month of the Company's share traded at the BSE and the high / low of the BSE Sensex for the financial year 2022-23 are as follows:

| 2021-2022 | Company's share price | | BSE Sensex | |
|--------------|-----------------------|---------|------------|-----------|
| Month | High (₹) | Low (₹) | High | Low |
| April 2022 | 654.00 | 552.25 | 60,845.10 | 56,009.07 |
| May | 616.50 | 509.00 | 57,184.21 | 52,632.48 |
| June | 576.30 | 452.10 | 56,432.65 | 50,921.22 |
| July | 559.50 | 475.00 | 57,619.27 | 52,094.25 |
| August | 620.00 | 525.00 | 60,411.20 | 57,367.47 |
| September | 616.60 | 525.35 | 60,676.12 | 56,147.23 |
| October | 580.00 | 535.55 | 60,786.70 | 56,683.40 |
| November | 648.80 | 561.05 | 63,303.01 | 60,425.47 |
| December | 660.00 | 585.20 | 63,583.07 | 59,754.10 |
| January 2023 | 670.95 | 630.00 | 61,343.96 | 58,699.20 |
| February | 645.00 | 572.60 | 61,682.25 | 58,795.97 |
| March | 760.00 | 607.00 | 60,498.48 | 57,084.91 |

Market Price Performance relative to the BSE Sensex:

**C. Registrar and Transfer Agent (RTA) and share transfer system:**

| | |
|-------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Details of RTA | M/s. Bigshare Services Pvt. Ltd., Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093, • Tel. No.: +91-22-62638200/62638222/62638223. E-mail charmi@bigshareonline.com OR investor@jenburkt.com |
| Share Transmission and Dematerialisation System | The Board has authorized stakeholders' relationship Committee (SRC) to approve and monitor the RTA's activities, which includes dematerializations, transmissions, transpositions, issuance of duplicate shares/Letter of Confirmation and replacement of certificates, etc. (hereinafter RTA activities). The SRC has authorized the Chairman and Managing Director or the Company Secretary and Compliance Officer, in their individual capacity to monitor and approve the above stated RTA activities being carried out by the RTA. The summary of the said RTA activities is presented in each meetings of SRC and the Board. A yearly compliance certificate under Regulation 7(3) of the SEBI-LODR, jointly signed by compliance officer and RTA, certifying that all the above stated activities are being carried out by RTA, is regularly submitted to BSE Ltd. The activities pertaining to transmission of shares are carried out in 15 days from the date of receipt. As per Regulation 40 of SEBI-LODR, as amended from time to time, the Company submitted to BSE Ltd. a certificate obtained from the practicing Company Secretary, for the financial year 2022-23, stating the status of transmission etc. of physical shares and demat requests and that they were completed within specified time limit. |

D. Shareholding Pattern as on 31st March, 2023:

| Sr. No. | Category | No. of Shares held | % of shareholding |
|---------|------------------------------------|--------------------|-------------------|
| 1 | Promoters and Promoters' group | 20,98,788 | 47.56 |
| 2 | Corporate Bodies | 124163 | 2.81 |
| 3 | Indian Public | 19,19,875 | 43.50 |
| 4 | Foreign Portfolio Investment (FPI) | 1,19,301 | 2.70 |
| 5 | NRIs | 1,47,848 | 3.35 |
| 6 | Others (clearing members) | 3,325 | 0.08 |
| | Total | 44,13,300 | 100.00 |

E. Distribution of Shareholding as on 31st March, 2023:

| No. of Equity Shares held | No. of Shareholders | % of Shareholders | No. of Shares | % of Shareholding |
|---------------------------|---------------------|-------------------|------------------|-------------------|
| 1 to 500 | 5,256 | 91.87 | 5,27,373 | 11.95 |
| 501 to 1000 | 228 | 3.99 | 1,82,200 | 4.13 |
| 1001 to 2000 | 100 | 1.75 | 1,48,688 | 3.37 |
| 2001 to 3000 | 45 | 0.79 | 1,14,870 | 2.60 |
| 3001 to 4000 | 18 | 0.31 | 63,231 | 1.43 |
| 4001 to 5000 | 12 | 0.21 | 55,321 | 1.25 |
| 5001 to 10000 | 17 | 0.30 | 1,20,671 | 2.73 |
| 10001 and above | 45 | 0.78 | 32,00,946 | 72.54 |
| Total | 5,721 | 100.00 | 44,13,300 | 100.00 |

| Type of Shareholding | No. of Share holders | % of Share-holders | No. of Shares | % of Shareholding |
|----------------------|----------------------|--------------------|------------------|-------------------|
| Physical | 795 | 13.90 | 1,29,120 | 02.93 |
| Electronic-CDSL | 2,274 | 39.75 | 14,48,869 | 32.83 |
| Electronic-NSDL | 2,652 | 46.35 | 28,35,311 | 64.24 |
| Total | 5,721 | 100.00 | 44,13,300 | 100.00 |

F. Other details:

| | |
|--------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Dematerialisation of equity shares and liquidity | The Company's shares are available for trading in dematerialisation form with National Securities Depository Ltd. (NSDL) and Central Depository Securities Ltd. (CDSL). Almost 97.07% of shares are dematerialized as of 31 st March, 2023. The shares of the Company are actively traded at the BSE Ltd, providing liquidity to the shareholders. |
| Plant Location | The Company's plant is located at: Plot No.11-12, GIDC, Phase-I, Bhavnagar Road, Sihor, Gujarat - 364 240. |
| Foreign Exchange Risk and Hedging Activities | The Company's foreign exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in US Dollars, Euros). The exchange rates between the Indian rupee and these foreign currencies are market driven and fluctuating. It is generally on increase. The company is into exports and not in imports, so the impact on company's finance is not much. The Company generally retains required amount of forex receipts in EEFC A/Cs towards payment of expenses in forex, thereby mitigating risk of increase in forex rates. Now after discontinue of LIBOR, and applicability of secured overnight financing rate which is high, the company is converting forex into INR after receipt at prevailing rate. |
| Investor correspondence be addressed to | 1. M/s. Bigshare Services Pvt. Ltd. (RTA) at the address provided above or by e-mail at : charmi@bigshareonline.com 2. The Company Secretary at the registered office of the Company or by e-mail at : investor@jenburkt.com |
| Address for Correspondence | Shri Ashish R. Shah, Company Secretary and Compliance Officer Jenburkt Pharmaceuticals Limited Nirmala Apartments, 93 J.P. Road, Andheri (West), Mumbai - 400 058 . Tel. No.:+91-22-67603603 • E-mail : investor@jenburkt.com |

Non-Mandatory and discretionary requirements (Part E of Schedule II of SEBI – LODR):

- (i) The Company publish, quarterly/annual financial results, in the newspapers, as stated above and upload the same on its website under the section of “investors”. Hence, the same results are not separately circulated to the members.
- (ii) Reporting by the internal auditors is as per the terms of reference of the audit Committee, as stated above.

12. Web-link of policies and codes:

In accordance to the various provisions of the Act and SEBI-LODR, your Company has formulated and adopted many policies and codes. Key policies /codes are available at the “investors” section in the website of the Company viz. “www.jenburkt.com”. These are subject to review by the Board and are amended or updated as and when required.

The links of the policies, codes and other items, are as under:

| Sr. No. | Name of the policy / code and other items along with respective weblink |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | Policy on whistle blower https://www.jenburkt.com/Other_Info/20152016/Policy%20on%20whistle%20blower.pdf |
| 2. | Policy on remuneration of Directors, key managerial personnel and other employees https://www.jenburkt.com/Other_Info/20152016/Policy-on-Remuneration-of-Directors-Key-Managerial-Personnel-and-Other-Employees.pdf |
| 3. | Policy for selection of Directors, senior managerial personnel and determining Directors' independence https://www.jenburkt.com/Other_Info/20152016/Policy-Selection-of-Directors-Senior-Managerial-Personnel-Determining-Directors-Independence.pdf |
| 4. | Policy on corporate social responsibility https://www.jenburkt.com/Other_Info/20152016/Policy%20on%20CSR.pdf |
| 5. | Policy on materiality of Related Party Transactions and dealing with Related Party Transactions https://www.jenburkt.com/Other_Info/20212022/Policy-on-Materiality-Related-Party-Transactions-Dealing-with-Related%20Party-Transac.pdf |
| 6. | Policy on criteria for determining materiality of events https://www.jenburkt.com/Other_Info/20152016/policy%20on%20criteria%20for%20determining%20materiality%20of%20events.pdf |
| 7. | Policy on preservation, archives management and destroying of documents https://www.jenburkt.com/Other_Info/20152016/policy%20on%20preservation%20of%20documents.pdf |
| 8. | Terms and conditions of appointment of independent Directors https://www.jenburkt.com/Other_Info/Terms-&-Conditions-of-Appointment-of-Independent-Directors.pdf |
| 9. | Familiarization programme for independent Directors https://www.jenburkt.com/Other_Info/20152016/Familiarisation.pdf |
| 10. | Code of business conduct https://www.jenburkt.com/Other_Info/20152016/CODE%20OF%20BUSINESS%20CONDUCT.pdf |
| 11. | Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) https://www.jenburkt.com/Other_Info/20172018/Fair_Disclosure_of_UPSI_version_1.1 |
| 12. | Code on Prohibition of Insider Trading https://www.jenburkt.com/Other_Info/20152016/Code-on-Prohibition-of-Insider-Trading.pdf |
| 13. | Annual Return https://www.jenburkt.com/Other_Info/20212022/Annual-Return-MGT-7-FY-2021-22.pdf |

13. Auditors' Certificate on Corporate Governance:

In pursuance of Schedule V-E of SEBI-LODR, the auditors' certificate on compliance with corporate governance, is annexed to this report.

For and on behalf of the Board of Directors

Ashish U. Bhuta
Chairman and Managing Director
(DIN:00226479)

Mumbai, 23rd May, 2023.

Certificate on Corporate Governance

UDIN: F004554E000360184

To
The Members of
Jenburkt Pharmaceuticals Limited

We have examined the compliance of conditions of Corporate Governance by JENBURKT PHARMACEUTICALS LIMITED ('the Company'), for the financial year ended on 31st March, 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 to the extent applicable.

The compliance with conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the 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.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Listing Regulations.

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 Nilesh Shah & Associates
Company Secretaries

(Nilesh Shah)
Partner (FCS - 4554)
C.P. No: 2631
Peer Review No: 698/2020

Place: Mumbai
Date: 23rd May, 2023

Auditors' Report



Independent Auditors' Report

UDIN: 23047347BGSPN4519

To
The Members of
JENBURKT PHARMACEUTICALS LIMITED
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of JENBURKT PHARMACEUTICALS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

| Sr.No. | Key Audit Matter | Auditors Response |
|--------|--------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Revenue Recognition in accordance with IND AS 115 and recognition of government benefits from exports. | <p>Sales is recognized when the goods leave the factory/ godown premises on account of a definite contract of Sale with the customer</p> <p>The export benefits are recognized only when it is certain that the benefit is going to be received by the company</p> <p>Audit Procedure:</p> <p>We have assessed the companies process of revenue recognition, internal controls and various SOP's for recognition of sales, export benefits and other income.</p> <p>We have drawn samples of various types of sales based on systematic analysis of Local sales, Exports and Credit/ Debit notes. The same are verified.</p> <p>Export Sales made at the year-end were verified for being air/sea borne as per the contract of sale.</p> <p>The export benefits applied for and received during the year were verified on test check basis.</p> |
| 2 | Purchase Accounting and Internal Controls | <p>Purchases are made based on the periodic requirement of material/ goods as drawn by the manufacturing, sales and purchase department. The purchases are accounted for, when the goods are physically received at the factory/ godown premises.</p> <p>Audit Procedure:</p> <p>We verified the process of requisition and procurement of raw-materials, packing materials and traded goods. The internal controls systems and standard operating procedures of procurement, receipt and payments for purchases, implemented at factory and head office were reviewed.</p> <p>A systematic sample was drawn of purchases made from various vendors, documentation and accounting for the same were verified.</p> |

| | | |
|---|--------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3 | Recoverability of receivable, stock and other current assets | <p>The company has a system of physically verifying the stock at regular intervals. Also the stock is checked for any impairment and the effect of the same is given in the books of account.</p> <p>The Company has an internal control system for monitoring its debtors and other current assets. Ledgers are scrutinised on an ongoing basis, also management reports are drawn and ratios are analysed at the end of each month.</p> <p>Audit Procedure:</p> <p>We attended the physical verification of stock at the factory and the company godown. We also verified the valuation of closing stock on test check basis from the accounting system and purchase bills recorded.</p> <p>We have in consultation with the company send confirmation letter for outstanding balances of Debtors on test check basis, however all the confirmations have not been received till date. We have conducted alternative procedures and our opinion is not modified in this respect.</p> <p>As per our assessment other than impairment recorded no significant effect on carrying amount of inventories, trade receivables and other current assets.</p> |
|---|--------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) on the basis of the written representations received from the directors of the Company as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 in its standalone financial statements.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March 2023
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. As stated in Note 17 to the standalone financial statements the final dividend proposed, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **D. R. Mehta & Associates**
Chartered Accountants
(Firm's Registration No. 106207W)

Vikram Dhirajlal Mehta
Partner
(Membership No. 047347
UDIN: 23047347BGSM PN4519)

Mumbai, 23rd May, 2023

Annexure-A to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Jenburkt Pharmaceuticals Limited of even date)

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

We have audited the internal financial controls over financial reporting of JENBURKT PHARMACEUTICALS LIMITED ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For D. R. Mehta & Associates
Chartered Accountants
(Firm's Registration No. 106207W)

Vikram Dhirajlal Mehta
Partner
(Membership No. 047347)
UDIN: 23047347BGSM PN4519

Place: Mumbai,
Date: 23rd May, 2023

Annexure-B to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of JENBURKT PHARMACEUTICALS LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and the records examined by us in the normal course of our audit, we state that:

- i. In respect of the Company's fixed assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right of use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets
 - (b) The Company has a program of verification to cover all the items of property, plant and equipment and right of use assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings other than self-constructed immovable property, which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
 - (d) The Company has not revalued any of its property, plant and equipment (including right of use assets) and intangible assets during the year.
 - (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. In respect of inventory
 - (a) The physical verification of inventory excluding stocks with third parties, have been conducted at reasonable intervals by the management during the year. In respect of inventory lying with the third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
 - (b) The Company has been sanctioned working capital limits in excess of ₹. 5 crore, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets. All Bank overdraft and bill discounting facilities of the company are secured against lien of Bank Fixed Deposits held by the company, hence there is no requirement to file quarterly returns or statements with the banks.
- iii. The Company has made investments in Companies and granted unsecured loans to other parties, during the year in respect of which:
 - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3 (iii)(a) of the order is not applicable.
 - (b) In our opinion, the investments made and the terms and conditions of the grant of loan, during the year are, prima facie, not prejudicial to the Company's interest.
 - (c) The loans are granted by the Company only to its employees, as per the HR policy of the company, the schedule of repayment of principle has been stipulated, there is no interest charged on the employee loan. The repayment of the principle amount are regular as per stipulation.
 - (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
 - (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties
 - (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.
- iv. The Company has complied with the provision of Sections 186 in respect of grant of loans and making investments as applicable. The company has not provided any guarantees or security in respect of any loans to any party covered u/s 185 of the Act.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Therefore, reporting under Clause 3 (v) of the Order is not applicable to the Company.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
There are no undisputed amounts in respect of Income Tax, Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
 - b) Details of dues of Sales Tax, Income Tax and Employees State Insurance which have not been deposited as at March 31, 2023 on account of dispute are given below:

| Statute | Nature of Dues | Amount (₹ in lac) | Period | Forum where dispute is pending |
|---------|----------------|--------------------------------|-------------------------|--------------------------------|
| ESIC | Contribution | 20.42 (amount deposited 10.21) | FY 2013-14 & FY 2014-15 | Employee State Insurance Court |

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. With respect to loans and borrowings taken by the company

- (a) According to the records of the Company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or other borrowings or in the repayment of interest thereon to any lender
 - (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority
 - (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable
 - (d) On examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used for long term purposes by the company.
 - (e) The Company does not have any subsidiaries, associates or joint ventures hence reporting on clause 3(ix)(e) of the Order is not applicable
 - (f) The Company does not have any subsidiaries, associates or joint ventures hence reporting on clause 3(ix)(f) of the Order is not applicable
- x. With respect to allotment of shares:
- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.
 - (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year.
- xi. To the best of our knowledge and according to the information and explanations given to us
- (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - (c) There are no whistleblower complaints received by the Company during the year (and up to the date of this report).
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. With respect to Internal Audit:
- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. Registration under section 45-IA of the Reserve Bank of India Act, 1934.
- (a) Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
 - (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. CSR Spending
- (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
 - (b) There are no ongoing CSR Projects during the year under audit, so the Company is not required to transfer any amount to a Special Account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For D. R. Mehta & Associates
Chartered Accountants
(Firm's Registration No. 106207W)

Vikram Dhirajal Mehta
Partner
(Membership No. 047347)
UDIN: 23047347BGSMFN4519

Place: Mumbai,
Date: 23rd May, 2023.

Financial Statements



Cash Flow Statement as on 31st March, 2023

(₹ in lac)

| Particulars | Note | 31/03/2023 | 31/03/2022 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|------|-------------------|-----------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES : | | | |
| a Net Profit After Tax | | 2,460.70 | 2,229.72 |
| Adjustments for : | | - | - |
| i Depreciation and Amortisation Expense | | 225.91 | 189.86 |
| ii Loss on Fixed Assets scrapped | | 4.92 | (3.33) |
| iii Tax Expense | | 825.76 | 757.37 |
| iv Finance Cost | | 36.70 | 43.44 |
| v Interest Income | | (401.70) | (437.13) |
| vi Dividend income | | (4.47) | (3.28) |
| vii Gain on sale of Investment (Short/Long Term Capital Gain) | | (0.39) | (0.21) |
| viii Provision/write off for doubtful trade receivables/advances | | 59.26 | 8.37 |
| ix Net unrealised foreign exchange gain | | (76.02) | (24.45) |
| x Others | | 1.92 | 1.92 |
| Operating profit (Loss) before working capital changes | | 3,132.58 | 2,762.29 |
| b MOVEMENTS IN WORKING CAPITAL | | | |
| i Increase or (Decrease) in Inventories | | 155.00 | (230.62) |
| ii Increase or (Decrease) in Trade Receivables | | (158.73) | (104.52) |
| iii Increase or (Decrease) in Other (Current & Non Current) Assets | | (60.97) | (1,114.01) |
| iv Increase or (Decrease) in Trade Payables | | (101.36) | 251.79 |
| v Increase or (Decrease) in Bank Borrowings | | (337.42) | 210.46 |
| vi Increase or (Decrease) in Other (Current & Non Current) Liabilities | | (119.37) | (25.49) |
| vii Current & Non Current Financial Loans | | 14.53 | (12.95) |
| viii Increase or (Decrease) in Provisions | | 3.30 | (53.73) |
| c Cash used in operation | | 2,527.57 | 1,683.22 |
| i Income Taxes paid (Net of Refund) | | (822.38) | (756.07) |
| Net cash used in operating activities (A) | | 1,705.20 | 927.14 |
| B. CASH FLOW FROM INVESTING ACTIVITIES : | | | |
| i Payments for purchase of Property, Plant and Equipment (Including Capital Work in Progress, Intangible Assets and Intangible Assets in Development) | | (210.45) | (305.43) |
| ii Proceeds from disposal of property, plant and equipment and intangible assets | | 0.04 | 50.64 |
| iii Purchase of Investments | | (1,666.31) | (48.44) |
| iv Proceeds from Sale / Redemption of Investments | | 1,373.69 | 20.76 |
| v Other Bank balances not considered as cash and cash equivalents | | - | - |
| - Bank Fixed Deposit made during the year | | (6,872.05) | (12,952.19) |
| - Bank Fixed Deposit matured during the year | | 7,483.05 | 12,606.89 |
| vi Interest Received | | 149.35 | 504.26 |
| vii Dividend Received | | 4.47 | 3.28 |
| Net cash generated by investing activities (B) | | 261.79 | (120.24) |
| C. CASH FLOW FROM FINANCING ACTIVITIES : | | | |
| i Finance Cost | | (51.64) | (34.10) |
| ii Dividend paid | | (549.97) | (468.04) |
| iii Buyback of Equity shares including Transaction cost and tax on Buyback | | (1,451.51) | - |
| iv Repayment of Lease Liabilities | | (51.00) | (51.00) |
| Net cash used in financing activities (C) | | (2,104.13) | (553.14) |
| NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENT (A+B+C) | | (137.14) | 253.76 |
| Cash and cash equivalent at the beginning of the year (1st April, 2022) | | 503.13 | 249.37 |
| Cash and cash equivalent as at the end of the year (31st March, 2023) | | 365.99 | 503.13 |
| | | (137.14) | 253.76 |

The accompanying notes are integral part of these Financial Statements

In terms of our report attached

For **D.R. Mehta & Associates**

Chartered Accountants

Firm's Registration No : 106207W

Vikram Mehta

(Membership No. 047347)

Mumbai, 23rd May, 2023.

For and on behalf of the Board of Directors of

Jenburkt Pharmaceuticals Limited

Ashish U. Bhuta

Chairman & Managing Director
(DIN No: 00226479)

Rameshchandra J. Vora

Director
(DIN No: 00112446)

Ashish R. Shah

Company Secretary

Dilip H. Bhuta

Whole Time Director & CFO
(DIN No: 03157252)

Arun R. Raskapurwala

Director
(DIN No: 00143983)

Bharat V. Bhate

Director
(DIN No: 00112361)

Hina Mehta

Director
(DIN No: 08719453)

Balance Sheet as at 31st March, 2023

(₹ in lac)

| Particulars | Note | 31/03/2023 | 31/03/2022 |
|---------------------------------------------------------------------------------------------|------|------------------|------------------|
| ASSETS | | | |
| (1) Non-current Assets | | | |
| (a) Property, Plants & Equipments | 1 | 954.55 | 995.36 |
| (b) Right to Use Asset | 2 | 71.65 | 113.94 |
| (c) Goodwill | 2 | 0.00 | 0.00 |
| (d) Other Intangible assets | 2 | 18.74 | 30.57 |
| (e) Capital Work In Progress | 2 | 95.67 | 21.17 |
| (f) Financial Assets | | | |
| (i) Investments | 3 | 1117.84 | 796.12 |
| (ii) Loans | 4 | 5.90 | 13.28 |
| (iii) Other Financial Assets | 5 | 2563.00 | 3566.00 |
| Deferred Tax Asset | 6 | 42.46 | 37.11 |
| (g) Other Non-current Assets | 7 | 1202.33 | 1130.97 |
| (2) Current assets | | | |
| (a) Inventories | 8 | 833.76 | 988.77 |
| (b) Financial Assets | | | |
| (i) Trade Receivables | 9 | 1696.16 | 1520.68 |
| (ii) Cash and Cash Equivalents | 10 | 365.99 | 503.13 |
| (iii) Bank Balance other than (iii) | 11 | 5015.00 | 4399.18 |
| (iv) Loans | 12 | 11.82 | 18.97 |
| (v) Other Financial Assets | 13 | 77.32 | 27.40 |
| (c) Other Current Assets | 14 | 86.39 | 109.70 |
| Current Tax Asset (Net) | 15 | 22.62 | 22.58 |
| Total Assets | | 14,181.21 | 14,294.91 |
| EQUITY AND LIABILITIES | | | |
| (1) Equity | | | |
| (a) Equity Share Capital | 16 | 441.33 | 458.94 |
| (b) Other Equity - Reserves & Surplus | 17 | 11,797.64 | 11,279.31 |
| Liabilities | | | |
| (2) Non-current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Lease Liabilities | 18 | - | 48.86 |
| (ii) Other Financial Liabilities | 19 | 294.31 | 294.25 |
| (b) Deferred Tax Liability | 6 | 71.75 | 85.57 |
| (3) Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Lease Liabilities | 20 | 48.86 | 45.11 |
| (ii) Borrowings | 21 | 244.10 | 581.53 |
| (iii) Trade Payables | | | |
| (A) Total Outstanding dues of Micro Enterprises and Small Enterprises; and | 22 | 8.70 | 24.71 |
| (B) Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises. | 22 | 600.98 | 686.33 |
| (iv) Other Financial Liabilities | 23 | 493.80 | 555.52 |
| (b) Other Current Liabilities | 24 | 120.55 | 201.15 |
| (c) Provisions | 25 | 25.52 | 25.93 |
| (d) Current Tax Liabilities (Net) | 15 | 33.67 | 7.70 |
| Total Equity and Liabilities | | 14,181.21 | 14,294.91 |

The accompanying notes are integral part of these Financial Statements

In terms of our report attached
For **D.R. Mehta & Associates**
Chartered Accountants

Firm's Registration No : 106207W

Vikram Mehta
(Membership No. 047347)
Mumbai, 23rd May, 2023.

For and on behalf of the Board of Directors of
Jenburkt Pharmaceuticals Limited

Ashish U. Bhuta
Chairman & Managing Director
(DIN No: 00226479)

Rameshchandra J. Vora
Director
(DIN No: 00112446)

Ashish R. Shah
Company Secretary

Dilip H. Bhuta
Whole Time Director & CFO
(DIN No: 03157252)

Arun R. Raskapurwala
Director
(DIN No: 00143983)

Bharat V. Bhate
Director
(DIN No: 00112361)

Hina Mehta
Director
(DIN No: 08719453)

Statement of Profit & Loss for the year ended 31st March, 2023

(₹ in lac)

| Particulars | Note | 31/03/2023 | 31/03/2022 |
|---------------------------------------------------------------------------------------------------------------------------------------|------|------------------|------------------|
| INCOME | | | |
| I Revenue from operations | 26 | 13674.92 | 12398.04 |
| II Other Income | 27 | 512.32 | 494.87 |
| III Total Income | | 14,187.24 | 12,892.91 |
| IV EXPENDITURE | | | |
| Cost of Material Consumed | 28 | 1,111.89 | 1,173.86 |
| Purchase of Stock-in-Trade | 29 | 2,055.00 | 2,198.08 |
| Changes in Inventories of Finish Goods, Stock in Trade and WIP | 30 | 133.55 | (228.47) |
| Employee Benefit Expense | 31 | 3,880.73 | 3,649.09 |
| Finance Cost | 32 | 36.70 | 43.44 |
| Depreciation & Amortization Expense | 33 | 225.91 | 189.86 |
| Other Expenses | 34 | 3,456.99 | 2,879.94 |
| Total Expense | | 10,900.77 | 9,905.82 |
| V Profit/(Loss) before Tax | | 3,286.47 | 2,987.09 |
| VI Tax Expense: | | | |
| i Current Tax | 37 | 856.00 | 735.00 |
| ii Income Tax for Previous Years | 37 | (7.70) | (7.21) |
| iii Deferred Tax (Asset) / Liability | 37 | (22.53) | 29.58 |
| VII Profit/(Loss) for the period | | 2,460.70 | 2,229.72 |
| VIII Other Comprehensive Income | | | |
| A i Items that will not be reclassified to profit or loss | 38 | 45.62 | 140.57 |
| ii Income tax relating to items that will not be reclassified to profit or loss | 38 | (3.36) | (10.55) |
| B i Items that will be reclassified to profit or loss | | - | - |
| ii Income tax relating to items that will be reclassified to profit or loss | | - | - |
| IX Total Comprehensive Income for the period (VII+VIII) (Comprising Profit/Loss and Other Comprehensive Income for the period) | | 2,502.96 | 2,359.74 |
| X Earnings per Equity Share (for continuing operation) | | | |
| Basic & Diluted (Face Value: Rs 10/-) | 39 | 53.90 | 48.58 |

The accompanying notes are integral part of these Financial Statements

In terms of our report attached

For **D.R. Mehta & Associates**

Chartered Accountants

Firm's Registration No : 106207W

Vikram Mehta

(Membership No. 047347)

Mumbai, 23rd May, 2023.

For and on behalf of the Board of Directors of

Jenburkt Pharmaceuticals Limited

Ashish U. Bhuta

Chairman & Managing Director

(DIN No: 00226479)

Rameshchandra J. Vora

Director

(DIN No: 00112446)

Ashish R. Shah

Company Secretary

Dilip H. Bhuta

Whole Time Director & CFO

(DIN No: 03157252)

Arun R. Raskapurwala

Director

(DIN No: 00143983)

Bharat V. Bhate

Director

(DIN No: 00112361)

Hina Mehta

Director

(DIN No: 08719453)

Statement of Changes in Equity

for the year ended 31st March, 2023

(₹ in lac)

| Particulars | Reserves & Surplus | | | Equity Instrument through OCI | Other Income of OCI | Total |
|--------------------------------------------------------------|--------------------|----------------------------|-------------------|-------------------------------|---------------------|------------------|
| | Other Reserves | Capital Redemption Reserve | Retained Earnings | | | |
| Balance at the beginning of the reporting period 01/04/2022 | 334.62 | 5.99 | 10,852.68 | 298.96 | (212.94) | 11,279.31 |
| Changes in accounting policy or prior period errors | - | - | - | - | - | - |
| Restated balance at the beginning of the reporting period | - | - | - | - | - | - |
| Total Comprehensive Income for the year | - | - | 2,460.70 | 25.35 | 16.91 | 2,502.96 |
| Dividends | - | - | (550.73) | - | - | (550.73) |
| Transfer to retained earnings * | - | - | (0.65) | 0.65 | - | - |
| Any other changes - Premium on Buyback of Shares | - | - | (1,124.78) | - | - | (1,124.78) |
| Any other changes - Tax on Buyback of Shares | - | - | (262.03) | - | - | (262.03) |
| Any other changes - Expense on Buyback of Shares | - | - | (47.09) | - | - | (47.09) |
| Any other changes - Buyback of Shares | - | 17.61 | (17.61) | - | - | - |
| Balance at the end of the reporting period 31/03/2023 | 334.62 | 23.60 | 11,310.50 | 324.96 | (196.04) | 11,797.64 |

for the year ended 31st March, 2022

(₹ in lac)

| Particulars | Reserves & Surplus | | | Equity Instrument through OCI | Other Income of OCI | Total |
|--------------------------------------------------------------|--------------------|----------------------------|-------------------|-------------------------------|---------------------|------------------|
| | Other Reserves | Capital Redemption Reserve | Retained Earnings | | | |
| Balance at the beginning of the reporting period 01/04/2021 | 334.62 | 5.99 | 9,091.07 | 216.58 | (260.58) | 9,387.69 |
| Changes in accounting policy or prior period errors | - | - | - | - | - | - |
| Restated balance at the beginning of the reporting period | - | - | - | - | - | - |
| Total Comprehensive Income for the year | - | - | 2,229.72 | 82.38 | 47.64 | 2,359.74 |
| Dividends | - | - | (468.12) | - | - | (468.12) |
| Transfer to retained earnings * | - | - | - | - | - | - |
| Any other changes | - | - | - | - | - | - |
| Balance at the end of the reporting period 31/03/2022 | 334.62 | 5.99 | 10,852.68 | 298.96 | (212.94) | 11,279.31 |

* Amount transferred from OCI to Retained earnings on sale of Equity instruments revealed through OCI
The accompanying notes are integral part of these Financial Statements

The accompanying notes are integral part of these Financial Statements

In terms of our report attached
For **D.R. Mehta & Associates**
Chartered Accountants
Firm's Registration No : 106207W

For and on behalf of the Board of Directors of
Jenburkt Pharmaceuticals Limited

Ashish U. Bhuta
Chairman & Managing Director
(DIN No: 00226479)

Dilip H. Bhuta
Whole Time Director & CFO
(DIN No: 03157252)

Bharat V. Bhate
Director
(DIN No: 00112361)

Vikram Mehta
(Membership No. 047347)
Mumbai, 23rd May, 2023.

Rameshchandra J. Vora
Director
(DIN No: 00112446)

Arun R. Raskapurwala
Director
(DIN No: 00143983)

Hina Mehta
Director
(DIN No: 08719453)

Ashish R. Shah
Company Secretary

Notes to Accounts



Significant Accounting Policies

A. CORPORATE INFORMATION

Jenburkt Pharmaceuticals Limited ("the Company") is a listed entity incorporated in India and is listed on BSE Limited.

The registered office of the company is situated at Nirmala Apartments, 93, JayPrakash Road, Andheri (W), Mumbai – 400058.

The Company is in the business of manufacturing, producing, developing and marketing a wide range of branded Pharmaceuticals and health care products.

The Financial Statements are approved for issue by the Board of Directors of the Company on 23rd May, 2023.

B. SIGNIFICANT ACCOUNTING POLICIES

B1 Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount or amortised cost:

- (i) Certain financial assets and liabilities
- (ii) Defined benefit plans

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013 (the Act) and guidelines issued by Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rule, 2015 and relevant amendment rules issued thereafter.

Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency.

B2 Summary of significant accounting policies

a) Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classifications of its assets and liabilities as current and non-current.

b) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition / construction, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost, any non-refundable taxes or levies and any cost directly attributable to bringing the assets to its working condition for its intended use and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work-in-Progress.

Depreciation on Property, Plant and Equipment is provided using written down value method except in case of building and godown, which are depreciated using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II;

| Particular | Depreciation |
|-----------------------------------------------------|----------------------|
| Renovation Expenses on Leasehold Property in Mumbai | Over ten year on SLM |

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of a property,

Ageing of Capital Work in Progress:

| Capital Work in Progress: | Amount in CWIP as on 31 st March 2023 | | | | |
|--------------------------------|--------------------------------------------------|-----------|-----------|-------------------|--------------|
| Projects in progress | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| New Office Extension | 30.31 | 8.60 | - | - | 38.91 |
| Staff Room Extension | 1.08 | - | - | - | 1.08 |
| New R&D Reception | 17.94 | - | - | - | 17.94 |
| Total | | | | | 57.93 |
| Projects temporarily suspended | | | | | - |

| Capital Work in Progress: | Amount in CWIP as on 31 st March 2022 | | | | |
|--------------------------------|--------------------------------------------------|-----------|-----------|-------------------|--------------|
| Projects in progress | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| New Office Extension | 8.60 | - | - | - | 8.60 |
| New Effluent Treatment Plant | 11.37 | - | - | - | 11.37 |
| Total | | | | | 19.97 |
| Projects temporarily suspended | | | | | - |

plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Fully depreciated property, plant and equipment are retained in the financial statements at estimated realisable value until they are no longer in use and disposed off.

c) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities are revised when it is reasonably certain that they will be exercised.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset and the lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

d) Intangible assets

Intangible Assets that are acquired by the Company and that have finite useful lives are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less

accumulated amortisation / depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

A summary of amortisation policies applied to the Company's intangible assets to the extent of depreciable amount is, as follows:

| Particular | Depreciation |
|-------------------------|-----------------------------------------------------|
| SAP Software | Over a period of 5 (five) years using WDV method. |
| Other Computer Software | Over a period of 3 (three) years using WDV method. |
| Trademarks | Over the period of 10 (ten) years using WDV method. |

e) Impairment of non-financial assets - property, plant and equipment and intangible assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its

Ageing of Intangible Assets under Development:

| Intangible Asset under Development | Amount in CWIP as on 31 st March 2023 | | | | |
|------------------------------------|--------------------------------------------------|-----------|-----------|-------------------|--------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | | | | | |
| LIMS 3.8.0.E Version Software | 37.74 | - | - | - | 37.74 |
| Total | | | | | 37.74 |
| Projects temporarily suspended | | | | | - |

| Intangible Asset under Development | Amount in CWIP as on 31 st March 2022 | | | | |
|------------------------------------|--------------------------------------------------|-----------|-----------|-------------------|-------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | | | | | |
| Field Force Mobile App | 1.20 | - | - | - | 1.20 |
| Total | | | | | 1.20 |
| Projects temporarily suspended | | | | | - |

recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

f) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss. Research and Development expenditure incurred on capital assets are depreciated over its useful life as determined by the management by complying with the requirement of Schedule II of Companies Act, 2013.

g) Inventories

Items of inventories consisting of raw-material, packing material, work in progress, finished goods and stock in trade are measured at lower of cost and net realisable value after providing for obsolescence, if any. All items of inventory are valued at weighted average cost.

Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads (taken at standard cost derived from the actual cost as on 31st March 2022) net of recoverable taxes incurred in bringing them to their respective present location and condition.

The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

h) Finance Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**j) Employee Benefits Expense
Short Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Contribution Plans

Gratuity

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation / superannuation. The gratuity is paid @15 days salary (Basic Salary) for every completed year of service as per the Payment of Gratuity Act 1972.

Liabilities with regard to Gratuity Plan are determined by actuarial valuation performed by an independent actuary at the end of each Balance Sheet date using the projected unit credit method. The Company makes contributions of the ascertained liability to Jenburkt Pharmaceuticals Limited Empl G G & L A Scheme ("the Trust"). Trustees administer contributions made and the contributions are invested in a scheme with Life Insurance Corporation of India as permitted by Indian Law.

The Company recognizes the net obligation of the defined benefit plan in its Balance Sheet as asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit and loss in subsequent periods.

The current service cost of the defined benefit plan, recognised in the profit or loss as employee benefits expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised in profit or loss in the period of a plan amendment. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Leave Encashment

The Company also pays Leave Encashment to the Employees as follows:

Office Employees - 21 days leave salary (Basic Salary) for every completed year of service

Field Employees - 30 days leave salary (Basic Salary) for every completed year of service

The liability in respect of Leave Encashment Plan is

determined by actuarial valuation performed by an independent actuary at the end of each Balance Sheet date using the projected unit credit method. The Company makes contributions as per the ascertained liability, and the contributions are invested in a scheme with Life Insurance Corporation of India.

The Company recognizes the net obligation of the defined benefit plan in its Balance Sheet as asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in the profit and loss account.

k) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax statement used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

l) Revenue Recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from sale of goods 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.

Sale of goods are recorded net of trade discounts, rebates, and GST.

Interest income

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate.

Dividends

Revenue is recognised when the Company's right to receive the payment has been established.

Export Benefits

The Company recognises export benefits only when there is reasonable assurance that the conditions attached to them will be complied with, and the benefits will be received.

m) Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss

n) Financial Instruments

i) Financial Assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets are carried at amortized cost using the effective interest method. For trade and other receivables and loans and advances maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Also receivables, loans and advances below transaction value of ₹. 30 lakhs are taken at carrying amount as the effect of amortization is immaterial.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at

fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Equity Investments

All equity investments are measured at fair value, with value changes recognised in 'Other Comprehensive Income'.

All fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are recognised in the OCI. On sale of investment the entire gain or loss that are recognised in OCI are not reclassified to profit and loss account but directly transferred to retained earnings from OCI in the Statement of Other Equity.

Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) Financial liabilities

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

o) Share Capital

Equity instruments are contracts that evidence a residual interest in the net assets of a company after deducting all of its liabilities. Ordinary shares are classified as equity. Equity instruments are recorded at the proceeds received. Buybacks are recognised as a deduction from equity, net of any tax effect.

p) Dividend Distribution

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors.

Companies are required to pay/distribute dividend after deducting applicable withholding income taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The amount of per share dividend recognized as distribution to equity shareholders is in accordance with Companies Act 2013.

q) Buy Back of Shares

The Board, at its meeting held on 1st December, 2022, approved the buyback of equity shares, from the open market route through the stock exchange mechanism, amounting to ₹ 1,160 Lacs (Maximum Buyback Size, excluding buyback tax) at a price not exceeding ₹702/- per share (Maximum Buyback Price), in compliance of the applicable provisions of the Company's Act, 2013, SEBI (Buy Back of Securities) Regulations 2018 and other applicable provisions of law. The buyback was offered to all equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the open market route through the stock exchange. The buyback of equity shares through the stock exchange commenced on 13th December, 2022 and was completed on 24th March, 2023. During this buyback period, the Company had purchased and

extinguished a total of 176078 equity shares from the stock exchange at a volume weighted average buyback price of ₹ 648.80/- per equity share comprising 3.84% of the pre buyback paid-up equity share capital of the Company. The buyback resulted in a cash outflow of ₹ 1,145.22 Lacs (excluding transaction costs and tax on buyback). The Company funded the buyback from its free reserves as explained in Section 68 of the Companies Act, 2013.

In accordance with section 69 of the Companies Act, 2013, as at 31st March, 2023, the Company has created 'Capital Redemption Reserve' of ₹ 17.61 lacs equal to the nominal value of the shares bought back as an appropriation from retained earnings.

r) Segment Reporting

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

The company operates only in single type of product i.e. pharmaceutical formulations and therefore there is a single primary segment as required by IND AS 108. The secondary segmental reporting in the case of the company is on the basis of geographical location of customers as under: (₹ in lac)

| Sales | 2022-23 (₹) | 2021-22 (₹) |
|---------|-------------|-------------|
| Local | 11,088.29 | 10,270.59 |
| Exports | 2,525.76 | 2,102.58 |

s) Contingent Liabilities

A provision is recognized when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Liabilities are not recognized but are disclosed in notes.

1. NPPA had served a show cause notice to the Company alleging that a Company's product was violating a NPPA's standing order. However, after a Personal Hearing and detailed submission, NPPA passed a written order stating that the Company's product did not violate the standing order. Subsequently, NPPA reviewed its own order, without having any power to review, issued show cause notices and demand notice to the Company. The Company subsequently filed a writ petition against the demand of NPPA, at the Hon'ble High Court of Bombay. The matter was settled in favour of the company. The NPPA after over a year filed a Special Leave Petition (SLP) (demanding ₹ 16.45 crore) at the Hon'ble Supreme Court. DPCO, 1995, explicitly debar NPPA to review its own

order, the very reason cited by Hon'ble High Court of Bombay, while quashing the show cause notices and demand notice in their judgment dated 8th August, 2013 and 26th September, 2013. The Company has been legally advised, that based on the facts and merits of the case, the demand raised by NPPA is not likely to crystallize.

The matter is pending at Supreme Court after being admitted for further hearing.

- The Assistant Director, Employee State Insurance Corporation (ESIC), had on 18th May, 2018, issued order under Section 45A of E.S.I. Act 1948, ordering the Company to pay ₹ 0.75 Lacs being contribution @6.50% on alleged omitted wages for the month of March 2013 and to pay ₹ 19.67 Lacs being contribution @6.50% on Head Quarter allowance and other expenses during the year 2013-14 and 2014-15. The company has been regular in paying contribution to ESIC. However, the subject order is based on alleged wrong interpretation by the Assistant Director ESIC, that Head Quarter Allowance paid by the company to its Field Force cadre is a part of wages. As the Company is not in agreement with the interpretation of ESIC, has filed petition on 23rd October, 2018 at Employees Insurance Court, Mumbai, challenging the order of the Assistant Director, ESIC. The Company has also deposited on 5th October, 2018, an amount of ₹10.21 Lacs- as 50% of the Demand as per requirement. The company has got an Interim Order from the ESIC Court, Mumbai, staying the Demand under Section 45A and restraining the ESI Corporation from proceeding to recover any amount on the basis of said orders pending hearing and disposal of main application.
- The Drug Inspector, Tirupati, took a company product from a local chemist and sent for test at a Government laboratory in Vijayawada which declared the samples as Not of standard quality. Further, the said samples were sent to Central Drug Laboratory at Kolkata. Both these laboratories did not test the product in accordance to the Company's method of analysis, as mandated for the Proprietary medicine where no previous reference is available for testing. They conducted testing by different/ random method of Analysis which was inappropriate and hence the product failed at such analysis. Whereas same product of same batch tested thereafter at Company's laboratory at Sihor and recognised Laboratory in Mumbai which passed the analysis, as they were based on the Company's method of analysis for proprietary medicine. The Drug Inspector then filed a case at I-Additional District Sessions Court, Chittoor. The Company swiftly approached the High Court, of Andhra Pradesh, Amravati and succeeded in obtaining stay on 5th May, 2022 on all further proceedings initiated by lower court i.e. at I-Additional District Sessions Court, Chittoor. The financial liability of this matter cannot be ascertained at the current stage.
- The company received a notice dated 4th October, 2022 from Narpoli Police Station that crime has been registered by them. They have confiscated expired stock of 500 strips of Cartisafe D Tablets from the godown of the third

TABLE FOR MSME

(₹ in lac)

| Particulars | 2022-23 | | 2021-22 | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|-------|---------|-------|
| (a) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; | | | | |
| - Principal Amount Not Due | 8.19 | | 24.71 | |
| - Principal Amount Due | 0.51 | 8.70 | 0.00 | 24.71 |
| - Interest on Principal Amount due | | 0.01 | | 0.28 |
| (b) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year; | | | | |
| - Payment made beyond appointed day | | 91.21 | | 90.32 |
| - Interest Paid for previous year | 0.28 | | 0.08 | |
| - Interest Paid for current year | 0.00 | 0.28 | 0.00 | 0.08 |
| (c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006) for the current year; | | | | |
| | | | 0.39 | 0.39 |
| (d) The amount of interest accrued and remaining unpaid at the end of current accounting year; | | | | |
| | | 0.39 | | 0.39 |

TABLE FOR CSR

| Particulars | 2022-23 Amount ₹. in Lacs | 2021-22 Amount ₹. in Lacs |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Amount required to be spent by the company during the year | 48.58 | 46.96 |
| Amount of expenditure incurred in the year | 50.00 | 1.00 |
| Surplus arising out of the CSR projects or programmes of the previous financial years | 0.03 | 45.99 |
| Excess amount spent at the end of the year | 1.45 | 0.03 |
| The amount of Shortfall at the end of the year | - | - |
| Reason for shortfall | - | - |
| Nature of CSR activities: | Donation made to the Prime Minister's National Relief Fund | Training to promote rural sports, nationally recognized sports, paralympic sports and olympic sports |
| Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard" | - | - |
| Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year | NA | NA |

party, expected to be destroyed after expiry. They have vide their letter dated 26.04.2023 handed over the said stock to the company, with advise to get them destroyed and submit the certificate to them. The company has complied with the same.

t) Micro Small and Medium Enterprises (MSME):

Based on the information and the copy of MSME registration certificate submitted by the vendors, the Company, has identified Micro, Small and Medium Enterprises. The Company has provided for interest as per section 16 of the MSMED Act on payments which were overdue to Micro & Small Enterprises, beyond the timelines as mandated in section 15 of the MSMED Act.

As required under Sec 22 of MSMED Act, 2006 under the Chapter on Delayed Payments to Micro, Small and Medium Enterprises and as per Ind AS Schedule III below are the details required:

Please refer to "Table for MSME" appearing above,

u) Cash and Cash Equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original

maturity of three months or less, which are subject to an insignificant risk of changes in value.

(v) Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were spent during the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

Please refer to "Table for CSR" appearing above.

C. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about

these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

a) Depreciation / amortisation and useful lives of property plant and equipment / Right to Use / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of

provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The accompanying notes are integral part of these Financial Statements

In terms of our report attached
For **D.R. Mehta & Associates**
Chartered Accountants
Firm's Registration No : 106207W

Vikram Mehta
(Membership No. 047347)
Mumbai, 23rd May, 2023.

For and on behalf of the Board of Directors of
Jenburkt Pharmaceuticals Limited

Ashish U. Bhuta
Chairman & Managing Director
(DIN No: 00226479)

Rameshchandra J. Vora
Director
(DIN No: 00112446)

Ashish R. Shah
Company Secretary

Dilip H. Bhuta
Whole Time Director & CFO
(DIN No: 03157252)

Arun R. Raskapurwala
Director
(DIN No: 00143983)

Bharat V. Bhate
Director
(DIN No: 00112361)

Hina Mehta
Director
(DIN No: 08719453)

Notes forming part to Balance Sheet as at 31st March, 2023

1. PROPERTY, PLANT AND EQUIPMENTS

Following are the changes in the carrying value of Property, Plant and Equipment

(₹ in lac)

| Particulars | Factory Building | Office Building* | Godown Building | Plant & Equipment | | Furniture & Fixtures | Electrical Fixtures | Computers | Office Equipment | Vehicle | Total |
|-------------------------------------------------|------------------|------------------|-----------------|-------------------|--------|----------------------|---------------------|-----------|------------------|---------|----------|
| | | | | General | R&D | | | | | | |
| At cost or deemed cost | | | | | | | | | | | |
| As at March 31, 2021 | 686.62 | 274.38 | 6.26 | 950.58 | 159.55 | 166.58 | 52.02 | 236.10 | 97.05 | 122.72 | 2,582.38 |
| Additions | 46.60 | - | - | 70.31 | - | 28.89 | 12.16 | 23.30 | 17.57 | 80.94 | 279.76 |
| Disposals | - | - | - | 27.43 | 0.89 | 0.46 | 0.05 | 12.64 | 7.73 | 56.58 | 105.78 |
| As at March 31, 2022 | 733.22 | 274.38 | 6.26 | 993.46 | 158.66 | 195.01 | 64.14 | 246.77 | 106.88 | 147.07 | 2,925.85 |
| Additions | 24.77 | - | - | 39.00 | 1.65 | 8.29 | - | 11.36 | 9.89 | 38.28 | 133.25 |
| Disposals | - | - | - | 59.74 | 0.79 | 0.50 | 4.51 | 13.20 | 5.26 | - | 84.01 |
| As at March 31, 2023 | 758.00 | 274.38 | 6.26 | 972.72 | 159.51 | 202.80 | 59.62 | 244.93 | 111.50 | 185.35 | 2,975.09 |
| Accumulated depreciations and impairment | | | | | | | | | | | |
| As at March 31, 2021 | 396.24 | 81.24 | 2.63 | 735.78 | 114.91 | 147.93 | 40.78 | 198.89 | 87.39 | 95.38 | 1,679.24 |
| Additions | 25.57 | 10.51 | 0.11 | 42.09 | 7.89 | 5.08 | 3.16 | 16.06 | 4.68 | 10.66 | 125.81 |
| Disposals | - | - | - | 25.71 | 0.74 | 0.42 | 0.04 | 12.02 | 7.21 | 50.35 | 96.50 |
| As at March 31, 2022 | 421.81 | 91.75 | 2.74 | 752.15 | 122.06 | 152.60 | 43.90 | 202.93 | 84.86 | 55.70 | 1,930.49 |
| Additions | 27.00 | 10.51 | 0.11 | 46.97 | 6.62 | 11.00 | 4.90 | 17.41 | 10.70 | 33.89 | 169.10 |
| Disposals | - | - | - | 56.23 | 0.72 | 0.47 | 4.32 | 12.65 | 4.67 | - | 79.06 |
| As at March 31, 2023 | 448.81 | 102.26 | 2.84 | 742.90 | 127.95 | 163.13 | 44.48 | 207.69 | 90.88 | 89.58 | 2,020.53 |
| Carrying Amount | | | | | | | | | | | |
| As at March 31, 2022 | 311.41 | 182.63 | 3.53 | 241.31 | 36.60 | 42.41 | 20.24 | 43.83 | 22.02 | 91.37 | 995.36 |
| As at March 31, 2023 | 309.18 | 172.12 | 3.42 | 229.82 | 31.56 | 39.67 | 15.14 | 37.24 | 20.62 | 95.77 | 954.55 |

Footnotes:

- * Building includes ₹ 0.01 Lacs as on March 31, 2023 towards cost of shares in a Co-operative Housing Society. (₹ 0.01 Lacs as on March 31, 2022)
- * Office Building includes ₹ 14.53 Lacs as WDV as on March 31, 2023 towards Renovation Expense (As on March, 2022 : ₹ 18.16 Lacs)
- The aggregate amortisation has been included under depreciation and amortisation expense in the statement of Profit & Loss.
- The Company has elected to measure all its tangible assets at the previous GAAP carrying amount at the date of transition to Ind AS.
- Refer note B.2 (b)

2. RIGHT TO USE & INTANGIBLE ASSETS

Other than internally generated

Following are the changes in the carrying value of Right to Use & Intangible Assets for the year ended 31st March, 2023

| Particulars | Right to Use Asset | | | Goodwill | Intangible Asset | | | Capital WIP |
|------------------------------------------------|--------------------|----------|--------|----------|------------------|----------|--------|-------------|
| | Land# | Building | Total | | Trademark | Computer | Total | |
| At cost or deemed cost | | | | | | | | |
| As at March 31, 2021 | 40.02 | 209.60 | 40.02 | 25.00 | 33.00 | 137.88 | 41.98 | 37.76 |
| Additions | - | - | - | - | - | 4.50 | 4.50 | 21.17 |
| Disposals | - | - | - | 25.00 | - | 3.53 | 3.53 | 37.76 |
| As at March 31, 2022 | 40.02 | 209.60 | 249.62 | - | 33.00 | 138.84 | 171.84 | 21.17 |
| Additions | - | - | - | - | - | 2.70 | 2.70 | 98.67 |
| Disposals | - | - | - | - | - | 0.18 | 0.18 | 24.17 |
| As at March 31, 2023 | 40.02 | 209.60 | 249.62 | - | 33.00 | 141.37 | 174.37 | 95.67 |
| Accumulated amortisation and impairment | | | | | | | | |
| As at March 31, 2021 | 9.55 | 83.84 | - | 24.86 | 25.28 | 97.63 | 122.92 | - |
| Additions | 0.37 | 41.92 | 42.29 | - | 1.93 | 19.83 | 21.76 | - |
| Disposals | - | - | - | 24.86 | - | 3.40 | 3.40 | - |
| As at March 31, 2022 | 9.92 | 125.76 | 135.68 | - | 27.22 | 114.06 | 141.28 | - |
| Additions | 0.37 | 41.92 | 42.29 | - | 1.41 | 13.10 | 14.52 | - |
| Disposals | - | - | - | - | - | 0.17 | 0.17 | - |
| As at March 31, 2023 | 10.29 | 167.68 | 177.97 | - | 28.63 | 127.00 | 155.63 | - |
| Carrying Amount | | | | | | | | |
| As at March 31, 2022 | 30.10 | 83.84 | 113.94 | - | 5.78 | 24.78 | 30.57 | 21.17 |
| As at March 31, 2023 | 29.73 | 41.92 | 71.65 | - | 4.37 | 14.37 | 18.74 | 95.67 |

Footnotes:

1. Right to Use Assets taken on operating lease are capitalized as per IndAS 116.
- # Land is taken on Lease for a period of 99 years from GIDC in June 1997. Unexpired lease period is more than 73 years.
- The aggregate amortisation has been included under depreciation and amortisation expense in the statement of Profit & Loss.
- The Company has elected to measure all its Intangible assets at the previous GAAP carrying amount at the date of transition to Ind AS.
- Refer note B.2 (d)

3. NON CURRENT INVESTMENTS (SHARES, DEBENTURES & MUTUAL FUNDS)

(₹ in lac)

| Particulars | As at 31 st March, 2023 | | | As at 31 st March, 2022 | | | Face Value |
|------------------------------------------------------------------------------|------------------------------------|-----------------|---------------|------------------------------------|---------------|---------------|------------|
| | Units | Market Value | Cost | Units | Market Value | Cost | |
| Investments measured at Amortised Cost | | | | | | | |
| HUDCO Bonds | | | | | | | |
| HUDCO Tax Free Bonds | 3,012 | 34.19 | 30.12 | 3,012 | 33.16 | 30.12 | 1,000 |
| Total - A | | 34.19 | 30.12 | | 33.16 | 30.12 | |
| Investments measured at Fair Value through Other Comprehensive Income | | | | | | | |
| Equity Shares (Quoted) | | | | | | | |
| Bank of Baroda | 1,366 | 2.31 | 1.06 | 1,366 | 1.52 | 1.06 | 10 |
| Bharti Shipyard Ltd. | 151 | - | 0.10 | 151 | - | 0.10 | 10 |
| H D F C Bank Ltd. | 10,000 | 160.98 | 0.21 | 10,000 | 147.00 | 0.21 | 2 |
| I C I C I Bank Ltd. | 550 | 4.82 | 1.29 | 550 | 4.02 | 1.29 | 10 |
| I D B I Bank Ltd. | 200 | 0.09 | 0.24 | 200 | 0.09 | 0.24 | 10 |
| I D F C First Bank Ltd | 500 | 0.28 | - | 500 | 0.20 | - | 10 |
| I D F C Ltd. | 500 | 0.39 | 1.11 | 500 | 0.31 | 1.11 | 10 |
| I F C I LTD | - | - | - | 2,000 | 0.22 | 0.47 | 10 |
| Jaiprakash Associates | - | - | - | 150 | 0.01 | 0.47 | 2 |
| J S W Steel Ltd | 130 | 0.89 | 0.83 | 130 | 0.95 | 0.83 | 10 |
| M R F Ltd. | 5 | 4.20 | 0.30 | 5 | 3.25 | 0.30 | 10 |
| National Thermal Power Corp Ltd | 4,222 | 7.40 | 2.18 | 4,222 | 5.70 | 2.18 | 10 |
| Power Grid Corporation | 2,000 | 4.51 | 2.09 | 2,000 | 4.34 | 2.09 | 10 |
| Reliance Industries Ltd. | 396 | 9.23 | 2.20 | 396 | 10.43 | 2.20 | 10 |
| Taal Enterprises Ltd | 62 | 1.03 | - | 62 | 1.01 | - | 10 |
| Taneja Aerospace & Aviation | 500 | 0.65 | 1.10 | 500 | 0.55 | 1.10 | 5 |
| Non Convertible Debentures | | | | | | | |
| National Thermal Power Ltd | 3,519 | 0.36 | - | 3,519 | 0.46 | - | 13 |
| Mutual Funds (Quoted) | | | | | | | |
| Reliance Nippon Life Gold ETF | 30,000 | 15.32 | 8.73 | 30,000 | 13.24 | 8.73 | 1 |
| Total - B | | 212.47 | 21.46 | | 193.29 | 22.40 | |
| Investments measured at Fair Value through Other Comprehensive Income | | | | | | | |
| Mutual Funds (Equity) | | | | | | | |
| ABSL Equity Fund - Daily Dividend - RP | 27,323 | 31.46 | 28.64 | 25,861 | 33.02 | 26.83 | |
| ABSL Equity Fund - Growth - RP | 2,849 | 31.01 | 20.00 | 2,849 | 32.35 | 20.00 | |
| Axis Bluechip Fund Direct Growth | 8,084 | 3.78 | 4.00 | - | - | - | |
| Axis Bluechip Fund R Growth | 64,823 | 26.87 | 28.00 | - | - | - | |
| Axis Bluechip Fund R Growth | 73,224 | 30.35 | 32.00 | 35,374 | 15.84 | 16.00 | |
| Axis Focused 25 Fund regular Growth | 83,326 | 30.39 | 33.00 | 6,313 | 2.72 | 3.00 | |
| Baroda Dyn. Eq. Fund - Reg. - Growth | 2,500 | 0.42 | 0.25 | 2,500 | 0.41 | 0.25 | |
| DSP Blackrock Equity Opportunities Fund-RP-Gr | 19,382 | 68.18 | 41.36 | 19,382 | 66.20 | 41.36 | |
| HDFC Capital Builder Value Fund REg Growth Plan | 2,939 | 12.77 | 13.00 | 224 | 0.97 | 1.00 | |
| HDFC Hybrid Eq. Fund Regular - Growth | 70,352 | 59.63 | 36.53 | 70,352 | 55.93 | 36.53 | |
| ICICI Pru Eq and Debt Fund - Growth | 18,270 | 43.62 | 23.17 | 18,270 | 41.28 | 23.17 | |
| ICICI Pru India Opportunities Fund Growth | 2,35,312 | 45.89 | 45.00 | 11,295 | 2.00 | 2.00 | |
| ICICI Pru US Blue chip Equity Fund - Growth | 4,294 | 2.09 | 2.00 | 4,294 | 1.97 | 2.00 | |
| ICICI Pru Value Discovery Fund Growth | 19,020 | 52.07 | 50.00 | 790 | 2.00 | 2.00 | |
| KM Equity Opportunities Fund Growth Reg Plan | 19,657 | 39.96 | 40.00 | 4,059 | 7.96 | 8.00 | |
| KM Std Multicap Fund - Grwth - Reg | 1,70,320 | 90.29 | 57.93 | 1,70,320 | 88.52 | 57.93 | |
| L&T Hybrid Equity - Growth | 1,22,231 | 44.16 | 31.50 | 1,22,231 | 45.09 | 31.50 | |
| L&T India Value Fund Growth | 89,130 | 53.96 | 31.79 | 89,130 | 51.40 | 31.79 | |
| N(l) Eq. Hybrid Fund Port-1 Dir Gr-PI-Gr-Opt | 37,403 | 0.02 | - | 37,403 | 0.02 | - | |
| N(l) Eq. Hybrid Fund Port-2 Dir Gr-PI-Gr-Opt | 37,403 | - | - | 37,403 | - | - | |
| N(l) Eq. Hybrid Fund-Dir Gr-PI-Gr-Option | 37,403 | 28.68 | 21.72 | 37,403 | 27.25 | 21.72 | |
| Nippon I Nifty Small Cap 250 Index Growth | 2,18,356 | 37.56 | 39.00 | 24,239 | 4.50 | 4.50 | |
| Nippon Large Cap Fund Grwth - Grwth Opt | 1,68,163 | 90.80 | 54.99 | 1,68,163 | 85.23 | 54.99 | |
| SBI Magnum ESG Fund R Growth | 32,443 | 51.30 | 52.00 | 4,898 | 8.05 | 8.00 | |
| Total - C | | 666.91 | 518.17 | | 447.68 | 303.36 | |
| Total (A+B+C) | | 1,117.84 | 737.47 | | 796.12 | 445.10 | |

1. Above Investments in Bonds have been fair valued at amortised cost • 2. Above Investments in Shares & Debentures have been fair valued at quoted price • 3. Above Investments in Mutual Funds have been fair valued at closing net asset value (NAV)

4. NON-CURRENT LOANS (UNSECURED AND CONSIDERED GOOD)

(₹ in lac)

| | As at 31 st March, 2023 | As at 31 st March, 2022 |
|------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
| (a) Loans Receivables considered good - Unsecured; Loan to Employee - Home Loan | 5.90 | 13.28 |
| Total | 5.90 | 13.28 |

5. OTHER NON-CURRENT FINANCIAL ASSETS

| | | |
|------------------------------------|-----------------|-----------------|
| FDR Maturity more than 1 year | 2,323.02 | 3,361.02 |
| Accrued Interest | 239.98 | 179.26 |
| Bank Fixed Deposit (Non-Callable)* | 2,563.00 | 3,540.28 |
| Related Party Deposit | - | 25.72 |
| Total | 2,563.00 | 3,566.00 |

* The fixed deposit are long term non-callable deposit kept with bank

* FCBD A/c, Gurantees and Overdraft Facilities are secured by Fixed Deposit under lien with the Bank (Refer note 21).

* The charge is registered with ROC.

6. DEFERRED TAX ASSET / (LIABILITY) (NET)

The movement on the deferred tax account is as follows:

| | | |
|---------------------------------------------------------------------------------------------------|----------------|----------------|
| At the start of the year | (48.46) | (8.32) |
| Deferred tax Assets / (Liabilites) recognised in Profit & Loss in relation to | | |
| Property, plant and equipment and tangible assets | 20.50 | 7.06 |
| Provision for Employee Benefit Obligations | (3.42) | (25.66) |
| Receivables, financial assets at amortised cost | 16.80 | (0.63) |
| Unrealised gain on Securities carried at fair value | - | 0.14 |
| Leased Liability | (11.35) | (10.48) |
| Charge/(credit) to Statement of Profit/Loss | 22.53 | (29.58) |
| Deferred tax Assets / (Liabilites) recognised in Other Comprehensive Income in relation to | | |
| Unrealised gain on Securities carried at fair value | (3.36) | (10.55) |
| Charge/(credit) to Other Comprehensive Income | (3.36) | (10.55) |
| Total Deferred Tax (Net) | (29.28) | (48.46) |
| Deferred Tax Asset/(Liability) on Fixed Assets | (24.76) | (45.26) |
| Deferred Tax Asset/(Liability) on Leased Liability | 12.30 | 23.65 |
| Deferred Tax Asset/(Liability) on Share & Mutual Fund Investment | (43.51) | (40.16) |
| Deferred Tax Asset/(Liability) on Gratuity | 6.42 | (0.15) |
| Deferred Tax Asset/(Liability) on Leave Encashment | (3.47) | 6.53 |
| Deferred Tax Asset/(Liability) on Debtors | 23.74 | 6.94 |
| Total Deferred Tax (Net) | (29.28) | (48.46) |
| Deferred Tax Asset | 42.46 | 37.11 |
| Deferred Tax Liability | (71.75) | (85.57) |
| Total Deferred Tax (Net) | (29.28) | (48.46) |

7. OTHER NON CURRENT ASSETS

| | | |
|-------------------|-----------------|-----------------|
| Capital Advance** | 1,149.14 | 1,110.07 |
| Prepaid Expenses | 53.19 | 20.90 |
| Total | 1,202.33 | 1,130.97 |

** Capital Advance is paid towards purchase of new office premises amounting to ₹ 1083.29 Lacs.

There is a capital commitment amounting to ₹ 1621.63 Lacs towards above office premises.

** Capital Advance is paid towards purchase of Guesthouse amounting to ₹ 65.85 Lacs.

There is a capital commitment amounting to ₹ 144.10 Lacs towards above Guesthouse.

8. INVENTORIES

| | | |
|---------------------|---------------|---------------|
| Raw Material | 150.54 | 172.99 |
| Packing Material | 147.59 | 146.60 |
| Semi Finished Goods | 7.08 | 45.41 |
| Finished Goods | 206.66 | 182.22 |
| Stock in Trade | 312.70 | 426.78 |
| Work in Progress | 9.19 | 14.78 |
| Total | 833.76 | 988.77 |

9. TRADE RECEIVABLES

| | | |
|----------------------------------------------------|-----------------|-----------------|
| (a) Trade Receivables considered good - Unsecured; | 1,696.16 | 1,520.68 |
| (b) Trade Receivables - credit impaired | 94.34 | 27.57 |
| Less: Provision for Doubtful Debts | (94.34) | (27.57) |
| Total | 1,696.16 | 1,520.68 |

10. CASH AND CASH EQUIVALENTS

(₹ in lac)

| | As at 31 st March, 2023 | As at 31 st March, 2022 |
|----------------------------|------------------------------------|------------------------------------|
| Balance with Bank | 340.64 | 480.34 |
| BOB Flexi-Deposit Receipts | 14.25 | 12.25 |
| Cash in Hand | 9.99 | 9.24 |
| Forex Currency in Hand | 1.11 | 1.31 |
| Total | 365.99 | 503.13 |

11. OTHER BANK BALANCE

| | | |
|------------------------------------------|-----------------|-----------------|
| Unpaid Dividend Accounts | 69.69 | 70.45 |
| FDR Maturity less than 1 year | 3,224.25 | 412.10 |
| Accrued Interest | 254.29 | 5.54 |
| FDR Maturity more than 1 year (Callable) | 1,358.20 | 3,743.35 |
| Accrued Interest | 108.57 | 167.74 |
| Bank Fixed Deposit # | 4,945.31 | 4,328.73 |
| Total | 5,015.00 | 4,399.18 |

The bank deposits comprise of time deposit, which can be withdrawn by the company at any point without penalty on the principal.

* FCBD A/c, Gurantees and Overdraft Facilities are secured by Fixed Deposit under lien with the Bank (Refer note 21).

* The charge is registered with ROC.

12. CURRENT LOANS (UNSECURED AND CONSIDERED GOOD)

| | | |
|----------------------------------------------------|--------------|--------------|
| (a) Loans Receivables considered good - Unsecured; | | |
| Loans to Employees | 11.82 | 18.97 |
| Total | 11.82 | 18.97 |

13. OTHER FINANCIAL ASSETS - CURRENT

| | | |
|---------------------------------|--------------|--------------|
| Interest Accrued on Investments | 0.82 | 0.53 |
| Other Deposits | 12.22 | 10.12 |
| Related Party Deposit* | 27.78 | - |
| Others Receivables | 36.51 | 16.75 |
| Total | 77.32 | 27.40 |

* Deposit on Leased Asset taken from Related Party

14. OTHER CURRENT ASSETS

| | | |
|----------------------------------------|--------------|---------------|
| Balance with VAT & GST | 4.01 | 30.19 |
| Advances to Vendors - Packing Material | - | 1.04 |
| Advances to Vendors - Others | 2.69 | 12.04 |
| Advances to Vendors - Machinery | 6.73 | - |
| Employee Advances for Expenses | 3.06 | 0.29 |
| Advance to Others | 10.21 | 10.21 |
| Prepaid Expenses | 45.89 | 55.33 |
| Provision for Leave Encashment | 13.79 | - |
| Provision for Group Gratuity | - | 0.60 |
| Total | 86.39 | 109.70 |

15. CURRENT TAX (NET)

| | | |
|---------------------------------------|----------------|--------------|
| Provision For Income Tax AY.: 2020-21 | - | (7.70) |
| Advance/SA/TDS Tax For A.Y.: 2021-22 | 6.63 | 6.63 |
| Advance/SA/TDS Tax For A.Y.: 2022-23 | 15.99 | 15.94 |
| Advance/SA/TDS Tax For A.Y.: 2023-24 | (33.67) | - |
| Total | (11.05) | 14.87 |
| Current Tax Asset | 22.62 | 22.58 |
| Current Tax Liability | (33.67) | (7.70) |
| CURRENT TAX (NET) | (11.05) | 14.87 |

| | | |
|---------------------------------------------------|----------------|--------------|
| Provision for Income Tax (Net of Tax Paid) | | |
| At start of year | 14.87 | (13.41) |
| Charge for the year | (856.00) | (735.00) |
| Tax paid during the year | (830.08) | (763.28) |
| Total | (11.05) | 14.87 |

17. SHARE CAPITAL

(₹ in lac)

| | As at 31 st March, 2023 | As at 31 st March, 2022 |
|---------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
| Authorized Share Capital 10000000 Equity Shares of ₹ 10/- each | 10,00,00,000 | 10,00,00,000 |
| Issued, Subscribed and Fully Paid Equity Share Capital 4589378 Equity Shares of ₹ 10/- each * | 458.94 | 458.94 |
| Less: 176078 Shares Buyback @ ₹ 10/- | (17.61) | - |
| 4413300 Equity Shares of ₹ 10/- each | 441.33 | 458.94 |

* The Company bought back 176078 equity shares during the year 2022-23.

The details of shareholders holding more than 5% shares

| | As at 31 st March, 2023 | | As at 31 st March, 2022 | |
|--------------------------|------------------------------------|--------|------------------------------------|--------|
| | No. of Shares | % held | No. of Shares | % held |
| Bhuta Holdings Pvt. Ltd. | 6,16,128 | 13.96 | 6,16,128 | 13.43 |
| Ashish Uttam Bhuta | 2,61,127 | 5.92 | 2,61,127 | 5.69 |
| Jayshree Uttam Bhuta | 5,36,480 | 12.16 | 5,36,480 | 11.69 |
| Kalindi Hemendra Bhuta | 3,99,700 | 9.06 | 3,99,700 | 8.71 |

The details of Promoters shareholding:

| | | | | |
|--------------------------|----------|-------|----------|-------|
| Bhuta Holdings Pvt. Ltd. | 6,16,128 | 13.96 | 6,16,128 | 13.43 |
| Ashish Uttam Bhuta | 2,61,127 | 5.92 | 2,61,127 | 5.69 |

The reconciliation of the number of shares outstanding is set out below :

| | As at 31 March, 2023 | As at 31 March, 2022 |
|-------------------------------------------|----------------------|----------------------|
| | No. of Shares | No. of Shares |
| Equity Share at the beginning of the year | 45,89,378 | 45,89,378 |
| Less: Shares bought back during the year | (1,76,078) | - |
| Equity Shares at the end of the year | 44,13,300 | 45,89,378 |

17. OTHER EQUITY - RESERVES & SURPLUS

| | As at 31 st March, 2023 | As at 31 st March, 2022 |
|------------------------------------------------------|------------------------------------|------------------------------------|
| Capital Redemption Reserve * | | |
| As per last Balance Sheet: | 5.99 | 5.99 |
| Transfer from Retained Earnings on Buyback | 17.61 | - |
| Total (A) | 23.60 | 5.99 |
| General Reserve ** | | |
| As per last Balance Sheet: | 334.62 | 334.62 |
| Transfer to / from | - | - |
| Total (B) | 334.62 | 334.62 |
| Retained Earnings | | |
| As per last Balance Sheet: | 10,852.68 | 9,091.07 |
| Add: Profit for the year | 2,460.70 | 2,229.72 |
| Less: Appropriations: | | |
| Dividend | (550.73) | (468.12) |
| Transfer to Capital Redemption Reserve on Buyback | (17.61) | - |
| Share Buyback Price | (1,124.78) | - |
| Tax on Buyback of Equity Shares | (262.03) | - |
| Expense on Buyback of Equity Shares | (47.09) | - |
| Transfer from OCI on Sale of Shares | (0.65) | - |
| Total (C) | 11,310.50 | 10,852.68 |
| Other Comprehensive Income # | | |
| As per last Balance Sheet: | 86.02 | (43.99) |
| Add: Movement in OCI (Net) - Equity Instruments | 28.71 | 92.93 |
| Add: Movement in OCI (Net) - Gratuity | 16.91 | 47.64 |
| Add: Transfer to Retained Earnings on Sale of Shares | 0.65 | - |
| Less: Def. Tax Effect | (3.36) | (10.55) |
| Total (D) | 128.93 | 86.02 |
| Total (A+B+C+D) | 11,797.64 | 11,279.31 |

Nature and Purpose of each reserve

- * Capital Redemption Reserve: The Company has recognised capital redemption reserve on buyback of equity shares from its retained earnings. The amount in capital redemption reserve is equal to nominal amount of equity shares bought back.
- ** General Reserve: The reserve arises on transfer of portion of the net profit pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.
- # Other Comprehensive Income: The Company has elected to recognise changes in fair value of certain investments in equity and equity oriented Mutual fund instruments in other comprehensive income. Also the actuarial gain/loss on Employee Defined Benefit plans (Gratuity) is recognised in other comprehensive income.

(₹ in lac)

| | As at 31 st March, 2023 | As at 31 st March, 2022 |
|--|------------------------------------|------------------------------------|
|--|------------------------------------|------------------------------------|

The amount of per share dividend recognized as distribution to equity shareholders in accordance with Companies Act 2013 is as follows:

| | | |
|----------------|--------|--------|
| Final Dividend | 550.73 | 468.12 |
|----------------|--------|--------|

During the year ended March 31, 2023, on account of the final dividend for Financial year 2021-22 the Company has incurred a net cash outflow of ₹ 541.68 Lacs.

18. NON CURRENT LEASE LIABILITY

| | | |
|-----------------|----------|--------------|
| Lease Liability | - | 48.86 |
| Total | - | 48.86 |

Lease liability is created on assets taken on operating lease as per IndAS 116

19. OTHER NON-CURRENT FINANCIAL LIABILITY

| | | |
|------------------|---------------|---------------|
| Security Deposit | 294.31 | 294.25 |
| Total | 294.31 | 294.25 |

Other Non Current Liabilities represents security deposits received from Super Stockists.

20. CURRENT LEASE LIABILITY

| | | |
|-----------------|--------------|--------------|
| Lease Liability | 48.86 | 45.11 |
| Total | 48.86 | 45.11 |

Lease liability is created on assets taken on operating lease as per IndAS 116

21. BORROWINGS – CURRENT

| | | |
|--------------------------------|---------------|---------------|
| (a) Secured | | |
| Bank Loan - Bill Discounting * | 45.12 | 437.45 |
| Bank Overdraft Account * | 198.77 | 144.02 |
| (b) Unsecured | | |
| Credit Card | 0.22 | 0.05 |
| Total | 244.10 | 581.53 |

* FCBD A/c, Gurantees and Overdraft Facilities are secured by Fixed Deposit under lien with the Bank as under.

| Facility taken (With Interest Rate) | As at 31 st March, 2023 | | As at 31 st March, 2022 | |
|--------------------------------------------------|------------------------------------|-----------------|------------------------------------|---------------|
| | Limit | Lein Amount | Limit | Lein Amount |
| FCBD A/c (6 months ARR + ISDA + 125 basis point) | 450.00 | 450.00 | - | - |
| FCBD A/c (1% above LIBOR rate) | - | - | 450.00 | 450.00 |
| Bank Gurantee | 325.00 | 340.00 | 25.00 | 125.00 |
| Overdraft A/c (7.25%) | 3.10 | 4.10 | - | - |
| Overdraft A/c (6.25%) | 205.00 | 231.00 | - | - |
| Overdraft A/c (6.30%) | - | - | 257.09 | 236.92 |
| TOTAL | 983.10 | 1,025.10 | 475.00 | 575.00 |

* The charge is registered with ROC.

22. TRADE PAYABLES

(₹ in lac)

| | As at 31 st March, 2023 | | As at 31 st March, 2022 | |
|---------------------------------------------------------------------------------------------|------------------------------------|---------------|------------------------------------|---------------|
| (A) Total outstanding dues of Micro Enterprises and Small Enterprises; and | | | | |
| Raw-Materials | 2.55 | | 8.15 | |
| Packing Material | 0.52 | | - | |
| Stock in Trade | 0.12 | | 11.95 | |
| Others | 5.51 | 8.70 | 4.61 | 24.71 |
| (B) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises. | | | | |
| Raw-Materials | 48.38 | | 69.28 | |
| Packing Material | 91.43 | | 75.05 | |
| Stock in Trade | 304.25 | | 413.79 | |
| Others | 156.92 | 600.98 | 128.22 | 686.33 |
| Total | | 609.68 | | 711.03 |

Micro, Small and Medium Enterprises

The Company has provided for interest as per section 16 of the MSMED Act, on payments which were overdue to Micro & Small Enterprises, beyond the timelines as mandated in section 15 of the MSMED Act.

The principal amount of ₹ 91.21 Lacs is paid to Micro & Small enterprises, interest on the same is not paid, however a sum of ₹ 0.39 Lacs has been provided on the same payments as on 31st March 2023.

| Particulars | Outstanding for following periods from due date of payment as on 31 st March 2023 | | | | | |
|----------------------------|----------------------------------------------------------------------------------------------|------------------|-----------|-----------|-------------------|---------------|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 8.04 | 0.66 | - | - | - | 8.70 |
| (ii) Others | 467.04 | 128.23 | 2.70 | 3.01 | - | 600.98 |
| (iii) Disputed dues: MSME | - | - | - | - | - | - |
| (iv) Disputed dues: Others | - | - | - | - | - | - |
| Total | | | | | | 609.68 |

| Particulars | Outstanding for following periods from due date of payment as on 31 st March 2022 | | | | | |
|----------------------------|----------------------------------------------------------------------------------------------|------------------|-----------|-----------|-------------------|---------------|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 8.22 | 16.49 | - | - | - | 24.71 |
| (ii) Others | 522.95 | 159.51 | 3.87 | - | - | 686.33 |
| (iii) Disputed dues: MSME | - | - | - | - | - | - |
| (iv) Disputed dues: Others | - | - | - | - | - | - |
| Total | | | | | | 711.03 |

23. OTHER FINANCIAL LIABILITIES CURRENT

| | As at 31 st March, 2023 | As at 31 st March, 2022 |
|--------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
| A) Total outstanding dues of Micro Enterprises and Small Enterprises; and | - | - |
| B) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises. | | |
| Unclaimed Dividends * | 69.69 | 70.45 |
| Other payables | 424.11 | 485.08 |
| Total | 493.80 | 555.52 |

* Unclaimed Dividends do not include any amounts due and outstanding, to be credited to Investor Education and Protection Fund.

24. OTHER CURRENT LIABILITIES

| | | |
|---------------------------------|---------------|---------------|
| Statutory Remittances | 114.77 | 115.22 |
| Advance Received From Customers | 5.78 | 85.93 |
| Total | 120.55 | 201.15 |

25. PROVISIONS - CURRENT

| | | |
|--------------------------------|--------------|--------------|
| Provision for Leave Encashment | - | 25.93 |
| Provision for Group Gratuity | 25.52 | - |
| Total | 25.52 | 25.93 |

Schedules forming part of Profit & Loss Account for the year ended on 31st March 2023

26. REVENUE FROM OPERATIONS

(₹ in lac)

| | As at 31 st March, 2023 | As at 31 st March, 2022 |
|-----------------------------|------------------------------------|------------------------------------|
| Sale of Products - Domestic | 11,088.29 | 10,270.59 |
| Sale of Products - Exports | 2,525.76 | 2,102.58 |
| Sale of Products | 13,614.05 | 12,373.17 |
| Other Operating Revenue | 60.87 | 24.87 |
| Total | 13,674.92 | 12,398.04 |

27. OTHER INCOME

| | | |
|---------------------------------------------------------|---------------|---------------|
| Interest Income: | | |
| Bank Deposits | 393.51 | 432.86 |
| Debt Instruments at amortised cost | 2.12 | 2.12 |
| Interest Income at amortised cost | | |
| - From Related Parties | 2.06 | 1.91 |
| - From Others | 4.30 | 0.25 |
| | 401.99 | 437.13 |
| Dividend Income | 4.47 | 3.28 |
| Net Gain on Foreign Currency Translation & Transactions | 76.02 | 24.45 |
| Other Sales Account - Old Scrap | 0.43 | 0.19 |
| Profit on Sale / Derecognition of Fixed Assets | - | 18.40 |
| Insurance Claim Received | 10.20 | 3.42 |
| Miscellaneous Income | 0.23 | - |
| Miscellaneous Written Off | 7.51 | 7.79 |
| Income on Leave Encashment Fund with LIC | 11.08 | - |
| Short Term Capital Gain on Liquid Mutual Fund | 0.40 | - |
| Unrealised gain on Mutual Fund carried at fair value | - | 0.21 |
| Total | 512.32 | 494.87 |

28. COST OF MATERIAL CONSUMED

| | | |
|--------------------------|-----------------|-----------------|
| Raw Materials | | |
| Opening Stock | 172.99 | 169.00 |
| Purchases | 643.50 | 779.08 |
| | 816.49 | 948.08 |
| Less: Closing Stock | 150.54 | 172.99 |
| Total A : | 665.95 | 775.10 |
| Packing Materials | | |
| Opening Stock | 146.60 | 148.44 |
| Purchases | 446.94 | 396.92 |
| | 593.53 | 545.36 |
| Less: Closing Stock | 147.59 | 146.60 |
| Total B : | 445.94 | 398.76 |
| Total (A+B) | 1,111.89 | 1,173.86 |

29. PURCHASE OF STOCK-IN-TRADE

| | | |
|--------------------------|-----------------|-----------------|
| Stock in Trade Purchased | 2,055.00 | 2,198.08 |
| Total | 2,055.00 | 2,198.08 |

30. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE, WORK-IN-PROGRESS

| | | |
|-----------------------------|---------------|-----------------|
| Inventory at Close | | |
| Semi Finished Goods | 7.08 | 45.41 |
| Finished Goods | 206.66 | 182.22 |
| Stock in Trade | 312.70 | 426.78 |
| Work in Progress | 9.19 | 14.78 |
| Inventory at Start | | |
| Semi Finished Goods | 45.41 | 44.64 |
| Finished Goods | 182.22 | 117.89 |
| Stock in Trade | 426.78 | 272.31 |
| Work in Progress | 14.78 | 5.87 |
| Changes in Inventory | | |
| Semi Finished Goods | 38.33 | (0.76) |
| Finished Goods | (24.44) | (64.33) |
| Stock in Trade | 114.07 | (154.47) |
| Work in Progress | 5.58 | (8.90) |
| Total | 133.55 | (228.47) |

31. EMPLOYEE BENEFITS EXPENSE

(₹ in lac)

| | As at 31 st March, 2023 | As at 31 st March, 2022 |
|------------------------------------------------|------------------------------------|------------------------------------|
| Salaries and Wages | 3,545.55 | 3,297.02 |
| Contribution to Provident Fund and Other Funds | 307.90 | 325.19 |
| Staff Welfare Expenses | 27.28 | 26.89 |
| Total | 3,880.73 | 3,649.09 |

32. FINANCE COST

| | | |
|------------------|--------------|--------------|
| Interest Expense | 29.97 | 34.80 |
| Bank Charges | 6.73 | 8.64 |
| Total | 36.70 | 43.44 |

33. DEPRECIATION AND AMORTISATION EXPENSES

| | | |
|----------------|---------------|---------------|
| Depreciation * | 225.91 | 189.86 |
| Total | 225.91 | 189.86 |

* Refer Note 1 & 2

34. OTHER EXPENSES

| | | |
|---------------------------------------------------|-----------------|-----------------|
| Power & Fuel | 76.10 | 61.41 |
| Manufacturing Expenses | 80.11 | 62.80 |
| Training Expense | 55.58 | - |
| Travelling Expense | 254.22 | 174.12 |
| Freight & Handling Charges | 265.42 | 251.27 |
| Commission on Sales | 438.05 | 337.98 |
| Selling and Distribution Expenses | 1,501.25 | 1,410.63 |
| Rent Rates & Taxes | 17.25 | 18.53 |
| Legal, Professional & Consultancy Charges | 147.34 | 120.70 |
| Payment to Auditors (Refer Note 35) | 11.25 | 11.25 |
| Repairs & Maintenance Expense | 82.52 | 70.66 |
| Insurance Charges | 32.19 | 27.10 |
| Printing Stationary & Xerox | 106.04 | 66.45 |
| Expenditure on CSR & Donation | 50.00 | 1.40 |
| Telephone, Post & Internet Expense | 32.21 | 28.46 |
| Other Administrative and General Expenses | 184.87 | 129.14 |
| Research and Development Expenses (Refer Note 36) | 122.59 | 108.06 |
| Total | 3,456.99 | 2,879.94 |

35. PAYMENT TO AUDITORS INCLUDED IN OTHER EXPENSE

| | | |
|-------------------------------------|--------------|--------------|
| Statutory Audit Fees | 7.25 | 7.25 |
| VAT / GST Audit Fees | 2.50 | 2.50 |
| Certification and Consultation Fees | 1.50 | 1.50 |
| Total | 11.25 | 11.25 |

36. RESEARCH AND DEVELOPMENT EXPENSE

| | | |
|-----------------------------------|---------------|---------------|
| Depreciation on Plant & Machinery | 6.62 | 7.89 |
| Material Consumption | 0.41 | 0.04 |
| Employee Cost | 112.06 | 99.23 |
| Laboratory Chemicals | 2.49 | 4.27 |
| Power & Fuel | 4.01 | 3.23 |
| Repair & Maintenance | 3.04 | 0.94 |
| Printing & Stationary Expense | 0.04 | 0.02 |
| Miscellaneous Expense | 0.55 | 0.32 |
| Total | 129.21 | 115.95 |

37. TAXATION

Income tax recognised in Statement of Profit and Loss

(₹ in lac)

| | As at 31 st March, 2023 | As at 31 st March, 2022 |
|-----------------------------------|------------------------------------|------------------------------------|
| Current Tax | 856.00 | 735.00 |
| Deferred Tax (with IND AS effect) | (22.53) | 29.58 |
| Previous Year Income Tax | (7.70) | (7.21) |
| Total | 825.76 | 757.37 |

The income tax expenses for the year can be reconciled to the accounting profit as follows:

| | | |
|---------------------------------------------------------------------------------------|---------------|----------------|
| Profit before tax | 3,286.47 | 2,987.09 |
| Applicable Tax Rate | 25.17 | 25.17 |
| Computed Tax Expense | 827.14 | 751.79 |
| Tax effect of : | | |
| Expenses disallowed | 99.24 | 185.47 |
| Expenses allowed | 71.76 | 203.06 |
| Tax payable | 854.62 | 734.20 |
| Current Tax Provision (A) | 856.00 | 735.00 |
| Incremental Deferred Tax Liability/(Asset) on a/c of Tangible and Intangible Assets | 20.50 | 7.06 |
| Incremental Deferred Tax Liability/(Asset) on a/c of Financial Assets and Other Items | (1.33) | (47.19) |
| Deferred tax Provision (B) | 19.17 | (40.13) |
| Tax Expenses recognised in Statement of Profit and Loss (A+B) | 875.17 | 694.87 |
| Effective Tax Rate | 26.63 | 23.26 |

38. OTHER COMPREHENSIVE INCOME

| | | |
|----------------------|--------------|---------------|
| OCI - Equity Shares | 17.39 | 6.12 |
| OCI - Mutual Fund | 11.32 | 86.82 |
| OCI - Gratuity | 16.91 | 47.64 |
| OCI - Def.Tax Effect | (3.36) | (10.55) |
| Total : | 42.26 | 130.01 |

39. EARNINGS PER SHARE

| | | |
|---------------------------------------------------------------------------|-----------|-----------|
| Net Profit after Tax as per Statement of P&L attributable to Shareholders | 2,460.70 | 2,229.72 |
| Number of equity shares used as denominator for calculating EPS* | 44,13,300 | 45,89,378 |
| Basic and Diluted EPS | 53.90 | 48.58 |
| Face Value per equity share | 10.00 | 10.00 |

* During the current year, weighted average number of Equity shares are used for calculating EPS on account of buyback of Shares. Post buyback the number of equity shares were reduced from 4589378 to 4413300 in March 2023.

40. REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND

| | | |
|--------------------------------------|-------|-------|
| Number of Non-Resident Share Holders | 1 | 1 |
| Number of Equity Shares held by them | 3,000 | 3,000 |
| Amount of Dividend paid (₹) | 0.36 | 0.31 |

41. REMITTANCE IN FOREIGN CURRENCY FOR OTHER EXPENSES

| | | |
|------------------------------------|---------------|---------------|
| Commission on Export Sales | 177.13 | 238.85 |
| Field Expenses | 11.68 | 10.82 |
| Product Registration Charges | 27.92 | 24.10 |
| Sales & Business Promotion Expense | - | 3.12 |
| Travelling Expense | 3.25 | - |
| Total : | 219.98 | 276.89 |

42. EARNINGS IN FOREIGN EXCHANGE

| | | |
|----------------------|-----------------|-----------------|
| FOB Value of Exports | 2,525.76 | 2,102.58 |
| Total : | 2,525.76 | 2,102.58 |

43. CORPORATE SOCIAL RESPONSIBILITY

CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 48.58 Lacs (Previous Year ₹ 46.96 Lacs).

Actual Expenditure towards CSR during the year is ₹ 50.00 Lacs. (Previous Year ₹ 1.00 Lac and ₹ 45.96 Lacs brought forward from the preceding year).

(₹ in lac)

| | As at 31 st March, 2023 | As at 31 st March, 2022 |
|---------------------------------------|------------------------------------|------------------------------------|
| Prime Minister's National Relief Fund | 50.00 | - |
| Sihor Education Foundation | - | 1.00 |
| Total | 50.00 | 1.00 |

44. RELATED PARTY DISCLOSURES

List of related parties with whom transactions have taken place and relationships

| Name of the Related Party | Relationship |
|---------------------------|-----------------------------------------------------------------|
| Ashish U Bhuta | Key Managerial Person |
| Dilip H Bhuta | Key Managerial Person |
| Ashish R Shah | Key Managerial Person |
| Jayshree U. Bhuta | Relative of Key Managerial Person |
| Kunti Gala | Relative of Key Managerial Person |
| Bhavika A. Bhuta | Relative of Key Managerial Person |
| Prem A. Bhuta | Relative of Key Managerial Person |
| Bhuta Holdings Pvt Ltd | Enterprise under significant influence of Key Managerial Person |

Details of transactions with related parties

| | | |
|--------------------------|-------|-------|
| Dividend | | |
| Ashish U Bhuta | 31.34 | 26.63 |
| Jayshree U. Bhuta | 64.38 | 54.72 |
| Kunti Gala | 6.15 | 5.23 |
| Bhavika A. Bhuta | 6.20 | 5.27 |
| Bhuta Holdings Pvt. Ltd. | 73.94 | 62.85 |
| Rent | | |
| Bhuta Holdings Pvt. Ltd. | 51.00 | 51.00 |
| Salary | | |
| Prem A. Bhuta | 3.00 | 1.85 |

COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of director and other member of key management personnel during the year was as follows:

| Managerial Remuneration | | |
|-------------------------|--------|--------|
| Ashish U Bhuta | 200.54 | 172.56 |
| Dilip H Bhuta | 60.37 | 54.11 |
| Ashish R Shah | 43.31 | 38.49 |

Key Managerial Personnel who are under the employment of the company are entitled to post employment benefits and other long term employee benefits recognised as per IndAS 19 - "Employee Benefits" in the financial statements. As these employee benefits are lumpsum amounts provided on the basis of actuarial valuation, the same are not included above and there are no share-based payments to key managerial personnel of company.

BALANCE OUTSTANDING AT THE END OF THE YEAR

| | | |
|--------------------------|-------|-------|
| Security Deposit | | |
| Bhuta Holdings Pvt. Ltd. | 30.00 | 30.00 |

45. CONTINGENT LIABILITIES AND COMMITMENTS

| | | |
|-----------------------------------------------------------------------------|----------|----------|
| Claims against the Company / disputed liabilities not acknowledged as debts | | |
| - With NPPA* | 1,645.16 | 1,645.16 |
| - With ESIC | 10.21 | 10.21 |
| - Central Sale Tax | - | 5.34 |
| Bank Guarantees given to DAM Capital Advisors Ltd. for buyback of Shares | 300.00 | - |

* The Company has been legally advised that the demand is not likely to crystallised and accordingly no provision is considered necessary. Refer note B.2(s)

46. Employee Benefits

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under

(₹ in lac)

| Particulars | As at 31 st March, 2023 | As at 31 st March, 2022 |
|------------------------------------------------|------------------------------------|------------------------------------|
| Employer's Contribution to Provident Fund | 80.21 | 70.61 |
| Employer's Contribution to Superannuation Fund | 7.68 | 7.29 |

Defined Benefit Plans

As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below:

| | | |
|---------------------|-----------|-----------|
| Type of Benefit | Gratuity | Gratuity |
| Starting Period | 01-Apr-22 | 01-Apr-21 |
| Date of Reporting | 31-Mar-23 | 31-Mar-22 |
| Period of Reporting | 12 Months | 12 Months |

Assumptions (Previous Period)

| | | |
|----------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|
| Expected Return on Plan Assets | 7.23% | 6.80% |
| Rate of Discounting | 7.23% | 6.80% |
| Rate of Salary Increase | 7.00% | 7.00% |
| Rate of Employee Turnover | 17%, 5% and 3% | 17%, 5% and 3% |
| Mortality Rate During Employment | Category-wise Indian Assured Lives Mortality (2012-14) Urban | Category-wise Indian Assured Lives Mortality (2012-14) Urban |

Assumptions (Current Period)

| | | |
|----------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|
| Expected Return on Plan Assets | 7.52% | 7.23% |
| Rate of Discounting | 7.52% | 7.23% |
| Rate of Salary Increase | 7.00% | 7.00% |
| Rate of Employee Turnover | 17%, 5% and 3% | 17%, 5% and 3% |
| Mortality Rate During Employment | Category-wise Indian Assured Lives Mortality (2012-14) Urban | Category-wise Indian Assured Lives Mortality (2012-14) Urban |

Table Showing Change in the Present Value of Defined Benefit Obligation

| | | |
|---------------------------------------------------------------------------------------|---------------|---------------|
| Present Value of Benefit Obligation at the Beginning of the Period | 595.90 | 605.21 |
| Interest Cost | 43.08 | 41.15 |
| Current Service Cost | 50.04 | 52.29 |
| Past Service Cost | - | - |
| Liability Transferred In/ Acquisitions (Liability Transferred Out/ Divestments) | - | - |
| (Gains)/ Losses on Curtailment (Liabilities Extinguished on Settlement) | - | - |
| (Benefit Paid Directly by the Employer) (Benefit Paid From the Fund) | - (78.21) | - (55.73) |
| The Effect Of Changes in Foreign Exchange Rates | - | - |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions | - | (0.02) |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions | (14.61) | (23.31) |
| Actuarial (Gains)/Losses on Obligations - Due to Experience | (5.37) | (23.70) |
| Present Value of Benefit Obligation at the End of the Period | 590.84 | 595.90 |

Table Showing Change in the Fair Value of Plan Assets

(₹ in lac)

| Particulars | As at 31 st March, 2023 | As at 31 st March, 2022 |
|-----------------------------------------------------------------|------------------------------------|------------------------------------|
| Fair Value of Plan Assets at the Beginning of the Period | 596.50 | 536.22 |
| Interest Income | 43.13 | 36.46 |
| Contributions by the Employer | 6.98 | 78.93 |
| Expected Contributions by the Employees | - | - |
| Assets Transferred In/Acquisitions | - | - |
| (Assets Transferred Out/ Divestments) | - | - |
| (Benefit Paid from the Fund) | (78.21) | (55.73) |
| (Assets Distributed on Settlements) | - | - |
| Effects of Asset Ceiling | - | - |
| The Effect of Changes In Foreign Exchange Rates | - | - |
| Return on Plan Assets, Excluding Interest Income | (3.07) | 0.61 |
| Fair Value of Plan Assets at the End of the Period | 565.32 | 596.50 |

Amount Recognized in the Balance Sheet

| | | |
|----------------------------------------------------------------|----------------|-------------|
| (Present Value of Benefit Obligation at the end of the Period) | (590.84) | (595.90) |
| Fair Value of Plan Assets at the end of the Period | 565.32 | 596.50 |
| Funded Status (Surplus/ (Deficit)) | (25.52) | 0.60 |
| Net (Liability)/Asset Recognized in the Balance Sheet | (25.52) | 0.60 |

Net Interest Cost for Current Period

| | | |
|--------------------------------------------------------------------|---------------|-------------|
| Net Interest Cost for Current Period | | |
| Present Value of Benefit Obligation at the Beginning of the Period | 595.90 | 605.21 |
| (Fair Value of Plan Assets at the Beginning of the Period) | (596.50) | (536.22) |
| Net Liability/(Asset) at the Beginning | (0.60) | 68.99 |
| | - | - |
| Interest Cost | 43.08 | 41.15 |
| (Interest Income) | (43.13) | (36.46) |
| Net Interest Cost for Current Period | (0.04) | 4.69 |

Expenses Recognized in the Statement of Profit or Loss for Current Period

| | | |
|-------------------------------------------------|--------------|--------------|
| Current Service Cost | 50.04 | 52.29 |
| Net Interest Cost | (0.04) | 4.69 |
| Past Service Cost | - | - |
| (Expected Contributions by the Employees) | - | - |
| (Gains)/Losses on Curtailments And Settlements | - | - |
| Net Effect of Changes in Foreign Exchange Rates | - | - |
| Expenses Recognized | 50.00 | 56.98 |

Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period

| | | |
|--------------------------------------------------------------|----------------|----------------|
| Actuarial (Gains)/Losses on Obligation For the Period | (19.98) | (47.02) |
| Return on Plan Assets, Excluding Interest Income | 3.07 | (0.61) |
| Change in Asset Ceiling | - | - |
| Net (Income)/Expense For the Period Recognized in OCI | (16.91) | (47.64) |

Balance Sheet Reconciliation

| | | |
|--------------------------------------------------------------|---------------|---------------|
| Opening Net Liability | (0.60) | 68.99 |
| Expenses Recognized in Statement of Profit or Loss | 50.00 | 56.98 |
| Expenses Recognized in OCI | (16.91) | (47.64) |
| Net Liability/(Asset) Transfer In | - | - |
| Net (Liability)/Asset Transfer Out | - | - |
| (Benefit Paid Directly by the Employer) | - | - |
| (Employer's Contribution) | (6.98) | (78.93) |
| Net Liability/(Asset) Recognized in the Balance Sheet | 25.52 | (0.60) |

Category of Assets

(₹ in lac)

| Particulars | As at 31 st March, 2023 | As at 31 st March, 2022 |
|-----------------------------|------------------------------------|------------------------------------|
| Government of India Assets | - | - |
| State Government Securities | - | - |
| Special Deposits Scheme | - | - |
| Debt Instruments | - | - |
| Corporate Bonds | - | - |
| Cash And Cash Equivalents | - | - |
| Insurance fund | 565.32 | 596.50 |
| Asset-Backed Securities | - | - |
| Structured Debt | - | - |
| Other | - | - |
| Total | 565.32 | 596.50 |

Other Details

| | | |
|-------------------------------------------------------------|--------|--------|
| No of Members in Service | 0.01 | 0.01 |
| Per Month Salary For Members in Service | 114.09 | 113.30 |
| Weighted Average Duration of the Defined Benefit Obligation | - | - |
| Average Expected Future Service | - | - |
| Defined Benefit Obligation (DBO) - Total | 590.84 | 595.90 |
| Defined Benefit Obligation (DBO) - Due but Not Paid | - | - |
| Expected Contribution in the Next Year | 76.84 | 49.44 |

Net Interest Cost for Next Year

| | | |
|--------------------------------------------------------------|-------------|---------------|
| Present Value of Benefit Obligation at the End of the Period | 590.84 | 595.90 |
| (Fair Value of Plan Assets at the End of the Period) | (565.32) | (596.50) |
| Net Liability/(Asset) at the End of the Period | 25.52 | (0.60) |
| Interest Cost | 44.43 | 43.08 |
| (Interest Income) | (42.51) | (43.13) |
| Net Interest Cost for Next Year | 1.92 | (0.04) |

Expenses Recognized in the Statement of Profit or Loss for Next Year

| | | |
|-------------------------------------------|--------------|--------------|
| Current Service Cost | 51.32 | 50.04 |
| Net Interest Cost | 1.92 | (0.04) |
| (Expected Contributions by the Employees) | - | - |
| Expenses Recognized | 53.24 | 50.00 |

Maturity Analysis of the Benefit Payments:

| | | |
|-----------------------------------------------------------------------|--------|--------|
| Projected Benefits Payable in Future Years From the Date of Reporting | | |
| 1st Following Year | 46.06 | 38.12 |
| 2nd Following Year | 32.84 | 46.10 |
| 3rd Following Year | 48.41 | 35.12 |
| 4th Following Year | 65.40 | 46.04 |
| 5th Following Year | 38.65 | 54.72 |
| Sum of Years 6 To 10 | 264.93 | 239.20 |

Sensitivity Analysis

| | | |
|---------------------------------------------------------|--------|--------|
| Defined Benefit Obligation on Current Assumptions | 590.84 | 595.90 |
| Delta Effect of +1% Change in Rate of Discounting | -45.91 | -48.71 |
| Delta Effect of -1% Change in Rate of Discounting | 53.14 | 56.69 |
| Delta Effect of +1% Change in Rate of Salary Increase | 51.29 | 54.73 |
| Delta Effect of -1% Change in Rate of Salary Increase | -45.14 | -47.95 |
| Delta Effect of +1% Change in Rate of Employee Turnover | 1.74 | 0.78 |
| Delta Effect of -1% Change in Rate of Employee Turnover | -2.01 | -0.93 |

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes

Gratuity is payable as per entity's scheme as detailed in the report.

Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI).

All above reported figures of OCI are gross of taxation.

Salary escalation & attrition rate are considered as advised by the entity; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.

Maturity Analysis of Benefit Payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above for foreseeable future of next 10 years.

Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

Weighted Average Duration of the Defined Benefit Obligation is the weighted average of cash flow timing, where weights are derived from the present value of each cash flow to the total present value.

Any benefit payment and contribution to plan assets is considered to occur end of the year to depict liability and fund movement in the disclosures.

Value of asset provided by the entity is not audited by us and the same is considered as unaudited fair value of plan asset as on the reporting date.

In absence of specific communication as regards contribution by the entity, Expected Contribution in the Next Year is considered as the sum of net liability/assets at the end of the current year and current service cost for next year, subject to maximum allowable contribution to the Plan Assets over the next year as per the Income Tax Rules.

Qualitative Disclosures

Para 139 (a) Characteristics of defined benefit plan

The entity has a defined benefit gratuity plan in India (funded). The entity's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

Para 139 (b) Risks associated with defined benefit plan

Gratuity is a defined benefit plan and entity is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.

Para 139 (c) Characteristics of defined benefit plans

During the year, there were no plan amendments, curtailments and settlements.

Para 147 (a)

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

47. FINANCIAL RATIO

| | Numerator | Denominator | 31/03/2023 | 31/03/2022 | Variance |
|-----------------------------------|-----------------------------------------|----------------------------------------|------------|------------|----------|
| | | | Ratio | Ratio | |
| Current Ratio | Current Assets | Current Liabilities | 5.14 | 3.57 | 44.23%* |
| Debt Equity Ratio | Total Debts (1) | Shareholders Equity | 0.02 | 0.06 | -58.40%* |
| Debt Service Coverage Ratio | Earnings available for Debt Service (2) | Debt Service (3) | 34.07 | 28.39 | 17.53% |
| Return on Equity (ROE) | Net Profit After Taxes | Shareholders Equity | 20.10% | 19.00% | 1.11% |
| Inventory Turnover Ratio | Cost of Goods Sold | Average of Opening & closing Inventory | 3.62 | 3.60 | 0.50% |
| Trade Receivables Turnover Ratio | Revenue | Average Trade Receivables | 8.50 | 8.49 | 0.15% |
| Trade Payables Turnover Ratio | Purchase of Goods | Average Trade Payables for Goods | 6.13 | 7.18 | -14.60% |
| Net Capital Turnover Ratio | Revenue | Working Capital | 2.09 | 2.27 | -7.77% |
| Net Profit Ratio | Net Profit | Revenue | 17.99% | 17.98% | 0.01% |
| Return on Capital Employed (ROCE) | Earnings before Interest & Taxes | Capital Employed (4) | 26.49% | 24.31% | 2.18% |
| Return on Investments | Income from Investment | Time Weighted Average Investment | 3.76% | 14.71% | -10.96% |

Notes

- (1) Debt includes borrowings and lease liability
 - (2) Earnings available for Debt Service include Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.
 - (3) Debt service includes Lease payments for the year and Interest Cost
 - (4) Capital Employed consists of Tangible net worth + deferred tax liabilities + Lease Liabilities
- * Improvement in Current Ratio was due to retention of profits an business, thereby increase in Current Assets by ₹ 518.66 Lacs and decrease in Current Liability by ₹ 551.80 Lacs. Like wise there was also improvement in Debt Equity ratio.

48. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to ensure sufficient resources are available to meet day to day operating requirements. The capital structure of the Company consists of equity attributable to equity holders, comprising share capital, reserves and retained earnings.

The Company's Board of Directors takes full responsibility for managing the Company's capital and does so through board meetings, review of financial information, and regular communication with Officers and Senior Management.

The Company expects its current capital resources will be sufficient to carry out its plans and operation/s through its current operating year. The Company is not subject to externally imposed capital requirements and the Company successfully completed buyback of 176078 equity shares during the year ended 31st March 2023.

49. FINANCIAL INSTRUMENTS

Valuation

- a) All financial instruments are initially recognized at fair-value and subsequently re-measured at fair value/ amortized cost as described below:
- b) The fair value of investment in Equity Shares, Debentures, Government Securities and Mutual Funds is measured at quoted price or NAV.
- c) The amortized cost of the remaining financial instruments are determined using discounted cash flow analysis. Or the amortized cost of these financial instruments are estimated to approximate their carrying values due to their immediate or short-term nature.
- d) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

Categories of financial instruments are:

(₹ in lac)

| Particulars | As at 31 st March, 2023 | | | As at 31 st March, 2022 | | |
|----------------------------------------|------------------------------------------------------|------------------------------------|----------------|------------------------------------------------------|------------------------------------|----------------|
| | Fair Value through other comprehensive Income Amount | Fair Value through Profit and Loss | Amortised Cost | Fair Value through other comprehensive Income Amount | Fair Value through Profit and Loss | Amortised Cost |
| Financial Assets: | | | | | | |
| Investment: | | | | | | |
| - HUDCO Bonds | | | 30.12 | | | 30.12 |
| - Equity Instruments / Mutual Fund | 1,082.72 | - | | 766.00 | - | |
| - Liquid Mutual Funds (Fair-Value PNL) | | | | | | |
| Trade Receivables | | | 1,696.16 | | | 1,520.68 |
| Cash and cash equivalents | | | 365.99 | | | 503.13 |
| Other Bank Balance | | | 5,015.00 | | | 4,399.18 |
| Loans | | | 17.72 | | | 32.25 |
| Other Financial Assets | | | 2,640.32 | | | 3,593.40 |
| Financial Liabilities: | | | | | | |
| Lease Liability | | | 48.86 | | | 93.97 |
| Borrowings | | | 244.10 | | | 581.53 |
| Trade Payables | | | 609.68 | | | 711.03 |
| Other Financial Liabilities | | | 788.12 | | | 849.78 |

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

(₹ in lac)

| Particulars | As at 31 st March, 2023 | Fair Value Measurement at the end of the reporting period | | | As at 31 st March, 2022 | Fair Value Measurement at the end of the reporting period | | |
|-----------------------------------------------------------------|------------------------------------|-----------------------------------------------------------|---------|---------|------------------------------------|-----------------------------------------------------------|---------|---------|
| | | Level 1 | Level 2 | Level 3 | | Level 1 | Level 2 | Level 3 |
| Investments in Equity Instruments / Equity oriented Mutual Fund | 1,087.72 | 1,087.72 | - | - | 766.00 | 766.00 | - | - |
| Investments in Liquid Mutual Fund | - | - | - | - | | | | |

50. FINANCIAL RISK MANAGEMENT:

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Company grants credit terms in the normal course of business.

Investments:

The Company limits its exposure to credit risk by generally investing in liquid securities such as bank fixed deposits, Mutual Funds, etc. The Company does not expect any losses from such investments and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Trade receivables:

The Company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

(₹ in lac)

| Movement in the expected credit loss allowance on trade receivables | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|---------------------------------------------------------------------|------------------------------------------------|------------------------------------------------|
| Balance at the Beginning of the year | 27.57 | 30.08 |
| Additions | 66.77 | 8.37 |
| Write-offs | - | 10.88 |
| Recoveries | - | - |
| Balance at the end of the year | 94.34 | 27.57 |

Trade Receivables Ageing Schedule:

(₹ in lac)

| Particulars | Outstanding for following periods from due date of payment as on 31/3/2023 | | | | | | |
|------------------------------------------------|----------------------------------------------------------------------------|--------------------|--------------------|-----------|-----------|-------------------|----------------|
| | Not Due | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Undisputed Trade receivables - considered good | 1457.05 | 307.46 | 9.18 | 16.81 | 0.00 | 0.00 | 1790.50 |
| Total | | | | | | | 1790.50 |
| Less: Allowance for Credit Loss | | | | | | | 94.34 |
| Total Trade Receivables | | | | | | | 1696.16 |

| Particulars | Outstanding for following periods from due date of payment as on 31/3/2022 | | | | | | |
|------------------------------------------------|----------------------------------------------------------------------------|--------------------|--------------------|-------------|-----------|-------------------|-----------------|
| | Not Due | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Undisputed Trade receivables - considered good | 1378.95 | 164.48 | 4.68 | 0.13 | 0 | 0 | 1,548.25 |
| Total | 1378.95 | 164.48 | 4.68 | 0.13 | 0 | 0 | 1,548.25 |
| Less: Allowance for Credit Loss | | | | | | | 27.57 |
| Total Trade Receivables | | | | | | | 1,520.68 |

Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company has unutilised working capital loans from Bank, apart from that the Company maintains sufficient cash and other Bank Balances, hence it does not face any significant liquidity risk. Most of the surplus funds are kept in bank fixed deposits on long-term basis and the company's borrowings are in foreign currency under bill discounting at very low interest rate.

The table below provides details regarding the contractual maturities of significant financial liabilities:

(₹ in lac)

| Particulars | Less than 1 year | 1-3 years | More than 3 years | As at 31 st March 2023 |
|-----------------------------|------------------|-----------|-------------------|-----------------------------------|
| Lease Liability | 48.86 | - | - | 48.86 |
| Borrowings | 244.10 | - | - | 244.10 |
| Trade Payables | 609.68 | - | - | 609.68 |
| Other Financial Liabilities | 788.12 | - | - | 788.12 |

(₹ in lac)

| Particulars | Less than 1 year | 1-3 years | More than 3 years | As at 31 st March 2022 |
|-----------------------------|------------------|-----------|-------------------|-----------------------------------|
| Lease Liability | 45.11 | 48.86 | - | 93.97 |
| Borrowings | 581.53 | - | - | 581.53 |
| Trade Payables | 711.03 | - | - | 711.03 |
| Other Financial Liabilities | 849.78 | - | - | 849.78 |

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Foreign exchange risk

The Company's foreign exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in US Dollars, Euros,). As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues and expenses measured in Indian rupees may decrease or increase and vice-versa. The exchange rates between the Indian rupee and these foreign currencies have changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Company uses non-derivative financial instruments such as foreign currency financial liabilities, to mitigate the risk of changes in foreign currency exchange rates in respect of its Debtors and other recognized assets and liabilities.

a) Significant foreign currency risk exposure relating to trade receivables, cash and cash equivalents, borrowings and trade payables

(₹ in lac)

| Particulars | US \$ (converted in ₹) | Euro (converted in ₹) | Total as at 31 st March 2023 (in ₹) | US \$ (converted in ₹) | Euro (converted in ₹) | Total as at 31 st March 2022 (in ₹) |
|------------------------------|------------------------------|-----------------------------|------------------------------------------------------|------------------------------|-----------------------------|------------------------------------------------------|
| Financial Assets | | | | | | |
| Trade Receivables | 244.75 | 684.75 | 929.50 | 405.87 | 286.16 | 692.03 |
| Cash and Cash Equivalents | 18.11 | 40.66 | 58.78 | 53.09 | 54.20 | 107.28 |
| Financial Liabilities | | | | | | |
| Payables | 40.24 | 191.32 | 231.56 | 23.78 | 70.50 | 94.28 |
| Borrowings | 45.12 | - | 45.12 | 345.20 | 92.25 | 437.45 |

b) Sensitivity

For the years ended March 31, 2023 & March 31, 2022 every 5% strengthening in the exchange rate between the Indian rupee and the respective currencies for the above mentioned financial assets/liabilities would increase the Company's loss and decrease the Company's equity by approximately ₹ 35.58 Lacs and ₹ 13.38 Lacs respectively. A 5% weakening of the Indian rupee and the respective currencies would lead to an equal but opposite effect.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest rate risk

The company rarely utilizes overdraft / cash credit facilities which are at floating rate of interest, hence it is not exposed to high interest rate risk.

Commodity rate risk

Exposure to market risk with respect to commodity prices primarily arises from the Company's purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. These are commodity products, whose prices may fluctuate over short periods of time. Commodity price risk exposure is evaluated and managed through operating procedures.

Few of the products of the company come under National List of Essential Medicines (NLEM). The company follows the procedure laid down by the implementing authority i.e. National Pharmaceutical Pricing Authority (NPPA) with regards to NLEM products.

Going Concern:

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

51. DETAILS OF INVESTMENTS MADE COVERED UN/S 186 (4) OF THE COMPANIES ACT, 2013.

Investments made by the Company

(₹ in lac)

| | As at 31 st March 2023 Amount (₹) | As at 31 st March 2022 Amount (₹) |
|----------------------------------|-------------------------------------------------|-------------------------------------------------|
| HUDCO Bonds | 30.12 | 30.12 |
| Equity Instruments / Mutual Fund | 1,087.72 | 766.00 |

Refer note 3 and 9 for details

52. EVENTS AFTER THE REPORTING PERIOD

There are no events after the balance sheet date that requires disclosures.

53. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on 23rd May, 2023.

In terms of our report attached
For **D.R. Mehta & Associates**
Chartered Accountants
Firm's Registration No : 106207W

Vikram Mehta
(Membership No. 047347)
Mumbai, 23rd May, 2023.

For and on behalf of the Board of Directors of
Jenburkt Pharmaceuticals Limited

Ashish U. Bhuta
Chairman & Managing Director
(DIN No: 00226479)

Rameshchandra J. Vora
Director
(DIN No: 00112446)

Ashish R. Shah
Company Secretary

Dilip H. Bhuta
Whole Time Director & CFO
(DIN No: 03157252)

Arun R. Raskapurwala
Director
(DIN No: 00143983)

Bharat V. Bhate
Director
(DIN No: 00112361)

Hina Mehta
Director
(DIN No: 08719453)

Green Initiatives

Dear Shareholder,

Your attention is drawn to the Securities & Exchange Board of India (SEBI) circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, SEBI/HO/MIRSD/MIRSD_RTAMB/PCIR/2022/8 dated 25th January, 2022 and SEBVHO/MIRSD/MIRSD-PoD-I/P/CIR/2023/37 dated 16th March, 2023 mandating furnishing of valid PAN (PAN Linked with Aadhar), email address, mobile number, bank account details in form ISR-1, verification of signature in form ISR-2 and registration of nomination in form SH-13 or cancellation /variation of nomination in form SH-14 or declaration for opting-out nomination in form ISR-3 to the Company or its RTA, by 30th September, 2023. Non availability of any one of the above cited documents/details in your folio, the same will be frozen by the RTA from 1st October, 2023. Thereafter Shareholder will not be eligible to lodge grievances or avail service request from the RTA and will not be eligible for receipt of dividend in physical mode until they furnish the complete documents I details as aforesaid.

In view of the above, all shareholders holding shares in physical form are requested to furnish/update their valid PAN (PAN linked to Aadhar), email address, mobile number, bank account details, Signature Verification and Nomination with the Company or RTA.

Further, SEBI vide its Circular No.: SEBI/HO/MIRSD/MIRSD_RTAMB/PCIR/2022/8 dated 25th January, 2021 has mandated the listed companies to issue securities in dematerialized form only while processing service requests for issuance of duplicate certificate and other services in form ISR-4.

Following are the description, purpose of the forms and web-links of the forms available on the Website of the Company viz. www.jenburkt.com and its RTA viz. www.Bigshareonline.com.

| Form Name | Purpose and web-link of the forms |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ISR-1 | Request for registering PAN, KYC details or changes / updation thereof https://www.jenburkt.com/Other_Info/20212022/Form-ISR-1_Request-for-Registering-PAN-KYC-Details-or-Changes-Updation-thereof |
| ISR-2 | Confirmation of signature of physical securities holder by the Banker https://www.jenburkt.com/Other_Info/20212022/Form-ISR-2_Confirmation-of-Signature-of-securities-holder-by-the-Banker.pdf |
| ISR-3 | Declaration for opting-out of Nomination by holders of physical securities holder. https://www.jenburkt.com/Other_Info/20212022/Form-ISR-3_Declaration-Form-for-Opting-out-of-Nomination-new.pdf |
| ISR-4 | Request for issuance of duplicate certificate and other service requests by physical securities holder. https://www.jenburkt.com/Other_Info/20212022/Form-ISR-4-Request-for-Issue-of-Duplicate-Certificate-and-other-Service-Requests.pdf |
| SH-13 | Nomination Form https://www.jenburkt.com/Other_Info/20212022/Form_No_SH-13_Nomination_Form.pdf |
| SH-14 | Cancellation or Variation of Nomination https://www.jenburkt.com/Other_Info/20212022/Form-No-SH-14_Cancellation-or-Variation-of-Nomination.pdf |

Note: Shareholders holding shares in Demat form are also requested to furnish/update their KYC details, Nomination details, Bank account particulars, specimen signature and contact details to/with their respective DP in case the same is not done yet.

Financial Highlights (Ten Years)

(₹ in Lac)

| Description / Financial Year | 2022-23 (IND-AS) | 2021-22 (IND-AS) | 2020-21 (IND-AS) | 2019-20 (IND-AS) | 2018-19 (IND-AS) | 2017-18 (IND-AS) | 2016-17 (IND-AS) | 2015-16 | 2014-15 | 2013-14 |
|---------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------|----------|----------|
| PROFIT & LOSS ACCOUNT | | | | | | | | | | |
| Revenue from operations | 13,674.92 | 12,398.04 | 10,929.42 | 11,889.09 | 12,264.43 | 11,467.42 | 10,330.60 | 9,429.95 | 8,634.02 | 7,737.97 |
| Other Income | 512.32 | 494.87 | 430.85 | 421.83 | 340.97 | 339.40 | 295.52 | 337.77 | 226.48 | 163.62 |
| Gross Revenues /Income | 14,187.24 | 12,892.91 | 11,360.27 | 12,310.92 | 12,605.40 | 11,806.82 | 10,626.12 | 9,767.72 | 8,860.50 | 7,901.59 |
| Profit before depreciation, interest and tax (PBDIT) | 3,549.08 | 3,220.39 | 2,415.08 | 2,396.27 | 2,837.23 | 2,718.13 | 2,267.60 | 1,919.81 | 1,735.55 | 1,314.69 |
| Profit before Tax | 3,286.47 | 2,987.09 | 2,164.17 | 2,113.78 | 2,663.34 | 2,526.89 | 2,047.89 | 1,682.83 | 1,434.00 | 1,032.88 |
| Profit after Tax (PAT) | 2,460.70 | 2,229.72 | 1,650.24 | 1,486.96 | 1,979.78 | 1,721.22 | 1,350.77 | 1,077.90 | 964.92 | 750.63 |
| Dividend | 635.52 | 550.73 | 468.12 | 1,012.49 | 331.97 | 618.97 | - | 402.90 | 352.53 | 275.58 |
| Dividend (₹) on 10/- paid-up | 14.40 | 12.00 | 10.20 | 8.10 | 10.20 | 9.00 | 8.10 | 7.20 | 6.30 | 5.10 |
| BALANCE SHEET | | | | | | | | | | |
| Share Capital | 441.33 | 458.94 | 458.94 | 458.94 | 458.94 | 458.94 | 464.93 | 464.93 | 464.93 | 464.93 |
| Reserves & Surplus | 11,797.64 | 11,279.31 | 9,387.69 | 7,541.49 | 7,287.61 | 5,667.09 | 4,978.74 | 3,553.94 | 2,878.94 | 2,265.73 |
| Net worth | 12,238.97 | 11,738.25 | 9,846.63 | 8,000.43 | 7,746.55 | 6,126.03 | 5,443.67 | 4,018.87 | 3,343.87 | 2,730.66 |
| Long Term Loans / Provision | 294.31 | 343.11 | 390.44 | 426.46 | 274.38 | 302.39 | 316.86 | 312.51 | 269.92 | 261.23 |
| Capital Employed (A+B+E): | 7,673.49 | 6,623.46 | 7,292.31 | 8,158.79 | 7,763.41 | 6,242.05 | 5,621.67 | 4,333.21 | 3,625.57 | 3,595.15 |
| Net fixed assets (A) | 1,044.94 | 1,139.86 | 1,055.01 | 1,172.79 | 959.18 | 956.83 | 1,062.64 | 1,210.65 | 1,160.45 | 1,357.05 |
| Capital Work in Progress (B) | 95.67 | 21.17 | 37.76 | 11.81 | 99.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Current Assets (C) | 8,109.06 | 7,590.41 | 7,998.72 | 8,954.27 | 8,966.79 | 6,592.16 | 6,388.60 | 4,530.93 | 4,860.35 | 3,818.06 |
| Current Liabilities (D) | 1,576.18 | 2,127.98 | 1,799.18 | 1,980.08 | 2,261.56 | 1,306.94 | 1,829.57 | 1,408.37 | 2,395.23 | 1,579.96 |
| Net Current Assets (C-D)= (E) | 6,532.88 | 5,462.43 | 6,199.54 | 6,974.19 | 6,705.23 | 5,285.22 | 4,559.03 | 3,122.56 | 2,465.12 | 2,238.10 |
| Investments | 1,117.84 | 796.12 | 650.07 | 249.67 | 185.61 | 162.82 | 138.64 | 61.32 | 31.21 | 31.21 |
| RATIO & STATISTICS | | | | | | | | | | |
| PBDIT as % of gross revenue | 25.02 | 24.98 | 21.26 | 19.46 | 22.51 | 23.02 | 21.34 | 20.36 | 20.10 | 16.99 |
| PAT as % of gross revenue | 17.34 | 17.29 | 14.53 | 12.08 | 15.70 | 14.58 | 12.71 | 11.43 | 11.18 | 9.70 |
| ROCE % | 32.47 | 33.66 | 22.75 | 18.25 | 25.50 | 27.57 | 24.03 | 24.88 | 26.61 | 20.88 |
| RONW % | 20.11 | 19.00 | 16.76 | 18.59 | 25.56 | 28.10 | 24.81 | 26.82 | 28.86 | 27.49 |
| Current Ratio | 5.14 | 3.57 | 4.45 | 4.52 | 3.96 | 5.04 | 3.49 | 3.22 | 2.03 | 2.42 |
| Earning per share (₹) | 53.90* | 48.58 | 35.96 | 32.40 | 43.14 | 37.50 | 29.05 | 23.18 | 20.75 | 16.15 |
| Book Value per equity share (₹) | 173.87 | 160.40 | 158.90 | 177.78 | 168.79 | 133.49 | 117.09 | 86.44 | 71.92 | 58.73 |

* During the current year weighted average number of equity shares are used for calculating Earnings Per Share (EPS) on account of buyback of shares.

Follow us on

(1) Facebook: <https://www.facebook.com/zixapainrelief>

(2) Instagram: <https://www.instagram.com/zixapainrelief/>

(3) Twitter: <https://twitter.com/zixapainrelief>

(4) YouTube Channel: <https://www.youtube.com/channel/UCip8o7vHulKBXFnQWYJvCA>




BOOK POST



Delivering Excellence in Life Sciences

Jenburkt Pharmaceuticals Limited

 Nirmala Apartments, 93, J. P. Road, Andheri (W), Mumbai 400058, India.

 +91-22-67 603 603  +91-2266 943 123  investor@jenburkt.com