

STRONGER

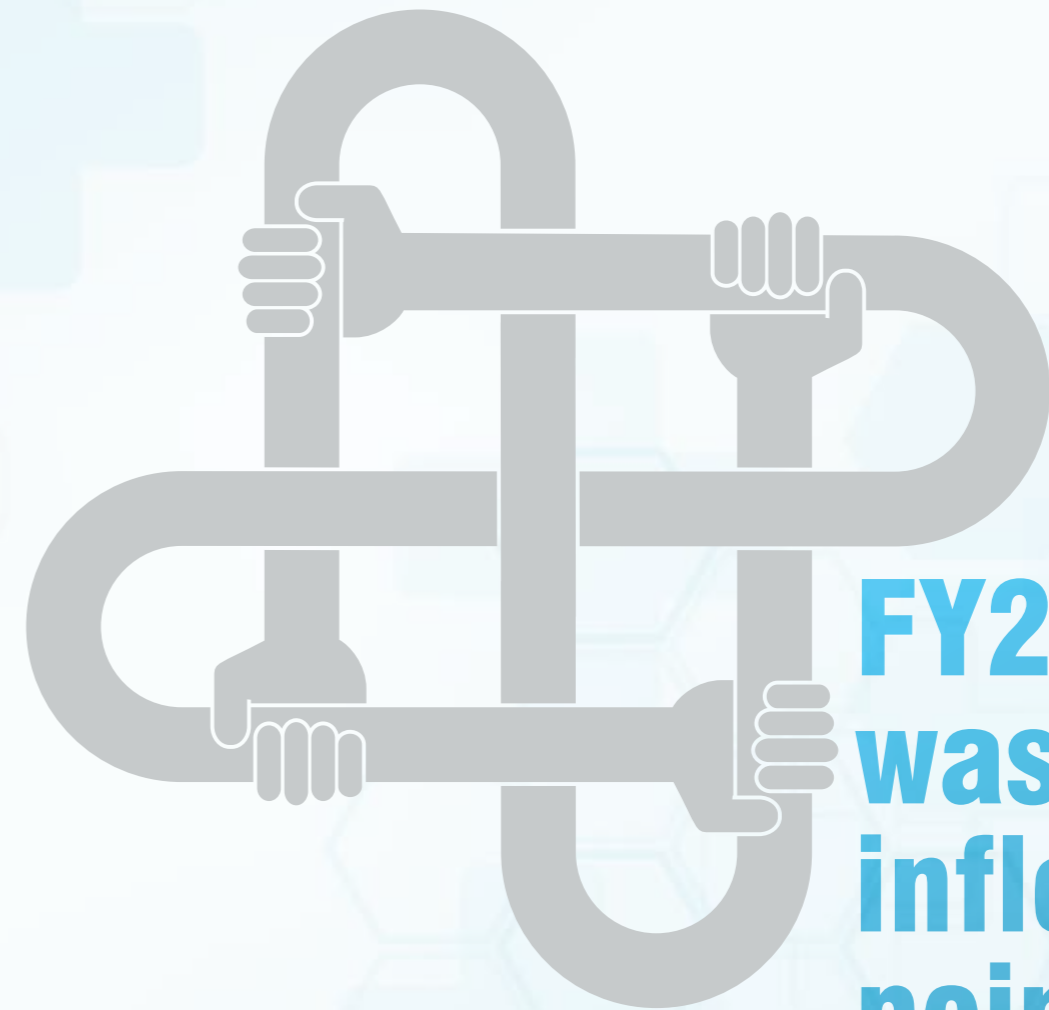
VENUS REMEDIES LIMITED

ANNUAL REPORT 2020-21



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**FY21
was an
inflection
point for
Venus...**

For any company, loaded in debt, embroiled in legal tangles and mired in losses, the chances of a turnaround would seem very dismal.

And, when the challenges of the pandemic get added to its existing woes, survival would appear a distant dream.



But not for Venus Remedies.

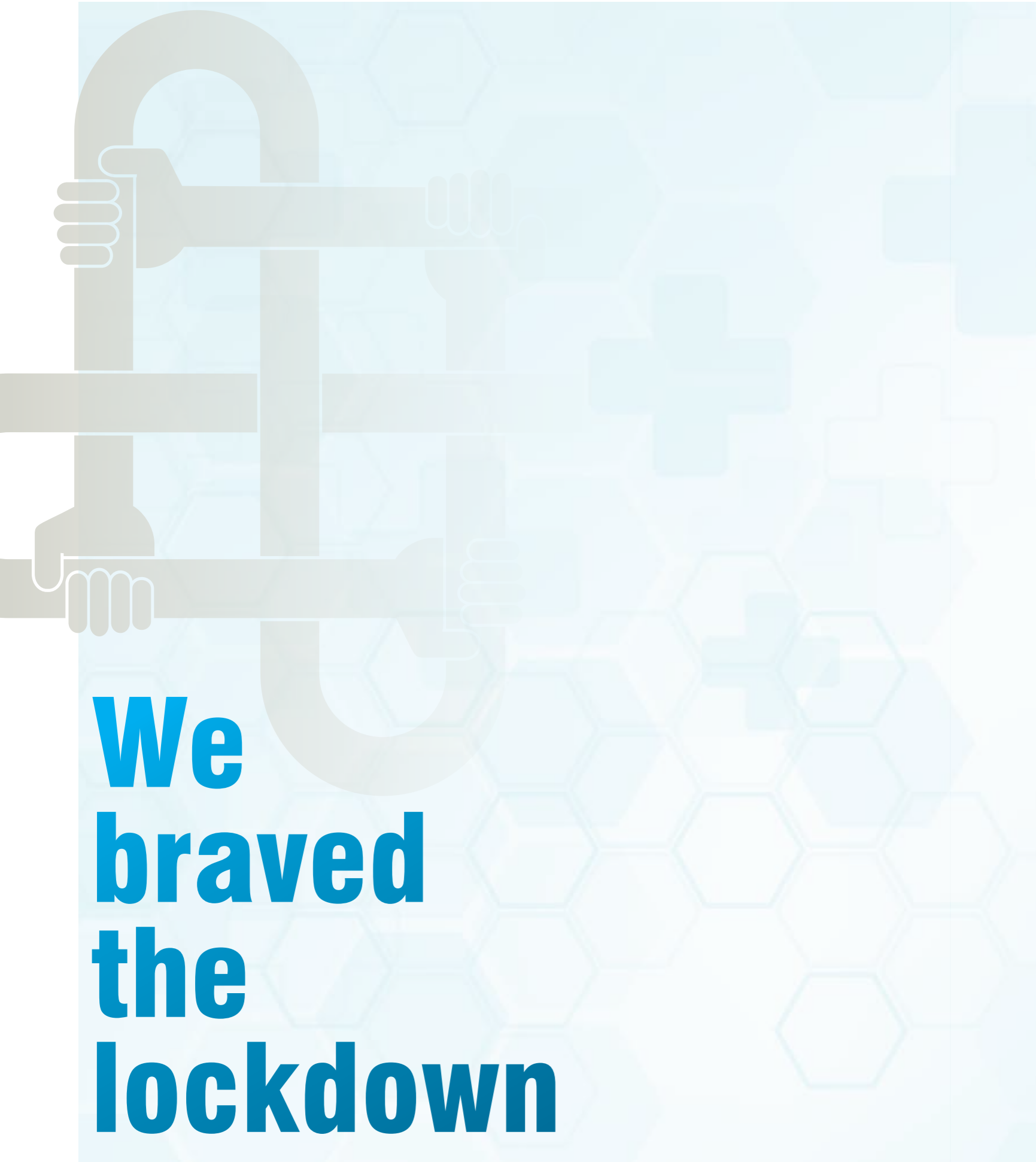
Because...

...when all doors seem to close upon it, Venus bounced back with that much more power.

...when the chips were down, Venus lifted its sprits with immense grit and determination

...when naysayers had written them off, Venus determined to re-write a winning script that turned the tide in its favour.

FY21 made Venus that much more STRONGER.



We braved the lockdown

The abrupt nation-wide lockdown to contain the pandemic dealt a body blow to Venus's plans.

Unlike most other industries who sulked over loss of material-in-process, Venus faced the challenge of survival; loss of in-process material only added to its challenge.

Venus has GMP-approved sterile units (making vials). It needs to be in continuous operations, or shut down as per defined protocols which takes days, the luxury of which was not provided.

Venus could have lost its GMP accreditation, which would

jeopardise 75% of its revenue (accruing from exports.) The Company would have lost its credibility in 75+ global destinations.

Members from our operations team came together, after getting all government clearances, to take care of our equipment as per GMP articulated guidelines.



We readied our plants. We commenced operations seamlessly.

We delivered against all odds

Venus won a huge tender from Mexico in April 2020.

It was the largest in our history, but there was the looming fear of the pandemic. We could not let it go. But the challenges were multi-fold.

Manufacturing the product. And delivering it on time. Despite the prevailing logistical and operational challenges.

At the operational level, getting our people to the plant was a daunting task. Because our plants are located in Haryana and Himachal Pradesh and our people come from Chandigarh, Punjab, Haryana and Himachal Pradesh; each with its own restrictions.

Our Administration and HR teams worked day and night to secure permissions to get our people to work. We made special arrangements for our people's boarding and lodging. Our Covid Task Force secured the safety and health of our people and their families.

Our operational team worked relentlessly to manufacture the product.

The next task was to reach the product to Mexico. Our supply

chain team went above and beyond to deliver the material to the other end of the world.

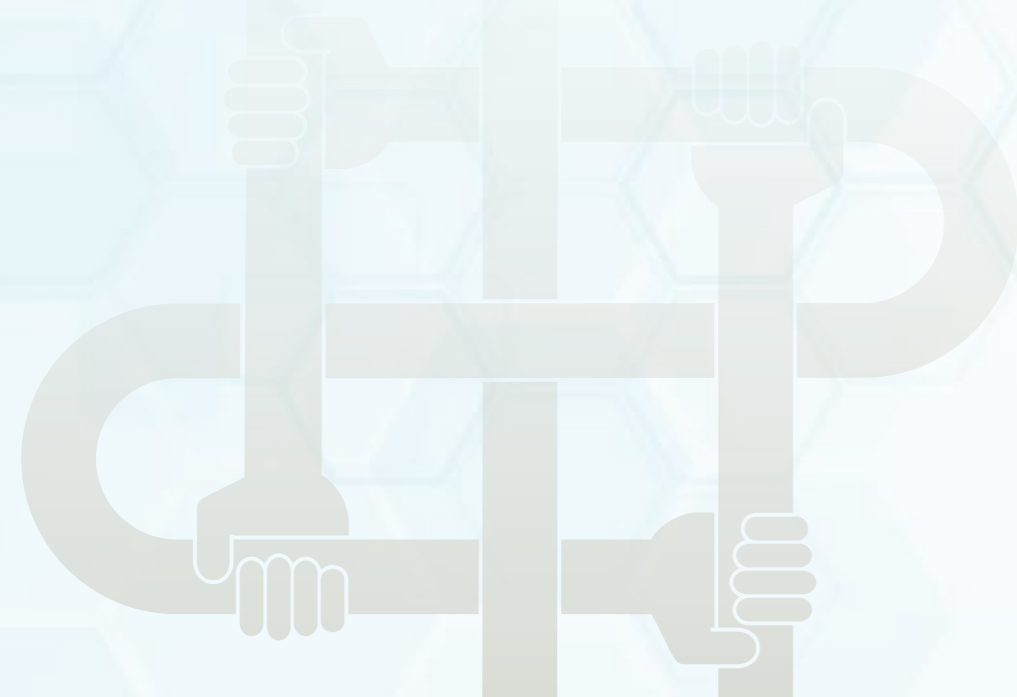
At a time when normal logistical channels were significantly disrupted, the team adopted a multi-modal strategy – air, sea and surface transport - to ensure that the material reached our client safely and in time.



We delivered. We earned respect.



We stood tall in the hour of need



You must be aware of instances of blood clotting among Covid-19 patients.

Enoxaparin, an anti-coagulant featured as part of the Covid-19 treatment protocol. It was used for every hospitalisation case, ICU and general ward patients alike, to prevent blood clotting.

As Covid-19 positive hospitalisation cases jumped between July & September 2020, demand for this product leapt considerably and this spike transpired in a matter of weeks.

While scaling up was tough owing to the sheer size, what

made it more perplexing is that the API is based on a biological source, and was imported from China. As such, the supplies were limited.

It was a question of saving lives. It was the need of the hour. It needed an extra special effort.

We, at Venus, leveraged our relationships, which we have been nurturing for some time now, to secure the API. We airlifted the API to our facilities. We emerged as the largest supplier of this product among many others who also make this drug.



When India asked. We responded with speed.



We made it happen

Venus had announced a deal with Cipla for monetising our Intellectual Property 'Elores' for an agreed sum.

It was a big deal for us. Because it was the first opportunity to monetise our niche research molecule. Unfortunately, it did not go as per plan.

We determined to make it happen. We created a team. We interacted with our stakeholders. We detailed every aspect of the contract. We worked collectively to streamline operations.

And this intense collaboration happened digitally, even as the pandemic raged outside. In August, 2020 the deal was finally approved. We received the funds. We deployed them as planned - to deleverage the organisation. As on March 31, 2021, our secured debt balance was 'Zero'.



We make the organisation solid. We ensured that the business remained liquid.



How are we stronger today?



We are debt free

We save on interest costs.



Our quarterly revenue in FY21 was in three digits

We are confident of keeping it that way going forward.



Our global marketing presence extended to 75 nations

We will strengthen our presence in each geography to maximise our growth.



We monetised our Intellectual Property

It should provide revenue visibility. And open doors for other such lucrative opportunities.



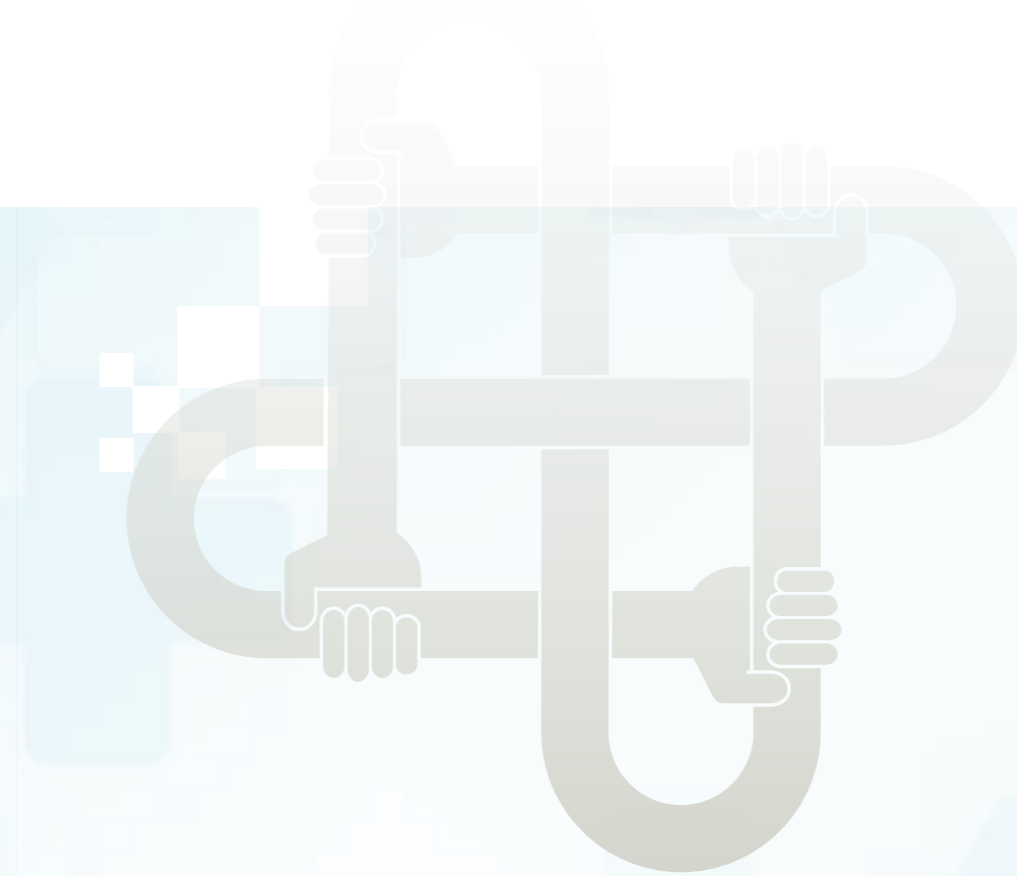
Our people are on a high

They delivered a stellar performance in one of the most challenging years in the last decade.



We turned from red to black

We delivered profits after a span of long years. Now, we have set our eyes on higher goals.



About Venus

Among India's Top-20 pharmaceutical R&D spenders.

Among India's Top-50 pharmaceutical manufacturing companies

One of the very few Indian companies focused on combating AMR.

A research-driven organisation with an expansive global footprint extending over 75 nations.

Headquartered in Chandigarh, India, Venus features among the leaders providing innovative solutions to unmet medical needs in the field of antimicrobial resistance (AMR), oncology, skin & wound care and pain management.

Under the leadership of Mr. Pawan Chaudhary, the Company has the right blend of spectrum, vision, talent and capabilities that enable it to actualize its goal.

The Company has manufacturing facilities that manufacture world-class products that find acceptance in advanced and developing pharmaceutical markets. Its GLP accredited Venus Medicine Research Centre (VMRC) is committed to bring to the world novel breakthroughs that cater to critical care and super specialty segment.

3 Manufacturing facilities	1,000 Team size	458.40 Capital employed (₹ crore)
548.12 Revenue (₹ crore)	61.76 Net Profit (₹ crore)	
50.04 Earnings per share (₹)	324 Book value per share (₹)	400.28 Shareholders' Fund (₹ crore)
340 Market Capitalisation (₹ crore)		

Vision

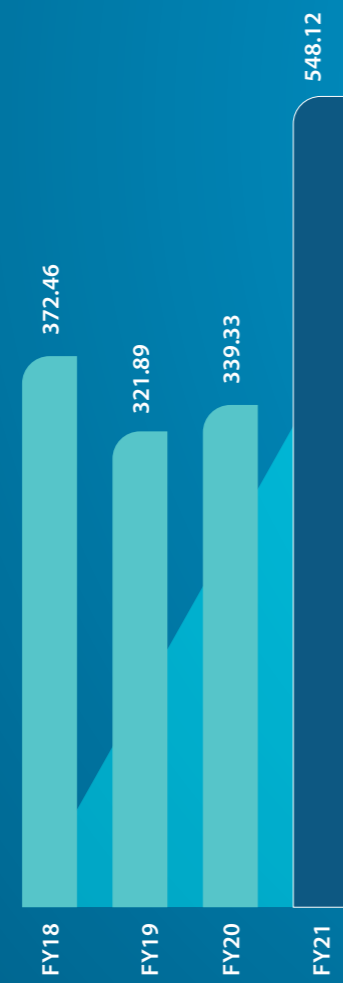
To leave a positive footprint on human health by creating an institution that transcends the mortal being.

मानव स्वास्थ्य पर सकारात्मक पदचिन्ह छोड़ने के लिए एक ऐसी संस्था का निर्माण करना जो प्राणीमात्र के अस्तित्व से परे, शाश्वत हो।

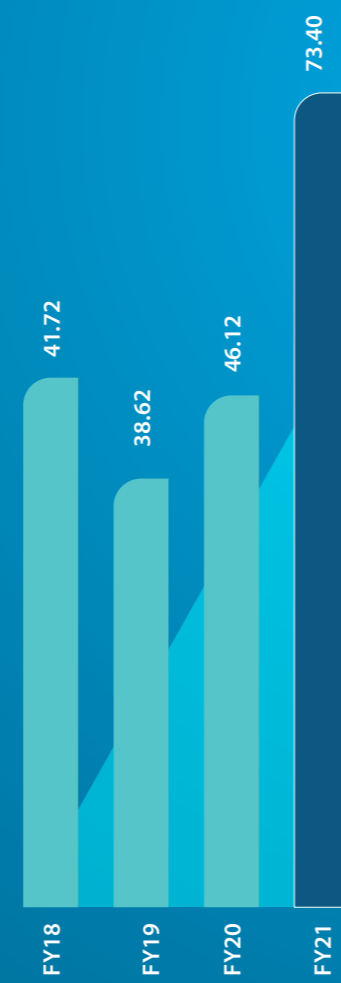
Mission 2025

- To foster innovative therapies targeting Antimicrobial Resistance.
- To achieve a turnover of ₹ 1000 crore.
- To create brand equity among healthcare providers and consumers.
- To augment human skill through technology for modern workforce, ready for the fourth industrial revolution.
- To establish global presence in 100 countries.
- To improve the quality of life of the informed Indian consumer by providing best-in-class healthcare solutions.
- To achieve fiscal independence and maintain a net debt-free status.
- To create a robust infrastructure for maintaining and acquiring global quality accreditation.
- To stimulate the economic, Intellectual, and social progress of every employee of the organization.
- To adopt clean energy and ensure responsible consumption & production practices for a sustainable planet.

Key Performance Indicators



Revenue from operations (₹ crore)



EBITDA (₹ crore)



Net Profit (₹ crore)



Shareholders Fund (₹ crore)



Debt-equity ratio (x)

From the
Chairman's desk

We have, with great team work and daunting spirit, overcome the headwinds that held us back in yester years. We will leverage these learnings to draw the contours of our strategic path forward. While we move ahead with agility, we do so diligently.



Dear shareholders,

I link this piece with immense satisfaction. More so, a sense of celebration. This is owing to what we have achieved in FY21. It is an inflection point in the journey.

FY21 held special significance for Venus. It was the last year of our Vision 2020.

We entered into FY21 with considerable stress. We were way off from our set goals for 2020.. We had issues with some of our business partners. We were saddled with debt. And the pandemic hit India which only added to the challenges.

But we overcame it all. And we managed to check off most of what we have articulated in our Vision statement. We challenged the challenges. We braved the odds. We worked harder and smarter. We did better business. Having been pushed to the wall, and with

our survival being questioned. We fought one last time. With our heart and mind.

As a result, we monetised our intellectual capital. We widened our global footprint. We increased our market share in key markets. We increased business liquidity. We repaid all our secured debt. We improved our working capital cycle. We earned net profit.

This happened primarily owing to unwavering passion and disciplined determination of our team who braved the pandemic, stayed in makeshift homes, worked tirelessly round the clock only to ensure that we remained committed to our customer commitments. I salute these brave hearts. This year is dedicated to them.

At the end, we emerged **STRONGER** – from a business standpoint and from a financial perspective.

When critiques questioned our survival, we delivered success.

Now starts the more important task – of sustaining this success. For this we have drawn a comprehensive 5-year blueprint of what we wish to do. This strategy, I am confident, will strengthen the organisational edifice to enable the business to leapfrog into a higher orbit.

1) Product strategy: We realised that a sizeable portion of the products launched have become increasingly genericised. While the topline increased, margins remained squeezed. Moreover, in the international markets, we are competing with large global players with similar products. Hence, we have sharpened our efforts on altering our product mix with the objective of improving our profitability.



We have shortlisted about 25 products, each of which have a sizeable market size. On the one hand, we have developed a go-to market strategy for each product as every market because all markets are not equally rewarding for all products. On the other hand, our R&D is readying the products for launch. We should see some of them see the light of day in the next 18-24 months. This, we believe, will help us improve business profitability over the coming years.

2) R&D strategy: Elores has provided important learnings for the organisation, especially for the R&D team which is the building block for everything

we do at Venus. Imbibing this learning, we have decided to alter our R&D strategy. So, even as we will continue to focus on the antibiotics therapy, we will cherry-pick prospects that are difficult to develop on to complex chemistry, but relatively easier to market. This will significantly cut-down our mind-to-market cycle.

One would wonder, why is Venus continuing to focus on antibiotics. There are two reasons for that. 1) We have been in this space for more than 20 years and it is the largest contributor to both our top and bottom lines. We understand this space well. 2) Antibiotic resistance remains a huge concern and a continuous effort over long

term will create tremendous value for companies that remain committed to the cause.

In the antibiotics space, we are not into the commodity space. we are leveraging novel technologies that will enhance the safety and efficacy of existing drugs, enhancing their shelf life. This positions us in the value-added segment within this therapy.

Creating new capabilities:

In the generics space, one has to scale the complexity barometer. At Venus, we are also looking to strengthen our product basket with more complex products. For this, we are debating on the prospects

of biopharmaceutical space. For this, we will be creating capabilities from within our existing infrastructure.

3) New vertical: We are charted our plan to enter the lucrative consumer healthcare space.

We plan to introduce disruptive products over the next five years, covering key segments like pain management, gastroenterology, hygiene, stress management, vitamins, and supplements. As a start, we will enter the pain management segment which is poised to grow at a faster clip than the overall ₹ 30,000 consumer healthcare space.

4) Technology & talent:

Over the last two years, our Sankalp has been technology and talent. We have done considerable work in both these areas.

We have adopted state-of-the-art technology to expand our product reach to stockists and retailers directly, creating a unique virtual marketplace. This will allow the current brick and mortar pharmacies to compete with the new-age virtual pharmacies and the large pharmacies of the new world. This virtual marketplace would adopt the supply chain akin to the Amazon model; we have taken all the B2C technologies and applied them to the B2B model. We are among the first to be doing this kind of marketing. This is typically the advantage of our size; we can take out-of-the-box decisions faster and implement them with greater speed and agility. We wish to make this increasingly scalable as we go forward.

On the talent space, it is going to be transformative. Venus has never compromised on its talent pool, and we will not do so even in the coming years. We have set ourselves an ambitious target - of emerging as a preferred place to work.

On the one hand, we will engage with and onboard talent selectively who will infuse new ideas into the Company. While on the other, we will create an ecosystem that nurtures skill, offers opportunity to do take challenging projects and provides a platform for accelerated growth.

This, I am confident, will help us to operate with a start-up like agility with enterprise-like resources.

Overall endeavour: We will be more focused on value-creation. We will not create 20 drugs and be one among the rest in all. We will rather focus on cherry picking 5 drugs and being the best in class in all five. We have, with great team work, and daunting spirit, overcome the headwinds that held us back in yester years. We will leverage these learnings to draw the contours of our strategic path forward. While we move ahead with agility, we do so diligently.

The journey ahead of us is indeed riveting. We, at Venus, shall continue our focus on technology, efficiency

We plan to introduce disruptive products over the next five years, covering key segments like pain management, gastroenterology, hygiene, stress management, vitamins, and supplements. As a start, we will enter the pain management segment which is poised to grow at a faster clip than the overall ₹ 30,000 consumer healthcare space.

improvement, sustainable manufacturing, and exports. Having said that, we will ensure that our growth does not come at the cost of the environment. For this we have carefully drawn the contours of our Mission 2025 to align with the Sustainable Development Goals (SDGs) set by the United Nations to achieve a better and more sustainable future for all.

I take the occasion to thank the entire team for their unflinching dedication to our clients and our business. I express my sincere gratitude to my fellow Directors for their commitment in drawing the path forward for your Company. I also thank our other stakeholders, who continue to be our partners in growth. I also place on record my deep appreciation to all our loyal and valuable shareholders for their continued confidence and support.

Warm regards

Pawan Chaudhary

Chairman



Management Discussion & Analysis

About our ecosystem

Global economy: Despite a steep decline in early 2020, the world economy rode a rebound that began and remains on track to surpass pre-pandemic GDP levels by the end of this year—setting the stage for strong post-recovery growth in 2021. For CY20 however, the global economy slipped with the GDP having contracted by 3.3% over the CY19.

International trade, industrial production and investments rebounded, and business confidence improved during the second half of 2020. However, emerging market economies and developing countries have been hit harder and are expected to suffer significant medium-term losses.

Prospects for the global economy have improved considerably, but to a different extent across geographies.

The world economy looks brightened, as the global GDP is projected to grow at 6% in 2021 and 4% in 2022 as consumption, investment and trade are expected to gradually improve. But the recovery is likely to remain uneven and dependent on the effectiveness of vaccination programmes and public health policies adopted by different nations.

Though economies around the world suffered from the impact of Covid-19, some continue to do so even now, but global pharmaceutical sector came under the spotlight as the frontline warrior in the world's fight against Covid-19. According to the International Federation of Pharmaceutical Manufacturers & Associations (IFPMA) the pharma industry made a significant contribution to economies across geographies.



Indian economy: India's economic performance largely mirrored the global economy. A sharp dip in the first half followed by an equally sharp recovery in the second.

Although India reported a contraction in its GDP by 7.3% in FY21, the heartening feature was the recovery – India's GDP grew by 0.4% and 1.6% in the third and fourth quarter of FY21 respectively.

The agricultural sector reported healthy growth owing to good harvest, although it was a tad lower than the previous fiscal – it grew by 3% in FY21 against 4.3% in FY20. This was primarily responsible to keeping the rural economy alive. Industry and services were estimated to contract by 9.6% and 8.8% respectively during FY21

Industrial activity, which took a beating in the first half of

FY21 owing to the nationwide lockdown and the fear of the pandemic, registered a smart recovery with the phased unlocking. The Nikkei Manufacturing Purchasing Managers' Index, compiled by IHS Markit remained above the 50 mark for eight straight months ending March 2021 (it was at 55.4 in March 2021). A figure above 50 indicates expansion, while sub-50 signals contraction.

With the pick-up in manufacturing activity, GST collections crossed the ₹ 1 lakh crore mark during the last five months of FY21. Net indirect tax collection in FY21 grew to ₹ 10.71 trillion, exceeding the previous year benchmark at ₹ 9.54 trillion.

As India looked to accelerate its economic resurgence, the second wave of the pandemic hit India – this time urban and rural areas were severely

impacted. But a strong-willed nation flattened the pandemic curve in a shorter time period, albeit with considerable loss of lives and livelihoods.

With the phased unlocking by the various state governments, economic activity has resumed once again. According to a report by rating agency ICRA, the economic recovery has gained momentum after lifting of the localised lockdowns imposed in the aftermath of the second wave, but remains incomplete.

While economic growth could get impacted in the first quarter of FY22, economic opinion makers are optimistic of a double digit growth. The RBI has projected India's FY22 gross domestic product (GDP) forecast at 10.5%.



India remained a preferred investment destination in FY21 with FDI pouring in amidst global asset shifts towards equities and prospects of quicker recovery in emerging economies. The nation received US\$ 64 billion in foreign direct investment (FDI) in 2020, which makes the fifth largest recipient of inflows in the world.

About our business space

Global pharmaceutical sector:

The global formulation market was estimated to be around US\$1,137 billion in 2020 and is expected to grow at a CAGR (2020–2026) of 3.4% to reach to about US\$1,386 billion by 2026. This growth is largely attributed to the launch of novel therapies, expansion of existing therapies, growing demand for generic medicines, biologics and personalised medicines as well as accelerated demand for effective treatments and drugs.

Therapy trends: The global pharmaceutical industry is rapidly transforming across all value chains from manufacturers, providers and patients.

The global pharmaceutical market is segmented by two types: traditional

pharmaceutical and specialty pharmaceutical.

While traditional pharmaceutical dominates the global pharma space currently, the specialty segment is gaining share owing to the increasing incidence of chronic and life-threatening conditions. Currently, about 36% of total pharmaceutical spending in the commercial market is specialty medications.

According to IMS Institute for Healthcare Informatics, about 42% of drugs in the late stage of the FDA approval process are specialty medications. Global Specialty Pharmaceuticals Market is expected to be US\$568 billion by 2026.

North America dominates the global specialty

pharmaceuticals market owing to heavy investments in R&D initiatives, technological expansions and integration of pioneering technologies, presence of major players and high occurrence of lifestyle-related diseases. Asia-Pacific market is expected to witness a strong growth rate majorly due to high population growth rate, growing prevalence of chronic diseases and rising adoption of advanced technologies.

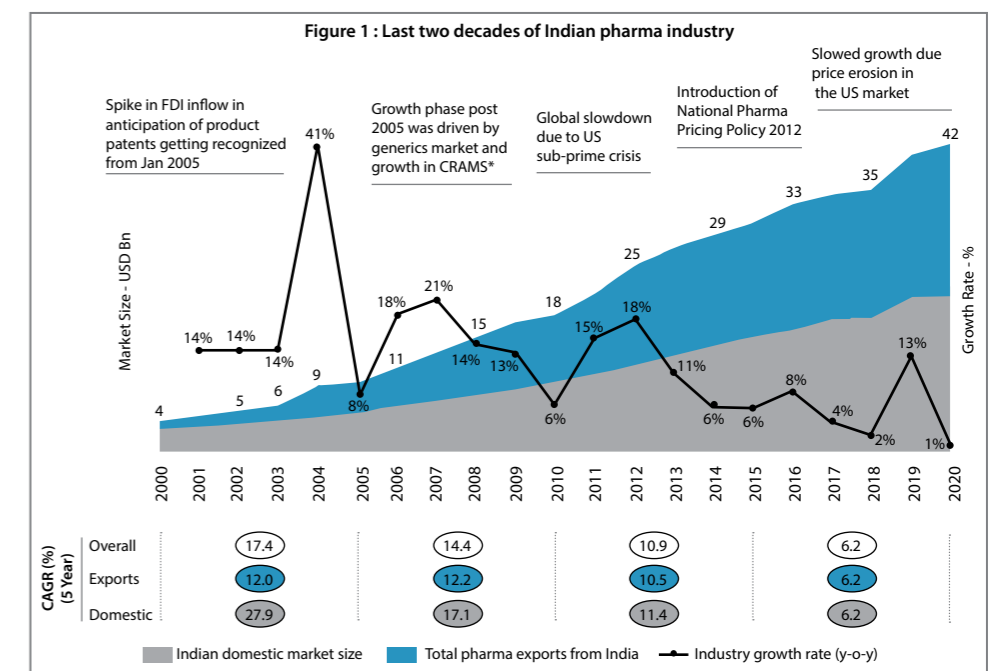
As per World Health Organisation (WHO), chronic disease risks and deaths are increasing rapidly, especially in pharmerging countries. According to WHO, almost 23.6 million people will die from cardiovascular diseases, mainly from heart disease and stroke by 2030.



Indian pharmaceutical sector:

The Indian pharma industry has achieved significant growth in both domestic and global markets during the past five decades. From contributing just 5% of the medicine consumption in 1969 (95% share with the global pharma), the share of “Made in India” medicines in Indian pharma market is now a robust 80% in 2020. More importantly, during the same period, the country has also established leading position in the global generic pharmaceuticals landscape and is now known as the “Pharmacy of the World”. The pharma industry in India contributes more than 20% by volume of the global generics market and 62% of the global demand for vaccines. Popularly called the “archetype of affordable healthcare,” the industry has

The Indian pharmaceutical market crossed the ₹1,00,000 crore mark in November 2020 on the basis of Moving Annual Total (MAT) for the first time.



*CRAM : Contract Research and Manufacturing
Source : EY analysis

significantly contributed towards improving public health outcome, both in India and across the globe.

Pharma sector & economy:

The pharma sector has been contributing significantly to India's economic growth as one of the top 10 sectors in reducing trade deficit and attracting the Foreign Direct Investment (FDI). The drugs and pharmaceuticals sector attracted cumulative FDI inflow worth US\$16.54 billion between April 2000 and June 2020. It is of prime importance also due to the trade surplus it has been generating with pharmaceuticals exports accounting for US\$20.7 billion and imports at US\$2.31 billion in FY20. The industry employs over 2.7 million people either directly or indirectly, and ranks third in terms of volume and 14th in terms of value globally.

Pharma & it's global connect:

Indian pharma exports reached US\$20.7 billion in FY20 with year-on-year growth of 8.4% (exports size was US\$19.1 billion in 2019). They have grown at a CAGR of 6.2% between 2015 and 2020.

This was largely driven by exports of generics drugs to >200 countries (including both developed and developing markets). India is the source of 60,000 generic brands across 60 therapeutic categories. The

country accounts for 40% of the generics demand in the US and ~25% of all medicines in the UK.

Indian pharma manufacturers export nearly half of the pharma production, both in terms of volume and value, to the US, UK, South Africa, Russia and other countries. However, there remains a significant opportunity, largely untapped across Japan, China, Australia, ASEAN countries, Middle East region, Latin Americas and other African countries. Some of the factors impacting lower penetration of these regions are —relatively slower paced entry strategy, long negotiations cycle, regulations emphasising on local manufacturing, volatility

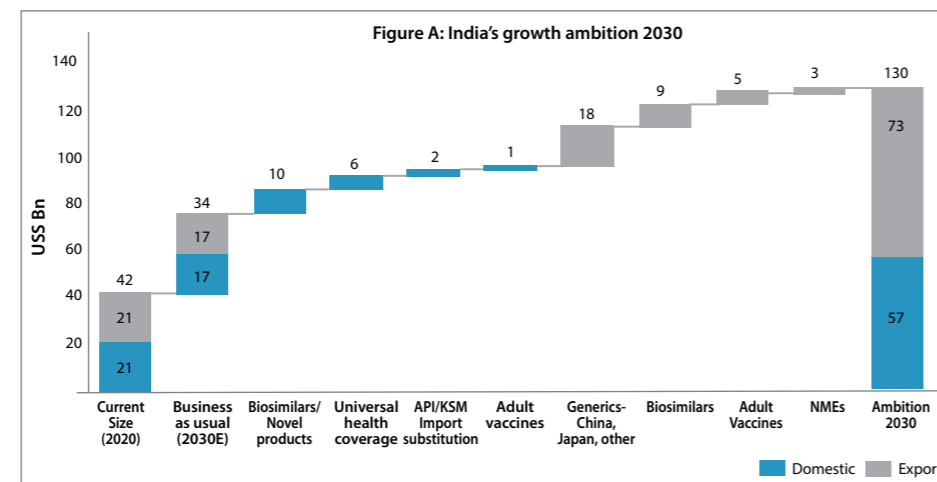
in the global prices, patent recognitions, disharmony in drug registration process, lack of guidelines on regulation of bio-similars, bioequivalence studies and delayed market approvals.

Further in the vaccine market, India exports vaccines to >150 countries. It contributes 40%-70% of the World Health Organisation's (WHO's) demand for Diphtheria, Pertussis and Tetanus (DPT) and Bacillus Calmette–Guérin (BCG) vaccines, and 90% of the WHO demand for the measles vaccine.

Export performance in FY21: India's pharmaceutical exports grew 18.7% to US\$24.44 billion in the financial year ended March 31, spurred by strong demand for the

country's generic drugs. The industry posted its best export performance in value terms despite the global pharma market shrinking by 1-2% in 2020. This was due to a surge in demand for made-in-India generics, owing to their quality and affordability.

Pharma & India: The domestic pharmaceutical market size has reached ~US\$42 billion in 2021. The anti-infective segment is the leading indication with ~14% market share of the total domestic pharma business and continues to witness double digit growth. Other segments that are growing in double digit include diabetes, cardiovascular disease and respiratory.



Going forward: According to the Indian Economic Survey 2021, the domestic market is expected to grow 3x in the next decade. India's domestic pharmaceutical market is estimated at US\$ 42 billion in 2021 and likely to reach US\$ 65 billion by 2024 and further expand to reach ~US\$ 120-130 billion by 2030.

Government thrust on pharma:

Although India is recognised as the Pharmacy of the World, it features among those countries with the lowest public healthcare budget in the world.

India's total healthcare spending (out-of-pocket and public), at 3.6% of GDP, as per OECD, is way lower than that of other countries. The average for OECD countries in 2018 was 8.8% of GDP. Developed nations—the US (16.9%), Germany (11.2%), France (11.2%) and Japan (10.9%)—spend even more. India spends the least among BRICS countries: Brazil spends the most (9.2%), followed by South Africa (8.1%), Russia (5.3%), China (5%). With public healthcare infrastructure stretched, out-of-pocket expenditure in urban centres is high in India. The Centre spends less as public health and sanitation are on the State list.

The Covid-19 pandemic crisis is a reminder of the importance of investing in the healthcare sector for any country. To provide the much needed boost, the Government has taken important steps. They include:

1) Announced a Production linked incentive (PLI) scheme for the pharma industry worth ₹15,000 crore (US\$2.04 billion) to promote domestic manufacturing of critical key starting materials (KSM), drug intermediates, and active pharmaceutical ingredients (APIs) making India a leading supplier. The Government has approved a total of 33 applications with a committed investment of ₹ 5,082.65 crore under a separate PLI scheme for APIs

2) Increased thrust on rural health programmes, lifesaving drugs and preventive vaccines

3) Plan for a mega bulk drug parks to reduce raw material dependence on imports

4) The Union Budget 2021-22 saw an unprecedented increase in allocation for health sector like:

- Allocated ₹ 64,180 crore for the Atmanirbhar Swasth Bharat Yojana for development of primary, secondary, and tertiary healthcare over a period of six years

- Announced a ₹ 2,23,846 crore budget outlay for health and well-being for FY 2022, an increase of 137% over previous year
- Provided for ₹ 35,000 crore towards Covid-19 vaccines and national rollout of pneumococcal vaccines to help save over 50,000 lives annually
- Budgeted ₹ 6,429 crore for the health insurance scheme, Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana



India is among the countries having the lowest public healthcare budget in the world, with the public healthcare system in the country merely getting 1.26% of the total GDP.



Mr. Saransh Chaudhary, Chief Executive Officer-Venus Medicine Research Centre

About our business

Established in 1989 in Panchkula, India, Venus Remedies Limited is a research driven Indian pharmaceutical company with a presence in over 75 countries.

The Company's remedy-defining formulations addressing diverse therapeutic areas are manufactured at its units in Panchkula and Baddi (in India).

The Company's units are certified with ISO 9001, ISO 14001, OHSAS 18001 accreditations and also approved by the European GMP, Australian GMP and other leading global regulatory authorities looking into product and quality excellence standards.

The Company's subsidiary, Venus Pharma GmbH, based out of Werne, Germany, deals in Licensing, Packaging, Product Testing, Warehousing and Logistics.

Research & Development

For every pharmaceutical company R&D is its backbone. Because in pharma, you cannot copy a product. It has to be different, from what is already in the market, even if the difference is only a marginal. And this can be done only in the R&D lab.

What makes R&D increasingly challenging, is that the pharmaceutical industry work on 'Tomorrow' – continuing to work on products that could be launched some anywhere between 18-60 month in the future.

R&D has been its critical strength – successfully developing niche molecules in the Anti-Microbial resistance space which has brought it under the global spotlight.

Venus Medicine Research Centre (VMRC), the R&D arm of Venus Remedies is a fully equipped interdisciplinary drug discovery and development centre located at Baddi, Himachal Pradesh.

Approved by the Department of Scientific and Industrial Research (DSIR), the VMRC team comprising of research experts remain focused on developing solutions that address antimicrobial resistance, target delivery anticancer drugs and solutions for unmet medical needs in pain management.

FY21: IN RETROSPECT

Product launches

Despite the challenges that prevailed in FY21 owing to the pandemic, the R&D team successfully scaled up and launched three products which are expected to drive business growth in the current year.

Velimixin: This proprietary product under patent protection, recently introduced in the Indian market is primarily a Supra Molecular Cationic (SMC) complex of Polymyxin B,

developed by Venus Medicine Research Centre with the aim of reducing drug-induced kidney injury generally known to be associated with both the clinically used generic Polymyxins, such as Polymyxin B and Polymyxin E (Colistin). The molecule is considered to be another potential blockbuster from our critical care portfolio and expected to get worldwide attention in the niche hospital care segment, which is in dire need of safe and effective newer antibiotic solutions.

Ronem Forte: Ronem Forte is high dose (2 gram) formulation of Meropenem, an antibiotic which remain the last resort therapy being extensively used for treatment of critically ill hospitalised patients, primarily due to its wide coverage of hospital pathogens and a low toxicity profile. However, with rising antimicrobial resistance, recent international guidelines recommend high dose of meropenem treatment particularly for critically ill hospitalised patients with resistant infections undergoing treatment of life threatening infections such as, Sepsis or Septic shock etc. VRL is the first pharmaceutical company to get DCGI approval for Meropenem 2 gram formulation marketing in India and is expecting to capitalise on this upcoming new category.

Cloti-Xa: Cloti-Xa containing enoxaparin sodium is another new introduction in our portfolio in the fast-growing low molecular weight heparin

market in India. Cloti-Xa offers an added advantage of NovaGuard® SA Pro safety system, which is a single-use accessory for prefilled ISO standard 1mL long staked-needle syringes. Cloti-Xa is expected to provide patients and healthcare providers with an additional advantage of safety from accidental needle stick injuries, which could lead to the spread of infections like HIV, Hepatitis B and C. Enoxaparin use has increased significantly in ICUs after it has been found useful in reducing hospitalisation and mortality in Covid-19 patients. It is expected to be a high yielding addition to VRL portfolio.

Technology absorption

VMRC has always remained at the cutting-edge of technology. This passion widens its capability matrix enabling it to develop complex product that help Venus to stand out of the competitive clutter. During FY21, the unit added four new technologies.

Hollow Fibre: This technology offers higher levels of reproducible control of both concentration and time of drug exposure in complex growth, infection, treatment, and sampling regimens. The Hollow Fiber Infection Model can provide useful data for antibiotic development and dosing.

Red device for rapid equilibrium dialysis: The RED Device has been used extensively for plasma protein binding assays.

LCMS-MS: LC-MS/MS combines the physical separation capabilities of liquid chromatography with the mass analysis capabilities of mass spectrometry (MS) in selective way. It has both qualitative and quantitative application in chemistry.

Atomic absorption spectrometry (AAS): AAS used to detects elements in either liquid or solid samples through the application of characteristic wavelengths of electromagnetic radiation from a light source.

Partnerships & alliances

VMRC is a learning unit, always seeking avenues to gather knowledge that can help them in making their research more incisive and better their capability in developing relevant products for mankind and Venus. In keeping with this ethos, the unit partnered with multiple research institution namely SEDA, UK, NORTIS, US, SINTEF, Norway and Newcells Biotech, UK for various purposes ranging from consultancy to joint experimentation and technology purchase. The benefit of these collaborations is expected to flow through over the coming years.

Filings

The VMRC team continued to build on its intellectual capital. It filed about 136 new dossiers across the globe – upon approval of a dossier, Venus will be able to market its product in that geography. During the year, the Company

received Market Authorisation for 133 filings - Venus will launch products relevant to these filing in the current year, which should help it to sustain its growth momentum.

Product pipeline

VMRC is working on a pipeline of 13 products which are under various stages of the development cycle addressing multiple therapeutic areas namely Anti-infectives, Oncology, Herbal, Heamostatic and Anti-coagulant. Some of these products will be launched in the next 18-24 months.

BLUEPRINT FOR FY22

The VMRC team has drawn a comprehensive blueprint for the current year. Key elements of this strategy paper includes

- Working on STN and Renal Guard technology-based products
- Clotixa Clinical Trials
- Launch of R3SET



380

Filing pending approval as on March 31, 2021



Dr. (Mrs.) Manu Chaudhary, Joint Managing Director

FY21: IN RETROSPECT

Covid-19 management

The pandemic and the nationwide lockdown to contain its spread impacted the business as plant operations remained shut for a month. On resumption of business operations, the Company focused on ensuring that Government mandated protocols were strictly followed. For this, the Company initiated the following measures

- Provided transport to employees who were called to work, made healthy food arrangements and ensured that they maintained social distancing at all times
- Temperature check was put in place at all entrances, sanitising the workplace at periodic intervals every day was institutionalised
- Frequent temperature and basic parameter checks for all working employees was undertaken
- Onboarded a paramedic to conduct the health check of every single person in the workplace twice a day; arrangements were also made for an on-call doctor to monitor the health of employees
- Organised accommodation for the staff, close to the place of work to avoid the need to go back home

A Covid committee was created to provide support to families of those staying

in the Company, including making arrangements for basic amenities like gas, vegetables etc for them or getting family members checked by doctors whenever required.

Cost management

In the aftermath of the first wave of the pandemic and the resultant business loss, the Company sharpened its focus on optimising costs Towards this end, the Company implemented important measures:

- Installed a New Automatic Plunger machine in one unit to optimise manpower requirement
- Installed a new high capacity lyophiliser in one unit
- Changed the pack sizes for productivity enhancement
- Changed the artwork for ease in printing – it avoided duplication of work
- Increased quarantine storage capacity increased (inventory Management) for semi-finished goods; also created sheds for storage of goods received in odd hours
- Replaced DHS on oncology lyo line with tunnel to meet increasing demand with fulfillment of cGMP requirements

Power and utility

The Company undertook necessary steps to reduce power and utility which help them a good amount of savings in energy segment.

- Shifted retro fitting belt pulley-based blower with efficient power saving blower of AHU motors to high energy saving ones
- Worked on power saving & replace the DX based unit with chilled water coil

Productivity improvement

The Company implemented important initiatives to boost productivity. It included increasing asset utilisation, increase in batch size, reduction/alteration in process chemistry and introducing automation solutions. In doing so, the Company increased the production of key products.

Packaging

The company changed the packaging of general products in government supplies from N1 to N2/N5, which help us in increase of Productivity with less Manpower.

Capital investment

The Company invested in sophisticated equipment improve its productivity and product quality.

- Installed a New Chiller of 253 TR for maintaining the temp & RH in the production area – it helped in maintaining an ambient working environment which reducing electricity consumption

- Installed a new lyo, which helped to increase capacity
- Invested in fabricating a new shed augmenting storage capacity which facilitated ease in classifying the material as per requirement

BLUEPRINT FOR FY22

- Replace low margin products with high value products
- Automation of Spine system and reduction of Manual procedures
- Harmonisation of Packaging sizes
- Aggressively encourage skill development on the shop floor



Venus ranks among leading global injectable manufacturers.



Business development

Venus, over its decades-long business journey, has carefully established a wide global footprint across more than 70 nations which includes its home country India.

Its niche products which include injectables for mission-critical segments like antimicrobial resistance and anticancer have put a stamp of respectability on the Company and its products across its marketing footprint.

The Company has adopted a dual strategy. For the domestic market, the field force primarily focuses on institutional business from hospitals, government agencies and other institutions. For the international business, the Company has forged strategic partnerships with some of the global marques in the domain to sale its products in its identified markets.

INTERNATIONAL MARKETING

The Company's strategic alliances with leading pharma marketing company has enabled it to establish a strong presence in more than 75 nations globally, majority of which are developing nations. The Company has 11 marketing offices outside India to cater to the overseas business requirements. Exports account for more than 75% of the Company's Total Revenue.

Growth drivers in the International market

- A strong presence in certain important products namely Meropenem, Imipenem Cilastatin, Enoxaparin, Vancomycin, Pipracilin, Tazobactam
- A strong position in certain fast growing markets namely select African nations, Far East Asia and some European nations

FY21: Key business achievements

Venus, despite the challenges owing to the pandemic and the resultant restrictions, executed large export orders. In addition, the Company won some institutional tenders in Saudi Arabia, Peru, Mexico, among other nations. It was also able to increase private market business.

The Company achieved healthy revenue growth in

existing countries like Mexico, Namibia, Honduras, Swaziland, Peru, Jamaica, Malaysia, Ethiopia.

Venus established a footprint in new geographies namely Mozambique, Uzbekistan, Singapore, South Africa, Ghana, Libya, Kazakhstan, Maldives, Chile, Iraq, Bahamas. The Company forged four new marketing alliance in FY21 – these factors are expected to create growth opportunities in FY22.

Going forward

Venus has drawn a blueprint for growing its international business which comprises of

- Sharpen focus on tender participation
- Increasing customer base.
- Opening up more territories.
- Aggressive promotional activities

DOMESTIC MARKETING

Patient and persistent efforts by the domestic marketing team over the years has helped Venus established an entrenched presence in the domestic market. The Company's network comprises of 1,500 stockists and 50,000 retail outlets. The marketing team has, through its consistent efforts, established considerable brand recall among the doctor and patient

community. In doing so, revenue from the domestic market has increased steadily over the years.

Growth drivers in the Domestic market

- Efficient manpower allocation and effective utilisation of human resources
- Realignment of business development strategies in keeping with dynamic marketplace changes
- Aggressive brand promotion to strengthen awareness of products and brands

FY21: Key business achievements

Venus continued to gain ground in the domestic marketplace with important brands namely Supime, Clindol, Pisa, Ronem (Therapy: Antibiotics) and Megaparin, Coguperin (Therapy: Anti-Coagulants) making healthy contributions to the Company growth.

During the year, the Company successfully registered itself with the Indian Railways. This breakthrough allows it to supply its products to all the 16 zones of the Indian Railways – it should generate heartening volumes over the coming years.

Additionally, Venus widened its product basket – it launched : Vancoplus Combi, Liracetam,



Mucomelt LS, Ventaful, Ventaful-OD, Ventaful-A, Nervolize-MN, Ivermectin, Ceeven, Sterloc, Swachh Guard. These products gained healthy traction in FY21 and are expected to generate higher volumes in the current year.

Further, the Company has participated in a number of tenders floated by government agencies and institutions.

Success in any of these tenders will create interesting growth opportunities.

Going forward

In the current year, the domestic team is planning to launch a new Consumer Health Division with a few products like Sterloc, Reset Emulsion, Reset Gel, Reset Spray, Reset Tab.





Mr. Akshansh Chaudhary, Chief Technology Officer & President HR

Information Technology

The Covid-19 pandemic brought a paradigm shift in the working style of all companies. Almost overnight, there was a transition to the remote format of working. And “Work From Home (WFH)” became mainstream.

With a pharmaceutical company that functions in manufacturing, Venus was swift in its adoption of technology, starting with virtual workplace and video interactions. Especially during the first few months of a nationwide lockdown, the entire company operated remotely.

To ensure seamless and secure connectivity between the employees in India and in offices across the globe, and to make employees accustomed to the new format of working, the Company’s hardware and software infrastructure were upgraded. Venus renewed its cabling network and set up the fiber optics network through manageable switches and Cisco routers across all units. In addition, the data transmission speeds were

increased five folds to ensure seamless connectivity.

For secure data transmission, the Company installed Palo-Alto firewalls across its units, with policies in place to monitor network traffic and ensure data safety. On the software front, Venus implemented Microsoft 365 company-wide, allowing data management on the cloud and centralised chat functionality for the office and field force through Microsoft Teams.

An integrated ecosystem of apps brought by Microsoft allowed the Company to collaborate and stay informed regardless of their physical location. For users working remotely, the Company also set up Virtual Private Networks (VPNs) to connect them to the Company LAN and access their files remotely.

At the height of the pandemic, the Company realised that in addition to an infrastructure upgrade, there was a need for an experience upgrade for its customers and stakeholders.

Hence, Venus started the “Customer Delight Online” project with the vision to provide a delightful customer experience for its customers in India and elsewhere abroad. Under that direction, the structure was laid out for online ordering, order tracking, payment reconciliation, mobile interactions, live chat support, and other suites of products, exclusively for the customers of Venus Remedies Limited.

For centralised monitoring, Tableau was more deeply integrated with the Company’s SpineBMS ERP, ensuring the inventory, finances, and workforce were optimised and efficient. And, to leverage the potential of the digital, the Company formally constituted the Digital and Social Media division, with the vision to identify the strength of Indian research and skilled talent in Venus.

In FY 21, Venus invested close to 1% of its turnover in IT spending, and it plans to increase its investment for the next financial year substantially. Venus is looking

forward to exciting projects related to the technological setup as the Company launches its Consumer Healthcare division (CHD) next year. CHD would be an online ecosystem and data-driven personalisation for its end consumers.

For the future of Customer Delight, the Company plans to onboard the Salesforce CRM. And, for efficient delivery, the Company plans to set up Venus Fulfilment Centers (VFC). Venus is optimistic about its progress with the adoption of bleeding-edge technology in its research, manufacturing processes, and communication infrastructure – striving to become technology-first in the pharmaceutical sector.

As the Company proceeds into the next financial year, it would continue to work towards its vision of augmenting human skill through technology, ready for the fourth industrial revolution.

Intellectual capital

FY21 presented the world with additional responsibilities and unforeseen considerations. With the first and second waves of the pandemic, the healthcare and pharmaceutical sectors strived to keep up with the need of the hour – providing medication to the ailing fellow countrymen. They assumed the role of frontline warriors against an extremely potent, and fatal yet invisible enemy.

Venus was an active participant in this engagement. At the onset of the Covid-19 pandemic, the organisation adhered to the Central and State Government guidelines. Taking all points into consideration, the company drafted its Standard Operating Procedure (SOP) listing the Covid-19 appropriate protocols. These included complete sanitisation of the place, use of face masks by the staff and visitors, provision of required training to the frontline workforce, and maintenance of proper social distancing.

Additionally, the Company made provisions for Rapid

Antigen Testing of employees, checking RTPCR reports for visitors or employees returning from leaves, disinfectant dispensers at entry points, thermal scanning for body temperatures, and vaccination camps inside the premises.

Venus, to facilitate business operations, adopted the ‘Work from Home’ policy for its employees, encouraged virtual meetings with fellow staff or clients. Remaining cognizant of mental pressure of working from home and being locked indoors, the Company undertook great efforts, through interesting engagement initiatives, to keep its employees boosted and motivated.

With the lockdown restrictions in place and scarcity of active resources, the HR acquisition division took initiatives to maintain employee strength. This helped Venus to keep its total head count to 837. While adding recruits, Venus also witnessed a declining attrition rate from 2.8% in 2018 to 1.9% in 2020.

Additionally, the Company made provisions for Rapid



The facilitation of work from home during the pandemic, timely remuneration, growth & learning opportunities, and requisite health & safety measures were the chief factors encouraging the lasting association of employees with the company.

The challenges posed by the pandemic directed Venus to focus its efforts on building a stronger foundation for its employees. The Skill Development division of the organisation took initiatives to provide composure and intellectual growth to the employees. Starting from self-awareness, the division covered the aspects of empathy and user interaction by targeting communication. Employees were given a thrust of positivity with regular blogs and self-improvement tips. Internal trainings were conducted that focused on five elements of personal transformation, i.e., Intelligence Quotient, Emotional Quotient, Social Quotient, Image Quotient, and Spiritual Quotient.

An “English Vinglish Club” was formed to help employees gain command and confidence in the language. The Venusians also benefited from various self-awareness and meditation courses. The collaboration with Tenet Health Edutech Pvt. Ltd. provisioned the Post Graduate Certificate Program in Drug Safety and Medical Review for Physicians. Faculty from Confederation of Indian Industry (CII) obliged to speak about Supply Chain Optimisation Strategies and Cycle Time & Manpower Productivity Management in Manufacturing with the Venusians.

Along with the intellectual development of its employees, Venus took initiatives for the financial and administrative assistance of the employees and their families during Covid-19. Considering every Venusian as a family member, the company made sure that every employee remains physically, emotionally, and financially equipped to fulfill the expectations of the healthcare and pharmaceutical industry.



Safety, Health & Environment

Venus believes in operating sustainably, responsibly and in a way that enables it to create a positive impact for all its two important stakeholders – Employees & the Earth.

The Company takes utmost care to maintain health, safety. This was aptly demonstrated in the extraordinary times faced by humanity across the world.

As a responsible corporate, Venus continues to be mindful of not increasing its burden on the Earth even as it aspires to move to a higher orbit in term of growth and profitability.

Safety

Venus believes that 'a safe and healthy workplace not only protects employees from injury and illness, it elevates the employee morale'.

Venus Remedies is certified under the OHSAS standards and its safety policies for its employees are structured in sync.

The Company continued to introduce small yet relevant automation solutions in labour-centric processes with the objective reducing operator fatigue.

It introduced globally-accepted tools namely 5S and

Lean management across the organisation. Although introduced recently, these practices have helped in improving safety standard within the organisation.

In recent year, the Company made significant investments in raising the safety standards for people working at its laboratories and in other sections where use of various chemicals pose a threat to their health. The organisation hosted training sessions, seminars and workshops to educate its people on various safety parameters.

The Company made it mandatory for every employee to undertake 20 mandays of training in the year on various safety aspects.



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Mandays of safety training in FY21

Health

Venus works towards ensuring health and safety of its employees, promoting access to healthcare, and doing all that's possible to touch the lives of people.

The Company runs a campaign called, PLEA (Preserving Life of Existing Antibiotics), as part of its commitment to antibiotic stewardship. PLEA volunteers reach out to more than 50,000 healthcare professionals in India and spread awareness on the judicious use of antibiotics and on maintaining a sanitary hospital ecology. PLEA's social media campaigns collectively reached out to people globally.

FY21, was critical from the health perspective owing to the pandemic and the nationwide lockdowns. The Company took special measures to secure the physical health and mental wellbeing of its people and their families (details of which are mentioned in plant operations section).

As part of its regular health program, the Company undertakes health check-ups of all its employees during the year. To protect its people from the virus, the Company organised the RTPCR test for employees who showcased some symptoms. It also organised vaccination camps for its employees – ensuring that they remain protected from the severity of the virus.

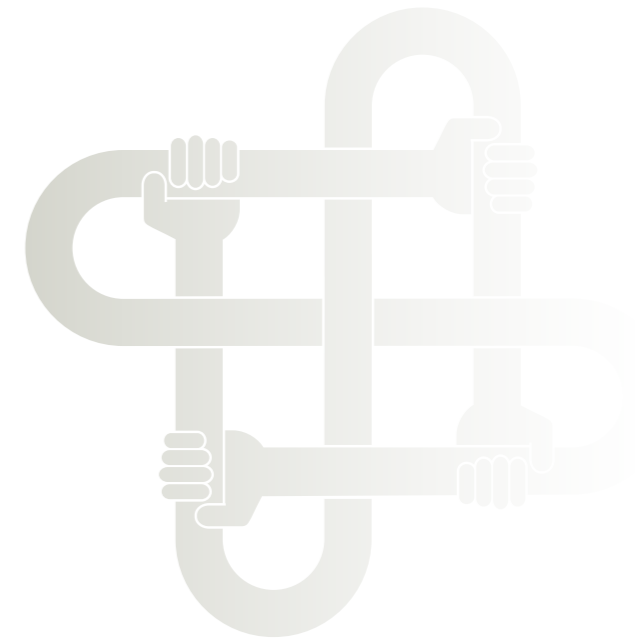
Environment

At Venus, we respect the environment as an important stakeholder in our progress. As such, we care for the environment by adopting technologies and processes that utilise resources efficiently. We complement that by recycling of waste in everything we undertake.

We aim to go a step higher. Through our systematic and process-oriented approach, reinforced by the spirit of entrepreneurship, we continually endeavour to make a positive impact to the environment where we operate.

The Company lined up a host of initiatives for cleaning validation, spillage control and reduced rejection rate.

It also took steps on water recycling in line with the government's water resource management norms. It reduced consumption of fresh water in purposes other than drinking. Process water is treated through its ETP/STP plant which is then used for gardening purpose.



The Company also uses condensate of WFI plant as feed water for its boiler – optimising the consumption of fresh water.

On the energy front, the Company replaced conventional lights, Halogen lights with LED lamps. It monitored and optimised the running hours of all electrical instruments running hours as per requirement. Further, the use of the Air Conditioning systems and lights was optimised to reduce energy consumption without compromising on the working environment.

The Company replaced the ordinary motor blower with energy efficient EC blowers for all the facilities. Additionally, it replaced all pump's motors with IE4 energy saving motors. These measures have made a significant contribution in optimising energy consumption.

The Company introduced a host of measures towards emission control at boilers to cut down on air pollution and noise pollution. The Company

has put in place wet scrubbers to minimise air pollution through its boiler. Also, the HEPA filter in the Vacuum cleaner assists in reducing air pollution. The Company has put in place a canopy type DG set, which eliminates noise pollution – in its otherwise noiseless plant operations.

Venus is committed towards the upkeep of ecological balance by extending the green cover, keeping the surroundings clean and managing wastes. Wide stretches of land within its manufacturing facilities are home to many shrubs, herbs and decorative plants. It also created an herbarium at its Baddi unit comprising medicinal plants. Venus also undertook tree plantations drive.



Analysis of Financial Statements

A demanding fiscal drew out the best from a passionate and charged team that fought its way to deliver stellar results.

Revenue from operations increased from ₹ 33,933.43 lakh in FY20 to ₹ 54,812.35 lakh in FY21. This jump was contributed by growing domestic sales and increasing exports.

In the domestic turf, growing traction for its medication used in Covid-19 treatment at hospitals made a healthy contribution to the domestic sales. Growth in exports was owing to increased sale of Meropenem and large institutional orders from pharmerging markets.

Cost of material consumed increased owing to increased volumes, steep hike in prices of raw material together with an increase in logistics cost

owing to pandemic related disruptions. For similar reasons the selling expenses also increased in FY21 over the previous year.

Aligned with the revenue growth, EBITDA increased from ₹ 4612.63 lakh in FY20 to ₹ 7340.68 lakh in FY21.

The finance cost stood at ₹ 1,301.93 lakh in FY21 against ₹ 1,333.74 lakh in FY20. This cost is expected to drop significantly in FY22 as the Company has repaid all its secured debt towards the close of FY21.

The Company turned around – it reported a Net Profit of ₹ 6,176.54 lakh in FY21 against a Net Loss of ₹ 999.93 lakh in FY20. The Earnings per share stood at ₹ 50.04 in FY21 against ₹ (8.10) in FY20.

Plough back of business surplus increased the

Company's Networth from ₹ 32,337.01 lakh as on March 31, 2020 to ₹ 40,028.37 as on March 31, 2021 even as equity capital at ₹ 1,234.20 lakh remained unchanged over the previous year balance.

Secured borrowing have dropped significantly as the Company prudently deployed cash from operations to reduce its debt burden.

Current assets declined from ₹ 29,400.42 lakh as on March 31, 2020 to ₹ 23,159.52 lakh as on March 31, 2021. This drop was primarily on account of sale of its one of brands to the tune of ₹ 5,200 lakh.

Current liabilities also dropped from ₹ 22,457.91 lakh as on March 31, 2020 to ₹ 9,744.51 lakh as on March 31, 2021 – due to a reduction in working capital loans and a long-term loans. As such the

current ratio improved from 1.32 as on March 31, 2020 to 2.38 as on March 31, 2021.

Business liquidity increased significantly in FY21. Net cash flow from operating activities increased from ₹ 7,760.43 lakh in FY20 to ₹ 13,261.44 lakh in FY21. Moreover, the Company had a cash and bank balance of ₹ 2,897.92 lakh as on March 31, 2021 against ₹ 212.50 lakh as on March 31, 2020.

Internal Control & its adequacy

Venus maintains a system of well-established policies and procedures for internal control of operations and activities. It continuously strives to integrate the entire organisation – from strategic support functions like finance, human resource and regulatory affairs to core operations like research, manufacturing and supply chain management.

The internal audit function is further strengthened in consultation with statutory auditors for monitoring statutory and operational issues. The Company has appointed independent agencies as internal auditors. The prime objective of this audit is to test the adequacy and effectiveness of all internal control systems and suggest improvements. Significant issues are brought to the attention of the audit committee for periodical review.

Significant changes i.e. change of 25% or more in the key financial ratios

In accordance with the amendments notified by

SEBI in Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 on 9th May, 2018, the details of significant changes i.e. change of 25%

or more in the key financial ratios as compared to the immediately previous financial year along with detailed explanations are reported here under:

Ratios	2020-21	2019-20	Change	Reason for Change
Debtor Turnover Ratio	17.11	11.13	5.98	Increase in sales
Inventory Turnover ratio	4.57	2.42	2.15	Decrease in inventory and increase in sales
Interest Coverage ratio	2.93	1.06	1.87	Decrease in interest liability
Current Ratio	2.38	1.32	1.06	Decrease in liability
Debt Equity Ratio	0.12	0.42	(0.30)	Decrease in loans
Operating Profit margin%	6.96	4.13	2.83	Increase in sales margin
Net Profit Margin %	11.27	(2.93)	14.20	Increase in sales margin
Return on Net Worth %	15.43	(3.09)	18.52	Increase in sales margin





Managing business uncertainties

Uncertainties refer to risks in business parlance. The risk management framework is an integral part of the business model at the Company and focuses on making the organisation stronger that yields profitable growth. It is devised to proactively predict, identify and mitigate the existing and emerging risks.

Growth risk: A robust pipeline of relevant products is key to sustaining success.

Minimising the risk: The Company has created multiple growth levers which promise healthy momentum over the coming years

- New products launched in FY21 which will continue to gain traction in the current year
- Market authorisations received in FY21 which will start yielding results from FY22
- A robust product pipeline (at various stages of development and approval) which will sustain growth over the medium-term.

Funding risk: Financing future business growth could be an issue.

Minimising the risk: Having reduced their debt burden significantly in FY21, the Company can leverage its financial stability to garner adequate low-cost funds if required. For day-to-day business operations the Company has a comfortable cash balance as on March 31, 2021 that covers up of its fixed expenses. Also expanded business operations generate a health cash flow, part of which can be deployed in capital projects.

Innovation risk: Sustained investments in research is critical for strengthening its innovation capability.

Minimising the risk: R&D has been a key strength for Venus. The success of Elores, a niche molecule developed by the Company, bears testimony to its ability to undertake challenging products. The Company continues to imbibe new technology and strengthen its capabilities to develop niche and relevant products that widen its business horizon.

Uncertainty risk:

Unprecedented challenges such as the pandemic could abruptly stop business progress.

Minimising the risk: Being critical to mankind, the pharmaceutical sector needs to continue business operations against all odds. The Covid-19 pandemic clearly highlights the statement. Venus continued business operations through this challenging period even as it strictly adhered to government protocols. It took immense care of its people, who in turn took care of business operations. Having navigated through these difficult roadblock with considerable success, the Company is future-ready for other such uncertainties.

People risk: Venus would require skilled people to manage business growth.

Minimising the risk: Venus has focused on nurturing talent through its people-centric policies and practices. This was most aptly demonstrated during the pandemic and lockdown period. The Company continues to upskill its people through engaging training programs. Additionally, it has structured a leadership program for star performers to fast track them into taking higher responsibilities.

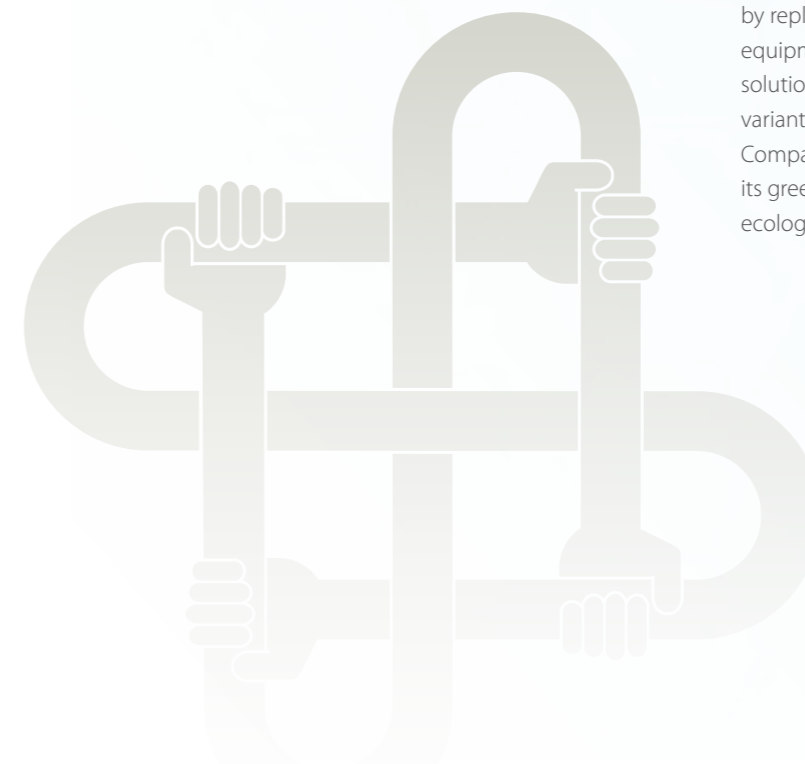
Environment risk:

Reducing its burden on the environment is critical for sustaining business operations.

Minimising the risk: Venus respects the environment as an important stakeholder in its progress. As such, it cares for the environment by adopting technologies and processes that utilise resources efficiently. In addition to recycling and reusing water, the Company has also invested in replenishing the water table at its manufacturing facilities. The Company continues to optimise energy consumption by replacing conventional equipment and lighting solutions with contemporary variants. Additionally, the Company continues to extend its green cover to maintain ecological balance in the area.

Profitability risk: The Company needs to maintain a keen eye on optimising its cost sheet.

Minimising the risk: Cost management is a continuous effort at Venus. The Company invests considerable time and effort in optimising costs which include improving man-machine productivity, stringent monitoring of quality across the process, investing in automation solutions and optimising the consumption of utilities. In addition, a determined effort to reduce the external debt has helped in reducing interest cost for the Company. These factors have and will continue to reflect in an improved cost sheet. Making the Company more competitive against peers.





Corporate Social Responsibility

Venus Army is a force of highly dedicated members of the Organization who have pledged to selflessly uphold the Values, Ethics and Culture of the Organization.

The aim of the “**VENUS ARMY**” to build a battalion of soldiers who really have strong bonds between them & can work together for a specific purpose /cause effectively to meet both external & internal challenges & goals cohesively by converting their words/sayings into action. It also serves as the outpost for our corporate social responsibility activities to name few as follow:

1. Manav Uthaan Yojna:

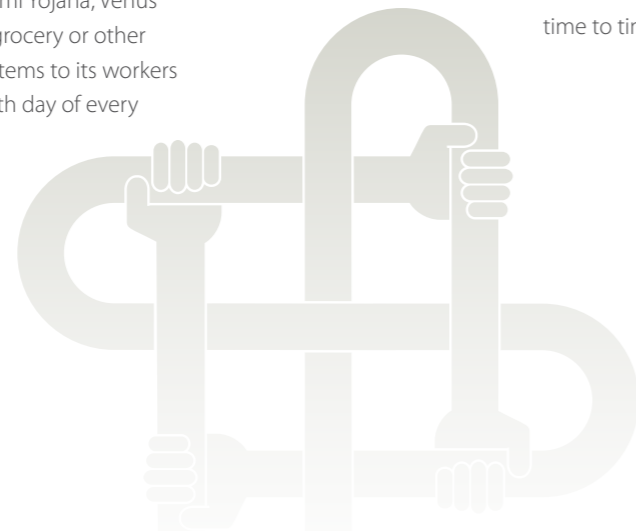
Under Manav Uthaan Yojana , Venus is contributing financial assistance per month Manna at the Desert Society, a Jaipur-based welfare society and Tek Chand Sud memorial Trust, which is taking care of special children. Further under ‘Griha Lakshmi Yojana’, Venus distributes grocery or other household items to its workers on every 10th day of every month.

2. Social Uthaan Yojna:

Under social Welfare Yojana, the Company organised various festival celebrations which provided a platform to connect its people socially.

3. Environment Uthaan Yojna:

Under Environment Uthaan Yojna, Venus is donating 1000 Trees every month through Isha Trust - Cauvery Calling thereby donating one tree on behalf of each Venusians’ every month besides other plantation activities are undertaken from time to time on regular basis.



Statutory Report

Directors' Report

To the esteemed stakeholders of
VENUS REMEDIES LIMITED

FINANCIAL PERFORMANCE:

The standalone and consolidated financial statements for the financial year ended March 31, 2021, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs.

FINANCIAL HIGHLIGHTS

(₹ in Lakhs, except per equity share data)

Particulars	Standalone		Consolidated	
	For the year ended March 31,		For the year ended March 31,	
	2021	2020	2021	2020
Revenue from operations	51462.30	32023.07	54812.35	33933.43
Other Income	1776.22	357.92	1962.98	530.77
Financial Charges	1272.64	1304.57	1301.93	1333.74
Depreciation	3428.01	3105.14	3527.61	3201.23
Profit before Exceptional items	1761.84	254.91	2511.14	77.66
Profit before Tax	4106.04	(626.30)	4855.34	(803.55)
Profit After Tax	5427.24	(822.69)	6176.54	(999.93)
Other Comprehensive Income				
Items that will not be classified to Profit & Loss account net of Income Tax	(9.52)	(47.15)	(9.52)	(47.15)
Items that will be classified to Profit & Loss account net of Income Tax	-	-	-	-
Total Comprehensive Income for the year	5417.72	(869.84)	6167.02	(1047.08)
Earning per equity shares:				
Basic	43.97	(6.67)	50.04	(8.10)
Diluted	43.97	(6.67)	50.04	(8.10)

OPERATIONS & COMPANY'S STATE OF AFFAIRS

During the year under review, on Standalone basis your Company achieved a turnover of ₹.51462.30 lacs and ₹ 54812.35 lacs on Consolidated basis. Company has recorded a 61% increase in annual sales in 2020-21 as compared to the previous financial year.

Driven by a robust supply of active pharmaceutical ingredients by key long-associated suppliers and riding on global exports, Company's annual consolidated sales grew from ₹ 339.33 crore in FY 2019-20 to ₹ 548.12 crore this fiscal.

Venus Remedies Limited is a research driven Indian Pharmaceutical company with global footprints. We are eyeing fruitation of breakthrough findings to make innovations enjoyable. Venus has rich portfolio of innovative and generic quality products for transforming patient's life. Company is focused in manufacturing high growth therapeutic segments like Anti-infective (antibiotics), oncology, neurology, pain management, skin & wound care and is amongst the very few R&D focused Pharmaceuticals companies in India, working on to eradicate growing Anti-Microbial Resistance (AMR) recognized by WHO as being severe medical crisis across the

globe. VRL's R&D initiatives to develop new products catering to unmet medical needs and its focus on building a robust product pipeline consisting of a balanced mix of generic and R&D-based drugs have given a definitive edge to the company in the pharmaceutical industry.

LISTING OF SHARES

The equity shares of the Company are listed on Bombay Stock Exchange Ltd. and National Stock Exchange (India) Ltd. The Company has paid the Annual listing fees for the financial year 2021-22 to both stock exchanges.

EXTRACT OF ANNUAL REPORT:

In terms of Companies Act, 2013 as amended, the Extract of Annual Return is available on www.venusremedies.com

MEETINGS OF THE BOARD OF DIRECTORS:

The Board met 7 times during the financial year 2020-21, the details are given in the Corporate Governance Report which forms part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors pursuant to Section 134(3)(c) of the Companies Act, 2013 state as follows:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;
- the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

- the directors have devised a proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each independent director under section 149(6) of the Companies Act, 2013.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Nomination & Compensation Committee has framed a policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel (KMP), senior management personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013.

Pursuant to Section 134(3) of the Companies Act, 2013, the nomination and remuneration policy of the Company which lays down the criteria for determining qualifications, competencies, positive attributes and independence for appointment of Directors and policies of the Company relating to remuneration of Directors, KMP and other employees is available on the Company's website www.venusremedies.com and also appended as Annexure 1 to the Board's report as Nomination and remuneration Policy.

AUDITORS

At 29th Annual General Meeting of the company, shareholders have appointed M/s Vinod Kumar & Associates, Chartered Accountants as the Statutory Auditors of the Company (Registration No. 002304N) as statutory auditors of the Company for a term of 5 years from the financial year 2018-19 onwards.

Vide notification dated May 7, 2018 issued by Ministry of Corporate Affairs, the requirement of seeking ratification of appointment of statutory auditors by members at each AGM has been done away with. Accordingly, no such item has been considered in notice of the 32nd AGM.

Further, the Company appointed M/s P. Chadha & Associates, Company Secretaries as the Secretarial Auditor of the Company for financial year 2020-21. The secretarial audit report for FY 2020-21 forms part of Annual Report.

Qualifications, if any, in the Secretarial audit report are mentioned in the reports appended as Annexure 6.

Company is required to maintain the cost records as specified by the Central Government under sub section (1) of section 148 of Companies Act, 2013 and such accounts & records are duly maintained by the Company. M/s C. L. Bansal & Associates, Cost Accountants was appointed as cost auditors of the Company for financial year 2020-21.

PARTICULARS OF LOAN, GUARANTEE OR INVESTMENT:

Pursuant to Section 186 of Companies Act, 2013 and Schedule V of the Listing Regulations, disclosure on particulars relating to loans, advances, guarantees and investments, if any are provided as part of the financial statements.

PARTICULARS OF CONTRACT OR ARRANGEMENTS MADE WITH RELATED PARTIES:

Particulars of Contracts or Arrangements made with related parties referred in section 188(1) of the Companies Act, 2013 disclosed in form AOC-2 as annexure-2 and also forms part of the financial statement in annual report. Related Party Transactions as per regulation 34(3) and schedule V of Listed Regulations are forming part of the Financial Statements.

TRANSFER TO RESERVES:

During the period of review Company has not transferred any amount to Reserves & Surplus.

DIVIDEND

The Board has not recommended the dividend for the year 2020-21.

SIGNIFICANT AND MATERIAL CHANGE:

There are no material changes or commitments, effecting the Financial position of the Company happening between the end of the Financial Year of the Company and date of this Report

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year period no specific events/ actions has taken place which has major bearing on the Company's .

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

The prescribed particulars as required under section 134(3) (m) of the Companies Act 2013 read with Companies (Accounts) Rules, 2014 are set out in the annexure-3 & 4 forming a part of this report.

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT

The Company has in place comprehensive risk assessment and minimization procedures. The Company is exposed to inherent uncertainties owing to the sectors in which it operates. Many risks exist in a company's operating environment and they emerge on a regular basis. The risks faced by the Company and their minimization procedures are assessed categorically under the broad heads of High, Medium and Low risks. Further, the Company identifies risks and control systems are instituted to ensure that the risks in each business process are minimized/mitigated. The Board provides oversight and reviews the Risk Management Policy on a regular basis.

SUBSIDIARIES/ASSOCIATES/JOINT VENTURES

The Company has no Joint Venture or Associates as defined in the Companies Act, 2013. The company has one wholly owned foreign subsidiary in the name of Venus Pharma GmbH in Germany. The financial statement of the subsidiary forming part of this annual report in consolidated financial statement. Separate audited accounts are placed on the Company website www.venusremedies.com. In accordance with Section 129(3) of the Companies Act, 2013, statement on the performance and Financial position of the Subsidiary Company in the specified format AOC-1 is annexed to the Directors' Report as Annexure-5.

BOARD EVALUATION:

In line with the Corporate Governance Guidelines, Performance Evaluation was conducted for all Board Members, for the Board and its Committees. The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013 and the Listing Regulations, and in accordance with the Guidance Note on Board Evaluation issued by SEBI in January 2017. The Board evaluation was conducted through questionnaire designed with qualitative parameters and feedback based on ratings.

The evaluation of all the directors and board as a whole has made as per the Companies Act, 2013. Criteria and framework as adopted by the Board is explained in the Corporate Governance Report which forms part of the Annual Report.

Key Managerial Personnel:

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Sr. No.	Names	Designation
1	Mr. Pawan Chaudhary	Managing Director
2	Mrs. Neha Kodan	Company Secretary
3	Mr. Pawan Chaudhary	CFO

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

The Company has adopted a policy for prevention of Sexual Harassment of women at work place. Company has complied with provisions relating to the constitution of Internal Complaint Committee under the Sexual Harassment of

Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, Company has not received any complaint of harassment.

SHARE CAPITAL

ISSUE OF SHARES WITH DIFFERENTIAL RIGHTS

Company has not issued any shares with Differential Rights.

• ISSUE OF SWEAT EQUITY SHARE

During the year under review, Company has not issued any Sweat Equity shares or Employee Stock Options.

CORPORATE SOCIAL RESPONSIBILITY

For financial year 2020-21, Company does not cover under any of the parameter as mentioned under the preview of Section 135 of the Companies Act, 2013, and rules made thereunder. Company has prepared the policy on CSR which is available at Company's website www.venusremedies.com. Company has also constituted the CSR committee, details of which available in Corporate Governance which forms part of Annual Report.

CSR Spending of the year:

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the Project is covered./ Relevant Section of Schedule VII in which the project is covered	Project or programs (1) Local area or other State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads*: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period*	Amount spent: Direct or through implementing agency
							N.A.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on the Management discussion and analysis is provided as a separate section in the annual report.

PLEDGE OF PROMOTER'S SHAREHOLDING

The entire shareholding of promoters and promoter group is free from all encumbrance as on date of report.

EVENT HAVING BEARING ON AFFAIRS OF THE COMPANY

The company is actively working to resolve the financial stress and exploring all means available to its disposal to settle defaults with the banks.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company

DEPOSITS:

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

PARTICULARS OF EMPLOYEES:

During FY 2020-21, no employee is taking remuneration ₹ 102 lakhs or more and no employees employed for part of the year is taking remuneration of ₹ 8.50 lakhs or more per month in accordance with the provisions of section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014. Particulars of employees pursuant to section 134 (3) (q) of the Companies Act, 2013, read with rules thereunder, annexed as annexure – 7 to the Directors' Report.

CORPORATE GOVERNANCE:

The company operates not only within the regulatory framework, but is also guided by broader business ethics. The idea is to ensure good conscience, transparency, integrity and openness which would lead to accountability of the persons in charge of the company and bring benefits to investors, customers, creditors, employees and the society at large.

SHARE/ WARRANTS ISSUED DURING THE YEAR:

During the year Company had allotted 10,25,000 warrants fully convertible into equity shares to promoters. Further, Company has allotted 10,25,000 equity share to promoters on conversion of said warrants on 31.05.2021.

TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 125 of the Companies Act, 2013, the Unclaimed Dividend of ₹. 8,67,834/- relating to the financial years 2012-13 was transferred to the Investor Education and Protection Fund established by the Central Government.

DISCLOSURE OF ACCOUNTING TREATMENT

The Company has followed prescribed Indian Accounting Standards (Ind AS) in preparation of its financial statements.

CASH FLOW ANALYSIS

In conformity with the provisions of Clause 34(2) of SEBI (LODR) Regulations, 2015, the Cash Flow Statement for the year ended on 31st March, 2021 forms an integral part of the Financial Statements.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Company has adopted Vigil Mechanism/ Whistle blower policy and same is available on Company Website www.venusremedies.com.

COMMITTEES OF THE BOARD:

A detailed note on the Board and committee meetings including the composition is given in the Corporate Governance Report which forms part of the Annual Report.

DIRECTORS

Mr. Navdeep Sud has Joined the board of the Company w.e.f. 20th June 2020 as an additional Directors (Independent Non Executive Director) and regularized by the shareholders in Annual General Meeting held on 2nd December 2020.

Mrs. Manu Chaudhary (DIN-00435834) retires at the ensuing Annual General meeting and being eligible, has offered herself for reappointment.

CODE FOR PREVENTION OF INSIDER TRADING

In line with the Prohibition of Insider Trading Regulations, 2015 as amended time to time, your Company has adopted Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The same is available at Company's website www.venusremedies.com.

STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS

Internal Financial Control followed by the Company which helps in ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection

of frauds and errors, the accuracy and completeness of the Accounting records and timely preparation of reliable financial information.

The Company has appointed auditors for internal financial control. Auditors work in line with accounting standards. Various policies and SOPs have been formed for various process. They are continuously monitor the efficacy of internal controls/ compliance with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management, control and governance processes.

ACKNOWLEDGMENTS

The Board sincerely thanks employees for their dedicated services at all levels. We also acknowledge the support and wise counsel extended to us by the analysts, bankers,

government agencies and investors at large, the advisers on our panel, all concerned regulatory authorities, our business associates, suppliers, the medical fraternity, patients and last but not the least, our shareholders for their unflinching support, constant guidance and trust in Venus Remedies Limited.

For and on behalf of Board of Directors,
For VENUS REMEDIES LIMITED
Pawan Chaudhary

Date : 12.08.2021

Place: Panchkula

Sd/-
Chairman & Managing Director
DIN-00435503

Annexure to Director Report

Annexure-1

NOMINATION & REMUNERATION POLICY

INTRODUCTION:

This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement.

OBJECTIVE

- 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;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Recommend to the Board their appointment and removal;
- The Committee deals with all elements of the remuneration package of all Whole-time Directors and also administers the stock option plan of the Company;
- Evaluate the Board performance.

DEFINITIONS:

“Board” means Board of Directors of the Company.

“Directors” mean Directors of the Company.

“Key Managerial Personnel” means:

- Managing Director, or Chief Executive Officer or Manager and in their absence, a Wholetime Director;
- Chief Financial Officer;

iii) Company Secretary; and

iv) such other officer as may be prescribed.

“Nomination and Remuneration Committee”

Appointment a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations.

“Policy or This Policy” means, “Nomination and Remuneration Policy.”

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

“Senior Managerial Personnel” means:

The personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

POLICY FOR APPOINTMENT & REMOVAL OF DIRECTORS/ KMP/SENIOR

MANAGEMENT PERSONNEL

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment;
- The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term;
- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company;

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly;

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an

Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act;

- The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly);
- The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company;
- The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/ SENIOR MANAGEMENT PERSONNEL

- The Remuneration/ Compensation/ Commission etc. to be paid to Managing Director/ Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other

enactment for the time being in force and the approvals obtained from the Members of the Company;

- The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force;
- The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration;
- The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy;
- The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION, REVIEW & AMENDMENT

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate;
- The Nomination & Remuneration Committee or the Board may review the Policy as and when it deems necessary;
- This Policy may be amended or substituted by the Nomination & Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

Annexure -2

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into during Financial Year 2020-21 by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

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

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

Note: The above disclosures on material transactions are based on threshold limits prescribed under Companies Act, 2013 and rules thereunder. Wholly owned subsidiary is exempt for the purpose of Section 188(1) of the Companies Act, 2013.

For and on behalf of Board of Directors,

For **VENUS REMEDIES LIMITED**

Pawan Chaudhary

Chairman & Managing Director

DIN-00435503

Place: Panchkula

Date: 12.08.2021

Annexure 3

1. CONSERVATION OF ENERGY:

A) Steps Taken During The Year For Energy Conservation

1. Replaced old conventional lights ,Halogen lights with LED Lights to reduce energy.
2. Electrical instruments running hours monitored & optimized as per requirement.
3. AC's and lights optimization to switch off during off working hours (Team/Lunch time if no one in offices)
4. Very Old AC units Replacement is done to avoid over drawn current by compressors/Equipment to improve efficiency and reduce energy consumption.

B) Impact of the above measures for reduction of energy consumption and consequent impact on the cost of reduction of goods:

The Company saved cost as well as energy through the measures outlined above.

C. Total energy consumption and energy consumption per unit of production:

FORM A

A. Power and Fuel Consumption:

	2020-21	2019-20
1 Electricity		
a) Purchased		
Units	4415613	4205300
Total Amount (₹)	30262655	29654966
Rate / Unit (₹)	6.85	7.05
b) Own Generation		
(i) Through D.G. Set		
Units	97931	234543
Total Amount (₹)	2705509	4305873
Rate / Unit (₹)	27.63	18.36
(ii) Through Steam Turbine/ Generation	NIL	NIL
2 Fire Briquettes		
Quantity (Kg)	483310	328155
Total Amount (₹)	3322584	2186887
Average rate (₹/ unit)	6.87	6.7
	NIL	
(iii) Furnance oil and Diesel		
Quantity (Kg)	NIL	43650
Total Amount (₹)	NIL	1644992
Average rate (₹/ unit)	NIL	37.69
3 Other / Internal Generation	NIL	NIL

B. Consumption per unit of Production:

There are no specific standards as the consumption per unit depends on the product mix.

2. TECHNOLOGY ABSORPTION

FORM B

Research and Developments

1. Specific areas in which R & D carried out by the Company:

Being research and development driven global pharmaceutical company, we are actively involved in translating innovative concepts to workable solutions and as such pursuing many projects in niche areas which are rare in India.

Venus Medicine Research Center (VMRC) is a fully equipped interdisciplinary drug discovery and development center duly approved by Department of Scientific and Industrial Research (DSIR) Government of India. VMRC has established itself as an Intellectual Property wealth generation resource for the company. A well qualified and experienced team of scientists conduct research in discovering the most needed and efficacious medicines which are safe and cost effective and also generating medical knowledge for evidence based healthcare. VMRC excels in translational research and pharmaceuticals having an in-depth experience and expertise into Novel Drug Delivery Systems, Nanomedicine and targeted therapeutics. Thrust areas of research include antibiotics, emergency care medicine, pain management, disinfection and wound care.

VMRC is committed to developing therapeutics to meet the challenges of antimicrobial resistance (AMR) and has come up with many solutions with innovative concept of PLEA (Preserving Life of Existing Antibiotics) using ARBs (antibiotic resistance breakers). Venus is one of the few research companies working on AMR medicines for more than 10 years and has developed significant product pipeline under patent protection.

Modern medicine has made several advancements and newer antibiotics were launched in US/ EU in recent past, although a few of them could penetrate Indian market. In such scenario the drugs launched by Venus after all regulatory approvals and clinical trials for safety and efficacy using ARBs have proven a breathing space for Indian market which cannot afford extremely high priced new medicines and still looking for equally effective safer and economical alternatives.

Thrust Areas of Research:

Our R&D approach towards uncluttered spaces and unique therapies has pushed us to develop novel solutions that

fill the gap between challenging ailments and available molecules. With the objective of saving human life through innovations, we are focusing on:

In NDDS programme, development of Stealth Targeted Nanoparticles (STN) platform technology for oral delivery of BCS class III and IV drugs

Development of Renal Guard Programme to reduce toxicity of existing highly toxic antibiotic drugs to rejuvenate their life span

Hemostatic products development

Target based Oncology Drug Delivery

Antimicrobial Resistance (AMR) can be defined as resistance of a microorganism to an antimicrobial medicine to which it was previously sensitive.

Antibiotic resistance refers to ability of the bacteria to render an antibiotic drug ineffective by developing mechanisms that counteract the functioning of antibiotic drugs. In other words, the antibiotic can no longer kill the bacteria and bacterial growth is not stopped.

This has severe life threatening implications as common infections like pneumonia that were otherwise treatable can now become fatal. Moreover, it challenges all the advances that we have made in modern medicine, making child birth and surgeries a much riskier proposition. At Venus, we provide a AMR surveillance portal for capturing and sharing resistance data.

Venus has a comprehensive software system for pan India AMR surveillance program. Implemented through a vast network across 15 states, 250 districts through 150 centers including various Healthcare Institutions/Hospitals/ Research Centers across India for data collection, feed and analysis of to understand trends of emerging resistance.

Venus has mapped emerging microbial resistance pattern for more than 40 antibiotics/combinations for close to 25000 strains and helpings Physicians to take informed decision on designing therapy.

Significant breakthroughs have been achieved by VMRC in 'Antibiotic Adjuvant Entities' for notable resistance barriers like ESBLs, carbapenem resistant metallo-beta-actamases, MRSA, CREs bacterial biofilms and efflux.

Venus working on its proprietary platform technology of Stealth targeted Nanoparticle (STN) to develop oral antibiotics for poorly bio-available IV only antibiotics. The most advanced candidates are currently being evaluated in preclinical studies.

We at Venus Medicine Research Centre have a singular aim to address the unmet medical need of Antimicrobial Resistance. Over the years, we have added super-speciality labs to advance our understanding of drug development. For the first time in India, we are adding the Organ-on-a-chip lab. This year we will be installing the kidney-in-a-chip model that will radically change the way we traditionally screen for drug toxicity and it will enable us to understand the mechanisms leading to kidney damage in humans and consequently enhanced our ability to find better solutions for the patients and caregivers. In the near future, using this technology, we will also create more relevant in vivo systems by making a tandem connection to other human organs using flow dynamics.

Modern Research Infrastructure

Tech Research Laboratories of International standard following GLP

Well Developed Animal House approved by Committee for the Purpose of Control and Supervision on Experiments on Animals (CPCSEA)

Key drivers are: Innovative Solutions for tough to treat resistant pathogens causing severe diseases

- Combating Antimicrobial resistance
- Improved QoL of patient
- Reduction in side effects with enhanced safety
- Decreased frequency of drug administration
- Finding repurposing of existing drugs which can be easily put to other use at lower cost of limited trials

The Major functional divisions at VMRC include:

- **Formulation Development:** NDDS (Novel Drug Delivery System) based product development, Nanotechnology, Targeted Delivery, Sustained Delivery, Pulsatile Drug Delivery and development of ARBs, Non infringing formulations, Improved Bioavailability, Process Development and Technology Transfer.
- **Analytical Research:** Analytical method development and validation, Bioanalytical method development and validation, Drug drug interaction, Stability studies and Physico-chemical research
- **Pre- Clinical & DMPK:** Toxicity studies, Pk/Pd Studies, Proof of Mechanism, Proof of Concept, Safety Pharmacology, QTC studies, Histopathological Study, Pharmacokinetic

- **Cell Culture and Microbial Biotechnology (CCMB):**

Genetic characterization of resistant strains, research using Hollow Fiber Infection Model., micro-imaging studies on cellular functions, molecular imaging and imaging biomarkers, Semi-quantitative and quantitative gene expression, Protein profiling, cytotoxicity, Method validation for BET and Sterility, Microbio Assay, Clinical microbiology, TKC, Carcinogenicity and Mutagenicity Studies.

- **Clinical Research:** Early phase clinical studies (Phase I, II), Late phase clinical studies (Phase III and IV), Bridging phase trials, PK, BA/BE studies and Pharmacovigilance

- **Intellectual Property Rights:** IPR division specializes in strategic patent portfolio planning and management, infringement, validity and clearance investigations, opinions and all phases of intellectual property prosecution practice. This includes the preparation and prosecution of patent/ trademark and copyright applications, appeals, re-examinations, interferences, and oppositions. IPR division cooperates with and advises legal regarding intellectual property litigation matters.

- **Strategic Business Development Department** is an important part of the research eco-system at the Venus Medicine Research Centre (VMRC). The SBD team is well equipped with current tools and techniques for data gathering, sourcing, analysis, and representation to support the research and development activities. One of the important tasks of SBD is to source in project-specific external expertise when required and also to ink partnership agreement at different stages of the drug development process. SBD division specializes in Strategy business development, Market Intelligence, Interpersonal relationship, Product value addition, product valuation, Negotiation skills. We also imperceptibly mine for the new and innovative technologies to be incorporated in our R&D kitty through in-licensing.

- **Drug Regulatory Affairs:** Dossier preparation in eCTD and CTD formats, filing and maintenance, variation filing, regulatory submissions for India DCGI, NDAC and International pre IND meetings, regulatory documents submission for tenders, product life cycle management

IPR Wealth

Venus has been building a strategic portfolio of IP wealth which has not only catered to the unmet medical needs, the efforts have brought extension of technologies in various products and applications. The effort in addition to economic benefit, have ensured a strategic and competitive benefit in

the market place besides getting recognition for delivering unique solution for medical needs The company has its well defined IP policy in place. Efforts of Venus Medicine Research Centre for innovations are well reflected in the number of patents filed so far.

2. Benefits derived as a result of the above R & D:

Venus Medicine Research Centre has enhanced the value in terms of recognition of our capabilities, commitment. Benefits derived from R & D:

1. Sustainability: Only companies with active R&D and bringing innovative solution have survived in past due to cut throat generic competition
2. Cash cow: Research product fetch better margins as they offer unique solutions
3. Market exclusivity: IP protection prevents from unhealthy competition in research products
4. Recognition: Bringing solution for unmet needs give recognition in market and that helps to beat competition.
5. Reliability: While offering innovative unique market specific solutions from past >18 years now, Venus has gained a confidence of customers in terms of reliability on quality and solution
6. Opportunity: R&D brings newer opportunities to our plate as a very few players exist in niche space in which VMRC operates
7. Proud: All Venusians feel proud of being associated with an Innovation driven company bringing laurels to nation on global platform.
8. Risk Management: Doing R&D and bringing innovative solutions which are need of the hour mitigates risk of being obsolete & loss
9. Global Representation Listing of 5 antibiotics in WHO preclinical antibiotic pipeline 2020. publications in reputed journals and representations in world's top most conferences in the field of infectious diseases and AMR.
10. Responsibility: Collaborating with global initiatives for stewardship in the field of AMR.

3. Future plan of action:

Energizing R&D activities to realize the Mission 2020 to be recognized globally and expand focus from product development and IP wealth creation to wealth propagation and to deliver timely healthcare solutions for unmet medical needs focused on improving patient outcomes. This imperative will require focused flexible approach to reach out to customer, radically evolve the value proposition for

future differentiated products and to integrate all resources in pursuit of developing, delivering, understanding and maintaining the best possible therapies and services to the global market. Aligning our priorities across these functions ensures that we develop potential therapeutics in a phased manner to meet the changing demands of the market place.

Venus is looking strongly in development of IP wealth cycle that would provide a seamless opportunities to gain predicted outcomes and balance risks.

The foremost priorities are given below.

- Development of VRT001-C using platform STN technology
- Launch of products based on Renal Guard platform technology
- Enoxaparin dossier filing in the EU and Saudi Arabia
- Pemetrexed dossier filing in Portugal
- Imipenem Cilastatin dossier filing in the EU and Romania
- New hemostatic product launch
- Registration of products going off patent in exports
- Participation in global scientific platforms and conferences for showcasing our Research work and commitment towards Antimicrobial Resistance.
- Research collaborations with Government and Private Organization working on AMR and propagating concepts of using Antibiotic Resistance Breakers (ARB) for reviving efficacy of old Antibiotics.

The annual spending on research would be kept incremental in proportion to the increase in the sales as per the Company's plans:

Particulars	2020-21		201-20	
	₹ in million	% to turnover	₹ in million	% to turnover
Recurring Expenditure (R&D)	158.65	3.08	142.52	4.45

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1) Efforts, in brief, made towards technology absorption, adaptation and innovation.

The Company fixes stringent targets for technology improvement and up-gradation based upon global competition and quality criteria. Scientists at Venus Remedies undertake extensive up-gradation programs to improve and acquire latest technology with far reaching beneficial

effects from research to manufacturing to marketing. Venus Scientists work in close relation with the manufacturing team to ensure smooth understanding and transfer of technology for large scale manufacturing. A stringent quality standard is maintained by Venus scientists with respect to GXP (GMP, GLP, GCP, etc.). Venus does invest into technology/product in-licensing as well as collaborative development with the industry and academic.

Venus Remedies continually invites, explore collaboration and partnership with the single most objective to alleviate human sufferings and make better tomorrow. Venus Medicine Research Centre (VMRC), a research unit of Venus Remedies Limited entered into joint product development collaboration with Institute of Nuclear Medicine & Science (INMAS), a unit of DRDO. Under this collaboration, VMRC shall be developing various products for use in defence/paramilitary forces. Venus has entered into a research collaboration with University of Illinois, Chicago, Punjab University, KGMC Lucknow, IMTECH, Punjab, GJU Hissar and Shoolini University, Himachal Pradesh.

2) Benefits derived as a result of the above efforts e.g. product development, import, substitutions etc.

Commercial Launch of new products including novel drugs for antimicrobial resistance, oncology therapeutics, pain control etc. have differentiated Venus from the league of generic drug makers. Strengthening of Company's Product Basket specially with innovative and potential blockbuster drugs Supply of high Quality, research products with great potential to strategic partners

Venus has carved a niche for itself in super specialty parenterals especially in Oncology and Antimicrobial resistance and is one of the leading IPR wealth generator among Indian Pharma sector.

3) Import of Technology

The Company has not imported any technology during the financial year under review.

Form C Foreign Exchange Earnings and Outgo

ANNEXURE -4

Currency in Lakhs

Particulars	Currency	Current Year	Previous Year
		2020-21	2019-20
A. Earning in Foreign Exchange			
Sales	USD	347.24	173.91
	GBP	10.79	47.55
	EURO	112.99	22.84
R & D Activities	USD	0.28	0.54
	EURO	1.07	0.69
B. Expenditure in Foreign Exchange			
Salary	USD	1.06	1.3
Traveling	USD	0	0.05
Regulatory Fee for Patent / Products & Plant Registration / Export	USD	2.88	2.29
	EURO	0.01	0.02
Subscription / Publication	USD	0.01	0.01
Commission / Incentive	USD	0	0.72
	EURO	0	0.03
	GBP	0	0.06

ANNEXURE-5
Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Lacs)

Particulars	Name of the subsidiary
Reporting period for the subsidiary	1 st April 2020 to 31 st March 2021
Reporting currency and Exchange rate	EURO
	The figures in the Balance Sheet for the year have been translated from Euro at the Closing RBI reference rate as on 31.03.2021 i.e 1 Euro = ₹ 80.099. The figures in the Profit and Loss Account for the year have been translated from Euro at the Average RBI reference rate for the year ending 31.03.2021 i.e 1 Euro = ₹ 84.5743. The historic rate is used to convert the share capital and the rate for 1 Euro=55.56.
Share capital*	2873.61
Reserves & surplus	10.09
Total assets	4762.45
Total Liabilities	4762.45
Investments	--
Turnover	14281.07
Profit before taxation	749.29
Provision for taxation	--
Profit after taxation	749.29
Proposed Dividend	--
% of shareholding	100%

Notes:

1.Names of subsidiaries which are yet to commence operations: **NIL**

2.Names of subsidiaries which have been liquidated or sold during the year: **NIL**

* Share Capital above includes money received against share capital amounting ₹ **2859.72 lacs.**

Part "B": Associates and Joint Ventures: N.A.
For and on behalf of the Board of Directors

(Peeyush Jain)
Deputy Managing Director
DIN : 00440361

(Pawan Chaudhary)
Managing Director & CFO
DIN : 00435503

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
AVP-Accounts

PLACE : PANCHKULA
DATE : 12.08.2021

ANNEXURE -6
**SECRETARIAL AUDIT REPORT
Form no. MR-3**

For the Financial Year ended March 31, 2021

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

To,

The Members,

Venus Remedies Limited

Registered Office : SCO 857, 2nd Floor, C.No. 10 NAC Manimajra, Chandigarh - 160101

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by Venus Remedies Limited ("the listed entity") having Corporate Identification Number (CIN) L24232CH-1989PLC009705 and registered office at SCO 857, 2nd Floor, C.No. 10 NAC Manimajra, Chandigarh - 160101 (hereinafter called 'the company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

I. Based on our verification of the Company's books, papers, minutes book, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2021 complied with statutory provisions listed hereunder and also that company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

(A) We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended March 31, 2021 according to the provisions of:

- The Companies Act, 2013 (The Act) and the rules made there under;
- The Securities Contract (Regulation) Act,1956 ("SCRA") and the rules made there under;
- The Depositories Act,1996 and Regulations and Bye-laws framed there under;
- Foreign Exchange Management Act,1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercials Borrowings;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992("SEBI Act"):
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers)Regulations, 2011 as amended upto date;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended upto date; and
 - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations,1993 regarding the Companies Act and dealing with clients as amended upto date;

- d) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended upto date and to the extent applicable to the company
- e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended upto date;

During the period under review, the provision of the following Regulations (as enumerated in the prescribed format of Form MR-3) were not applicable to the Company:

- a. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- b. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- c. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014; and
- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
- e. Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013

Management has identified and confirmed the following laws as being specifically applicable to the Company

- i. Drugs and Cosmetics Act, 1940
- ii. Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954
- iii. Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974
- iv. Food Safety And Standards Act, 2006
- v. The Indian Copyright Act, 1957
- vi. The Patents Act, 1970
- vii. The Trade Marks Act, 1999
- viii. The Pharmacy Act 1948
- ix. Drugs Control Act 1950
- x. Goods and Services Tax Act, 2017
- xi. Industrial (Development & Regulation) Act, 1951
- xii. The Environment (Protection) Act, 1986
- xiii. Air (Prevention and Control of Pollution) Act, 1981
- xiv. The Water (Prevention and Control of Pollution) Act, 1974
- xv. Electricity Act, 2003 and Rules and Regulations thereof.
- xvi. Factories Act, 1948
- xvii. Indian Boilers Act, 1923
- xviii. Standards of Weights & Measure Act ,1976
- xix. Hazardous waste and other Wastes (Management, Handling & Transboundary Movement) Rules-2016

- xx. Petroleum Act, 1934
- xxi. Employee's Provident Funds and Miscellaneous Provision Act, 1952
- xxii. The Employee's State Insurance Act, 1948
- xxiii. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959 & Rules
- xxiv. Industrial Employment (Standing Order) Act, 1946
- xxv. The Maternity Benefit Act, 1961
- xxvi. Punjab Welfare Fund Act, 1965
- xxvii. Equal Remuneration Act, 1976
- xxviii. The Workmen's Compensation Act, 1923
- xxix. The Minimum Wages Act, 1948
- xxx. The Payment of Wages Act, 1936
- xxxi. The Payment of Gratuity Act, 1972
- xxxii. The Payment of Bonus Act, 1965
- xxxiii. The Contract La bour (Regulation & Abolition) Act, 1970 & Rules
- xxxiv. Punjab Industrial Establishment (National & Festival, Holidays, Sick & Casual Leave) Rules, 1966
- xxxv. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- xxxvi. Legal Metrology Act, 2009
- xxxvii. National Building Code, 2016
- xxxviii. The Motor Vehicles Act, 1988
- xxxix. The Industrial Disputes Act, 1947
- xl. Bio-Medical Waste Management Rules, 2016
- xli. E-Waste (Management) Rules, 2016
- xlii. National Pharmaceutical Pricing Authority
- xliii. Income tax act 1961

(B) We have also examined compliance with the applicable clauses/ provisions of the following:

- (i) Secretarial standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the institute of company Secretaries of India;
- (ii) The Securities and Exchange Board of India (Listing Obligation Disclosure Requirements) Regulations, 2015;
- (iii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the period under review, the Company has generally complied with the provision of the Acts, Rules, Regulations, Guidelines and Standards except in respect of matters specified below:

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practising Company Secretary
1	As per Regulation 33 of LODR Regulations, the Financial Results for the quarter and year ended on March 31, 2020 has to be submitted by the Company to the BSE and NSE by May 30, 2020. However, the said due date had been extended to July 31, 2020 as per SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/ 106 dated June 24, 2020.	Delay in submission of Financial Results for the quarter and year ended on March 31, 2020. Submitted the same on 21 st August 2020.	<ol style="list-style-type: none"> The Company has paid requisite fine to BSE and NSE as per SEBI Circular dated January 22, 2020. Company submitted the reason for delay in submitting financial results to BSE & NSE through letter dated 28th July, 2020 stating that "Due to the severe impact of COVID-19 pandemic in both India and Germany, the Company has been operating with minimal accounting staff across all its offices in both India and Germany, and this has led to a delay in collating the requisite information to finalize the consolidated results."
2	As per the regulation 23(9) of SEBI (LODR) Regulations, 2015, the listed entity shall submit within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis.	Company submitted disclosures of related party transactions on a consolidated basis on 8 th January, 2021 causing a delay in submission.	<ol style="list-style-type: none"> The Company has paid requisite fine to BSE and NSE as per SEBI Circular dated January 22, 2020. Due to severe impact of Covid 19 pandemic resulting in minimal working staff caused delay in compliance.

II. We further report that the board of directors of the company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the board of directors that took place during the period under review were carried out in compliance with the provisions of the relevant act.

III. We further report that adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting. A Board meeting was called on 6th November, 2020 and 23rd February, 2021 on shorter notice as per the requisite provisions of Companies Act, 2013.

IV. All the decisions of the Board and Committees thereof were carried through with requisite majority.

VI. During the audit period no specific events/ actions has taken place which has major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

IMPORTANT NOTE: We have conducted online verification & examination of records as facilitated by the listed entity due to Covid-19 and subsequent lockdown situation for the purpose of issuing this Report.

For **P Chadha and Associates**
Company Secretary

(Prince Chadha)

M.No. A32856, CP No. 12409
UDIN: - A032856C000402654

Date: 31.05.2021
Place: Chandigarh

To,

The Members,

Venus Remedies Limited

Registered Office : SCO 857, 2nd Floor, C.No. 10 NAC Manimajra, Chandigarh - 160101

Our Secretarial Audit Report (Form MR-3) of even date is to be read along with this letter:

- 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.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure the correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, we have obtained the Management representation about the compliance of law, rules, regulations and happening of event etc.
- The compliance of provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit reports is neither an assurances as to the future viability neither of Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **P Chadha and Associates**
Company Secretary

(Prince Chadha)

M.No. A32856, CP No. 12409
UDIN: - A032856C000402654

Date: 31.05.2021
Place: Chandigarh

SECRETARIAL COMPLIANCE REPORT OF VENUS REMEDIES LIMITED FOR THE YEAR ENDED MARCH 31, 2021

[Pursuant to Regulation 24A of Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Prince Chadha, Proprietor of P. Chadha & Associates, Company Secretaries have examined:

- a all the documents and records made available to us and explanation provided by VENUS REMEDIES LIMITED (“the listed entity”) having Corporate Identification Number (CIN) L24232CH1989PLC009705 and registered office at SCO 857, 2nd FLOOR, C. No. 10 NAC MANIMAJRA CHANDIGARH CH 160101 IN
- b the filings/ submissions made by the listed entity to BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”),
- c website of the listed entity i.e. www.venusremedies.com,
- d other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended March 31, 2021 (“Review Period”) in respect of compliance with the provisions of:

- a the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- b the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- a Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”);

and based on the above examination, I/We hereby report that, during the Review Period:

- a The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practising Company Secretary
1	As per Regulation 33 of LODR Regulations, the Financial Results for the quarter and year ended on March 31, 2020 has to be submitted by the Company to the BSE and NSE by May 30, 2020. However, the said due date had been extended to July 31, 2020 as per SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/ 106 dated June 24, 2020.	Delay in submission of Financial Results for the quarter and year ended on March 31, 2020 which was submitted on August 21, 2020	1. The Company has made the default good and paid requisite fine to BSE and NSE as per SEBI Circular dated January 22, 2020. 2. Company submitted the reason for delay in submitting financial results to BSE & NSE through letter dated 28 th July, 2020 stating that “Due to the severe impact of COVID-19 pandemic in both India and Germany, the Company has been operating with minimal accounting staff across all its offices in both India and Germany, and this has led to a delay in collating the requisite information to finalize the consolidated results.”

- b Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
[N.A. to Company during the year under review]
- e Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
[N.A. to Company during the year under review]
- f Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
[N.A. to Company during the year under review]
- g Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013;
[N.A. to Company during the year under review]
- h Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
[To the extent applicable]
- j Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
[N.A. to Company during the year under review]
- kN.A.....(other regulations as applicable) and circulars/ guidelines issued thereunder;

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practising Company Secretary
2	As per the regulation 23(9) of SEBI (LODR) Regulations, 2015, the listed entity shall submit within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis.	Company submitted disclosures of related party transactions on a consolidated basis on 8 th January, 2021 causing a delay of 32 days.	1. The Company has made the default good and paid requisite fine to BSE and NSE as per SEBI Circular dated January 22, 2020. 2. Due to severe impact of Covid 19 pandemic resulting in minimal working staff caused delay in compliance.

b The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.

c The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ Remarks of the Practising Company Secretary, if any
01	BSE and NSE	Delay in submitting Financial results for the quarter and year ended on 31 st March 2020.	BSE & NSE each levied fine of ₹95000 plus 18% GST for delay in submission of Financial results for the quarter and year ended on 31 st March 2020.	Financial Results for the quarter and year ended on March 31, 2020 was submitted on August 21, 2020. Company has made the default good and paid requisite fine to BSE and NSE
02	BSE and NSE	Delay in submitting disclosures of related party transactions on a consolidated basis.	BSE & NSE each levied fine of ₹160000 plus 18% GST for delay in submitting disclosures of related party transactions on a consolidated basis.	Disclosures of related party transactions on a consolidated basis was submitted on 8 th January, 2021. Company has made the default good and paid requisite fine to BSE and NSE

d The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations of the Practising Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practising Company Secretary on the actions taken by the listed entity
There was no observation made in previous report				

*Disclaimer Note: During this challenging time of COVID 19 outbreak this report has been undertaken to the best of my capability based on of e verification of scans, soft copies , information, confirmations, records and documents made available to us by the management.

For **P. Chadha & Associates**
Company Secretaries

Prince Chadha
(Prop.)
M No.: 32856
C.P. No.: 12409
UDIN :A032856C000359127

Date :22.05.2021
Place: Chandigarh

ANNEXURE-7
Particulars of Employees Remuneration

Particulars of employees pursuant to section 134(3)(g) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and remuneration of managerial personnel) Rules, 2014

The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year	Mr. Pawan Chaudhary Mrs. Manu Chaudhary Mr. Peeyush Jain Mr. Ashutosh Jain	36.18:1 34.85:1 21.85:1 19.55:1
The % of increase in remuneration of each director, Chief Financial officer, Chief Executive officer, Company Secretary or Manager, if any, in the Financial year	Mr. Pawan Chaudhary Mrs. Manu Chaudhary Mr. Peeyush Jain Mr. Ashutosh Jain Mrs. Neha	23.28% 24.63% 25.06% 26.20% (15.19)%
The percentage increase in the median remuneration of the employees in the financial year	8.14%	
Total no. of employees as on 31.03.2021	837	
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average percentile increase in the remuneration for all employees other than managerial personnel was 8.14%, while the average increase in the managerial remuneration was 24.54%. This increase reflects the strong company performance and the direct contribution of the managerial personnel in driving this performance. Further, there was no increase in managerial remuneration after the financial year 2014-15, Increase in financial year 2020-21 has been made after 5 years which is well justified in terms of senior management contribution to the growth of Company.	
the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	Managing Director of the Company is the highest paid director and no other employee is getting remuneration higher than the Managing Director.	
Affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year is as per the Remuneration policy of the Company.	

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is about maintaining and preserving the highest standards of integrity, transparency and accountability. Over the years, your Company has complied with the principles of Corporate Governance. The Company operates not only within the regulatory framework, but is also guided by broader business ethics. The idea is to ensure good conscience, transparency and openness which would lead to accountability of the persons in charge of the company and bring benefits to investors, customers, creditors, employees and the society at large. We believe that retaining and enhancing stakeholder trust is essential for sustained corporate growth.

Your Company will continue to focus its resources, strengths and strategies for creation and safeguarding of shareholders' wealth and at the same time protect the interests of all its shareholders while upholding the core values of excellence, integrity, responsibility, unity and understanding.

2. BOARD OF DIRECTORS:
A. Composition, Category, attendance and number of other Directorships of the Directors are furnished below:

As at March 31, 2021, the Board consisted of 8 members. The Composition, category of directors and directorships held in other companies by the Directors on the Board of the Company was as under:

Name of Director	Category of Director	No. of outside Directorships in Indian Public Companies and Listed Companies	No. of Board Committee other than Venus Remedies Limited In Which Chair-man/Member	No. of Board Meetings attended	Attendance at last AGM	Number of shares/ convertible securities held by non executive directors
Mr. Pawan Chaudhary (Chairman & Managing Director)	Promoter, Whole-time Director	1	Nil	7	Yes	987000 Equity Shares 600000 Convertible warrants
Mrs. Manu Chaudhary (Joint Managing Director)	Promoter, Whole-time Director	1	Nil	7	No	1143000 Equity Shares 425000 Convertible warrants
Mr. Peeyush Jain (Dy. Managing Director)	Whole-time Director	Nil	Nil	7	Yes	50
Mr. Ashutosh Jain (Executive Director)	Whole-time Director	1	Nil	7	Yes	-
Dr. S. K. Chadha (Independent Director)	Independent Non-Executive	Nil	Nil	7	Yes	-
Dr. Gilbert Wenzel (Independent Director)	Independent Non-Executive	Nil	Nil	1	No	-
Mr. Navdeep Sud (Independent Director)	Independent Non-Executive	Nil	Nil	3	No	-
Mr. Pravindra Singh Chauhan (Independent Director)	Independent Non-Executive	Nil	Nil	7	Yes	-

B. Details of Board Meetings held during the year:

Sr.No.	Date	Board Strength	No. of Directors present
1.	20.06.2020	8	7
2.	21.08.2020	8	6
3.	15.09.2020	8	6
4.	06.11.2020	8	6
5.	15.01.2021	8	7
6.	08.02.2021	8	7
7.	23.02.2021	8	7

C. The key skills/ expertise/ competencies identified by the Board of directors as required in context of Company's business and the sector.

Financial	Understanding of financial functions, financial reporting, proficient planning process, capital allocation, evaluation of risk and opportunities.
Management and Leadership	Strong management and Leadership experience, demonstrating strengths and making logistical decisions that drive organization toward the established vision.
Diversity	Diversity of thought, experience, knowledge, skills, gender, culture, personality traits, value and attitudes.
Strategy and planning	Strategic planning and formulating business strategies, implementing them, and evaluating their impact based on organizational objectives. Experience in guiding and leading management teams
Global & Domestic Business understanding and Marketing skills	Experience of global and domestic business market with regard to economic conditions, cultures, environment and regulatory jurisdictions. Making strategies to grow sale and market share, brand recognition.
Research & Development	Ability to handle large data sets and perform high-level data analysis, Technophile, A knack for finding new drug discovery targets, Business skills and awareness of industry trends, Understanding legal and regulatory issues.
Corporate Governance	Experience in developing, upholding and preserving of good corporate governance keeping the best interest of each stakeholder with corporate ethics and values.

Given below is a list of core skills, expertise and competencies of the individual Directors:

Name of Director	Financial	Management and Leadership	Diversity	Strategy and planning	Global & Domestic Business understanding and Marketing skills	Research & Development	Corporate Governance
Mr. Pawan Chaudhary	√	√	√	√	√	√	√
Mrs. Manu Chaudhary	-	√	√	√	-	√	√
Mr. Peeyush Jain	√	√	√	√	√	√	√
Mr. Ashutosh Jain	-	√	√	√	√	√	√
Dr. S. K. Chadha	√	√	√	√	--		√
Dr. Gilbert Wenzel	√	√		√	-	√	√
Mr. Pravindra Singh Chauhan	√	√	√	√	-	-	√
Mr. Navdeep Sud	-	√	√	√	-	-	√

D. Inter-se relationships among directors:

Mr. Pawan Chaudhary and Mrs. Manu Chaudhary are husband and wife. Mr. Peeyush Jain and Mr. Ashutosh Jain are brothers of Mrs. Manu Chaudhary. Except this, there are no inter-se relationship among the Directors.

E. Familiarization programme imparted to Directors:

Company has implemented familiarization programmes for its directors. Details of familiarization programmes imparted to directors are uploaded on Company's website www.venusremedies.com

F. Independent Directors' term:

The Independent Directors fulfill the criteria of independence as per the provisions of Listing Agreement, Companies Act, 2013 and SEBI (Listing obligations and Disclosure requirements) Regulations 2015 and have given declaration of Independence. Mr. Pravindra Singh Chauhan appointed as the Independent Director for five years w.e.f. 24.09.2018. Dr. Suresh Kumar Chadha and Dr. Gilbert Wenzel, Independent directors are appointed for the tenure of 5 years from the AGM held on 30.09.19. Mr. Navdeep Sud appointed as the Independent Director for five years w.e.f. 20.06.2020.

A Separate meeting of Independent Directors was held on 23.02.2021. All the Independent directors attended the meeting.

G. Succession Planning:

Company has effective plans for orderly succession for appointment to the board of directors and senior management.

H. Code of Conduct

The Company has established a code of conduct for its management and senior officials. The company has placed the code of conduct on its website www.venusremedies.com

Affirmation that Board of Directors have affirmed that they have followed the code of conduct for the financial year ended on 31.03.2021 as annexed with the report.

I. Information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration during the Financial Year 2020-21.
J. Board Confirmation on Independent directors:

In the opinion of Board of Directors, Independent directors fulfill the conditions as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The independent directors are not connected to Management in any way, they are Independent of the Management of the Company.

3. AUDIT COMMITTEE:

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

A) The Audit Committee performs the following functions:

- Overseeing the Company's financial process and disclosure of financial information to ensure that the financial statement is correct;
- Recommending the appointment and removal of external and internal auditor, fixation of audit fee and approval for payment of any services;

c) Reviewing with the management annual financial statement before submission to the Board;

d) Reviewing significant audit finding with the management and external and internal auditors, the adequacy of internal control system.;

e) Scrutiny of inter-corporate loans & Investments, if any;

f) Approval of related party transaction;

g) Discussing with internal auditors any significant finding and follow up on such issues;

h) Discussing with external auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern;

i) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;

j) Examining reasons for substantial default in the payment to depositors, debenture holders, shareholders and creditors, if any;

k) Recommendation for appointment, remuneration and terms of appointment of auditors;

- l) To evaluation of internal financial controls and risk management systems;
- m) To review the functioning of the whistle blower mechanism;
- n) To review management letters / letters of internal control weaknesses issued by the statutory auditors.
- o) Carrying out any other function in the terms of reference of Audit Committee as mentioned in the SEBI regulations and Companies Act, 2013.

B) Composition:

The Committee is comprised of three directors having financial and management expertise. The committee is headed by Non-Executive Independent Director of the Company. Chairman of the audit committee was present at the last annual general meeting.

Sr. No.	Name of Director/ Member	Designation	Category
1	Mr. Pravindra Singh Chauhan	Chairman	Non-Executive Independent
2	Dr. S.K. Chadha	Member	Non-Executive Independent
3	Mr. Pawan Chaudhary	Member	Managing Director

Company Secretary of the Company act as the Secretary to the audit committee.

C) During the year five Audit Committee Meetings were held:

S.No.	Date of Meeting	No. of Directors present
1.	20.06.2020	3
2.	21.08.2020	3
3.	15.09.2020	3
4.	06.11.2020	3
5.	08.02.2021	3

4. NOMINATION & REMUNERATION COMMITTEE

A) Role of Nomination and Remuneration committee is as follows:

- a) 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;
- b) Formulation of criteria for evaluation of Independent Directors and the Board;
- c) Devising a policy on Board diversity;
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the
- e) Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;
- f) Recommend to the Board their appointment and removal;
- g) The Committee deals with all elements of the remuneration package of all Whole-time Directors and also administers the stock option plan of the Company;
- h) Evaluate the Board performance.
- i) Carrying out any other function as mentioned in the SEBI regulations and Companies Act, 2013.

B) Composition & Attendance:

The Nomination & Remuneration Committee comprises of Non Executive and Independent Directors.

Sr. No.	Name of Director/ Member	Designation	Category
1	Mr. Pravindra Singh Chauhan	Chairman	Non-Executive Independent
2	Mr. S.K. Chadha	Member	Non-Executive Independent
3	Mr. Navdeep Sud	Member	Non-Executive Independent

Company Secretary of the Company act as the Secretary to the Nomination & Remuneration Committee.

C) During the year One Nomination & Remuneration Committee Meetings were held:

S.No.	Date of Meeting	No. of Directors present
1.	15.01.2021	3

D) Remuneration of Directors during FY 2020-21:

Name of Director	Salary	Sitting Fee	Perquisites	Superannuation	PF	Commission	Total
Mr. Pawan Chaudhary	7704480	Nil	115359	Nil	Nil	Nil	7819839
Mrs. Manu Chaudhary	7533408	Nil	Nil	Nil	Nil	Nil	7533408
Mr. Peeyush Jain	4528602	Nil	195308	Nil	Nil	Nil	4723910
Mr. Ashutosh Jain	4133973	Nil	61985	Nil	Nil	Nil	4195958
Mr. Pravindra Singh Chauhan	Nil	85000	Nil	Nil	Nil	Nil	85000
Dr. S. K. Chadha	Nil	85000	Nil	Nil	Nil	Nil	85000
Mr. Navdeep Sud	Nil	10000	Nil	Nil	Nil	Nil	10000
Dr. Gilbert Wenzel	Nil	Nil	Nil	Nil	Nil	Nil	Nil

- a) None of the non-executive directors are holding any shares or convertible instruments in the Company.
- b) The non-executive directors are paid only sitting fees for attending the Board /Committee meetings.
- c) There is no provision for performance linked incentives to directors.
- d) There was no pecuniary relation and transactions between the Non-executive directors and the company during the year.
- ii. The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force;
- iii. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration;

E) Evaluation Criteria:

The Nomination & Remuneration Committee lays down the criteria for performance of the Directors. The criteria for performance evaluation of Directors covers parameters such as decision taken in the interest of the organization objectively, assist the Company in implementing the Corporate Governance, monitor performance of organization based on agreed goals and financial performance, actively participate in the affairs of the Company as Board member and/or committees. Policy on performance evaluation available on Company's website www.venusremedies.com.

F) POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

- i. The Remuneration/ Compensation/ Commission etc. to be paid to Managing Director/ Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company;

G) Criteria for making payment to Non-Executive/ Independent Directors

With changes in the Corporate Governance norms, the Non-executive/ Independent Directors bring in a wider perspective in the deliberations and decision-making of the Board which adds value to the Company. They also play a crucial role in the Independent functioning of the Board.

The Non-Executive/ Independent Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/ Committee meetings and commission as detailed hereunder:

H) Payment to Independent Directors:

An Independent Director shall not be entitled to any stock option and shall receive Sitting fees and reimbursement of expenses for participation in meetings of the Board or committee thereof, as may be permissible under the Companies Act, 2013 and any other applicable law at the discretion of the Board.

The above criteria and policy are subject to review by the Nomination & Remuneration Committee and the Board of Directors of the Company.

The above said policies are available at the company's website www.venusremedies.com

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The stakeholders' Relationship Committee has been constituted to approve transfer, transmission, sub-division, issue of duplicate/split/consolidation of shares/debentures, demat/remat and for redressal of Investor complaints on all matters.

A) Role of Stakeholders Relationship Committee is as follows:

- i. Resolving the grievances of the share holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- ii. Review of measures taken for effective exercise of voting rights by shareholders.
- iii. Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- iv. Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The committee meets fortnightly or as may be required.

The present composition of stakeholders' Relationship Committee:

Sr. No	Name of Director/ Member	Designation	Category
1	Mr. Pravindra Singh Chauahn	Chairman	Non-Executive Independent
2	Mr. Peeyush Jain	Member	Whole time director
3	Mr. Navdeep Sud	Member	Non-Executive Independent

Company Secretary of the Company act as the Secretary to stakeholders' Relationship Committee.

Name & Designation of compliance officer: Ms. Neha Arora, Company Secretary & Compliance Officer.

During the financial year 2020-21 Shareholders' Grievance pending during the beginning of the year-NIL, Received during the year-47, Disposed of during the year-47, Remaining unresolved at the end of the year-NIL. No grievance pending to the satisfaction of shareholders.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with rules made thereunder, Company constituted the CSR committee with following members:

Name	Designation	Category
Dr. Suresh Kumar Chadha	Chairman	Non- Executive Independent
Mr. Pawan Chaudhary	Member	Whole time director
Mr. Peeyush Jain	Member	Whole time director

Function of the committee:

- a) To formulate and recommend to the board, a CSR which shall indicate the activities to be undertaken by the company as specified in schedule VII of the Companies Act 2013.
- b) Recommend the amount to be incurred on CSR activities.

- c) Monitor CSR activities of the Company time to time.
- d) Prepare a transparent mechanism for ensuring implementation of project/ programmes/ activities to be undertaken by the company.

During the review period, one meeting was held on 08.02.2021, all committee members attended the said meeting. CSR policy is available on company's website www.venusremedies.com

7. GENERAL BODY MEETINGS

Details of General Meetings held in last three years:

Financial Year	Meeting	Date	Time	Location	Special Resolution Passed
2017-2018	AGM	24.09.2018	10:30 AM	Hotel Pelican, Industrial Area, Phase-2, Chandigarh	To approve the Material Related Party Transactions
2018-2019	AGM	30.09.2019	10:00 AM	Hotel Pelican, Industrial Area, Phase-2, Chandigarh	<ol style="list-style-type: none"> 1. Re-appoint Mr. Pawan Chaudhary as Managing Director of the Company. 2. To Re-appoint Mr. Peeyush Jain as Deputy Managing Director of the Company 3. Re-appointment of Dr. Suresh Kumar Chadha (DIN: 00449766) as an Independent Director for second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013. 4. Re-appointment of Dr. Gilbert Wenzel (DIN: 01492035) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013. 5. To approve payment of remuneration to Mrs. Manu Chaudhary (DIN: 00435834), Joint Managing Director. 6. To approve payment of remuneration to Mr. Ashutosh Jain (DIN: 01336895), Executive Director. 7. To approve the Material Related Party Transactions
2019-2020	AGM	02.12.2020	11:30 AM	Through Video Conferencing	<ol style="list-style-type: none"> 1. To approve the Material Related Party Transactions. 2. Issuance of 10,25,000 warrants fully convertible into equity shares to promoters of the company on a preferential basis
2020-2021	EGM	10.02.2021	11:30 am	Through Video Conferencing	<p>Ordinary Resolutions:</p> <ol style="list-style-type: none"> 1. To revise the remuneration of Mr. Pawan Chaudhary, Managing Director . 2. To revise the remuneration of Mrs. Manu Chaudhary, Joint Managing Director 3. To revise the remuneration of Mr. Peeyush Jain Deputy Managing Director. 4. To revise the remuneration of Mr. Ashutosh Jain Executive Director.

E-voting were conducted during the AGM dated 02.12.2020 and EGM dated 10.02.2021 and Mr. Prince Chadha was appointed as the scrutinizor for the aforesaid purpose.

Details of the voting for AGM dated 02.12.2020 is as under:

Special resolution No. 5: Assent- 100%; Dissent-0.00%
Special resolution No. 6. : Assent- 100%; Dissent-0.00%

Details of the voting for EGM dated 10.02.2021 is as under:

Resolution No. 1 Assent- 99.59%; Dissent-0.41%
Resolution No. 2 Assent- 99.59%; Dissent-0.41%
Resolution No. 3 Assent- 99.59%; Dissent-0.41%
Resolution No. 4 Assent- 99.59%; Dissent-0.41%

E-voting voting procedure was in compliance with the provisions of the Companies Act, 2013 and rules made thereunder, procedure was also mentioned in the AGM & EGM Notice.

Special resolution proposed for the current AGM: As per the Notice of Annual General Meeting dated 20th September, 2021

8. DISCLOSURES

(a) Related party Transaction:

Related party transactions entered during the financial year were at an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Transactions with related parties during the period are disclosed in Notes to the Accounts. The related party transactions are in compliance with the IND AS 24 and disclosed under then notes to Accounts forming part of this annual report.

Policy to deal with Related Party Transactions and material subsidiary are uploaded on Company's Website www.venusremedies.com

(b) Compliance:

There were no penalties, strictures imposed on the company by stock exchanges, SEBI or any other statutory authorities during the last three years.

(c) The Company has established the Vigil Mechanism and whistler Blower Policy and company affirm that no personnel has been denied access to the audit committee.

The said policies are uploaded on Company's Website www.venusremedies.com

(d) The Company has complied with all the statutory

requirements and not adopted any non mandatory requirements of Listing Agreement and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

(e) Disclosure of commodity price risk and commodity hedging activities: Not applicable as company does not deal in commodities.

(f) Details of Funds utilized: During the Financial year 2020-21, 1025000 warrants fully convertible into Equity Shares were issued to the promoters of the Company on preferential basis. These warrants were issued on 23rd February, 2021 after receiving 25% of total consideration as upfront money. Subsequently, the Company issued 10,25,000 Equity shares on conversion of warrants to Promoters. Funds were utilized towards ongoing research and development activities, creation of intellectual property wealth besides upgradation and modernisation of existing manufacturing facilities.

(g) As required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Auditors' certificate on corporate governance annexed to the report.

(h) Code for Prevention of Insider Trading

In line with the amendments, Company has adopted the amended Code of conduct as per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 amended on December 31, 2018 by Securities and Exchange Board prescribing various new requirements with effect from April 1, 2019 to regulate, monitor and report trading by Designated Persons and their Immediate Relatives under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The code has been available of Company's website www.venusremedies.com

(i) The preparation of financial statements are as per the accounting standards notified by the Ministry of Corporate affairs issued by the Institute of Chartered Accountants.

(j) Company's wholly owned subsidiary Venus Pharma GmbH is unlisted and incorporated outside India, which is a material subsidiary. Venus does not have any unlisted material subsidiary incorporated in India. Company has framed a material subsidiary policy and uploaded the same on its website www.venusremedies.com

(k) Policy to deal with Related Party Transactions and material subsidiary are uploaded on Company's Website www.venusremedies.com

(l) Certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as director of the company by board/ Ministry of Corporate Affairs or any other statutory authority, has been annexed to the Corporate Governance report.

(m) There is no such instances where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the financial year 2020-21.

(n) Fees Paid to Statutory Auditors

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all the entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

Type of Services	Fees paid (Amt. In ₹) During FY 2020-21	Fees paid (Amt. In ₹) During FY 2019-20
Statutory Audit fee (Including Limited Review report)	5,00,000	5,00,000
Total	5,00,000	5,00,000

(o) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is a mentioned in Directors report forming part of this annual report.

9. DEMAT SUSPENSE ACCOUNT:

In accordance with Regulation 39 and Schedule VI of the Listing Regulations, Company is in the process of sending minimum of three reminders to shareholders, towards the shares which remain undelivered. In case of non-receipt of response to the reminders from the shareholders, the undelivered shares are to be transferred to the Unclaimed Suspense Account. The Company will maintain the details of shareholding of each individual shareholders whose shares are to be transferred to the Unclaimed Suspense Account.

10. MEANS OF COMMUNICATION

- Publication of Quarterly results : Generally published in newspaper- Financial express & Business Standard. Financial results are also published on company's website www.venusremedies.com
- Company website also display the official news releases.
- Presentation made to institutional investor or to the analysts: No
- Management Discussion & Analysis :Published as a part of Annual Report under Director's Report.
- Shareholders Information Section Published as part of Annual Report under Corporate Governance Report
- Information to stock exchange : All the material developments in the company informed to stock exchanges where the shares of the company are listed
- Company Website: The Company has its own website viz. www.venusremedies.com
- www.vmcindia.com, www.venuspharmagmbh.de,

where information relating to financial results, launch of new products and official releases to news agencies are made available.

11. GENERAL SHAREHOLDERS INFORMATION

a) AGM details :

Date : 20.09.2021
Time : 11.30 A.M.
Book Closure Dates 14.09.2021 to 20.09.2021 (Both days inclusive)

b) Financial Calendar for 2020-21

Tentative dates : 1st April 2021 to 31st March 2022
First Quarter results : On or before August 14, 2021
Second Quarter results : On or before November 14, 2021
Third Quarter results : On or before February 14, 2022
Fourth Quarter results : On or before May 30, 2022

c) Dividend Payment date

The Board has not recommended dividend for the Financial Year 2020-21

d) Listing of Stock Exchange

The Company's securities(Equity share) are listed on the following Stock Exchanges,

Name Address

BSE Limited The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 023
Scrip Code : 526953

NSE The National Stock Exchange of India Limited 5th Floor, Exchange Plaza, Bandar (E, Mumbai)
Scrip Code: VENUSREM

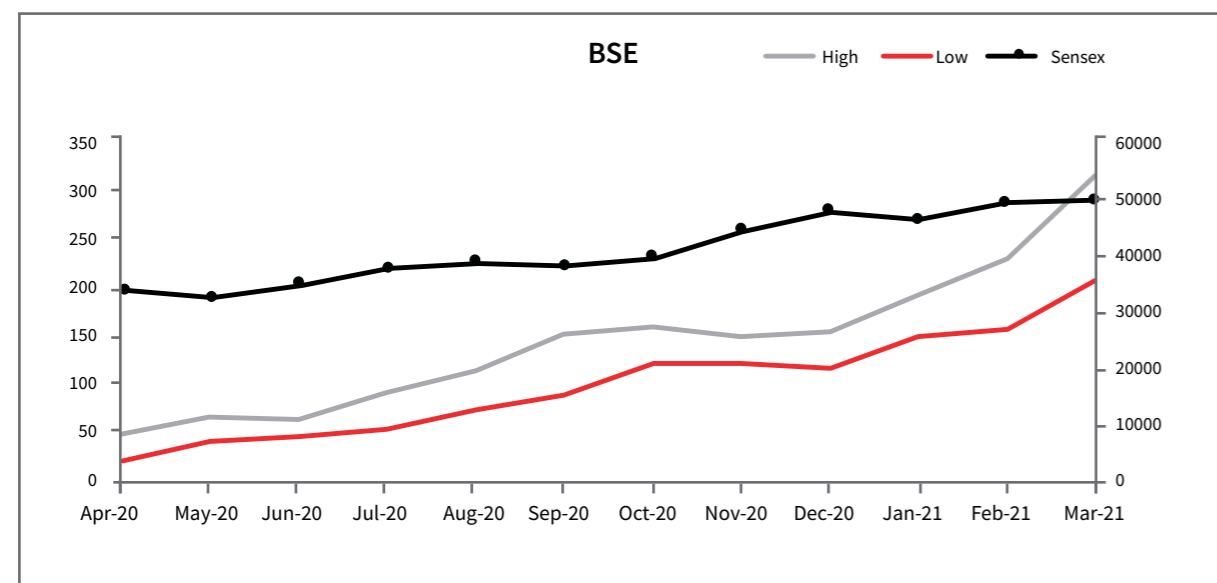
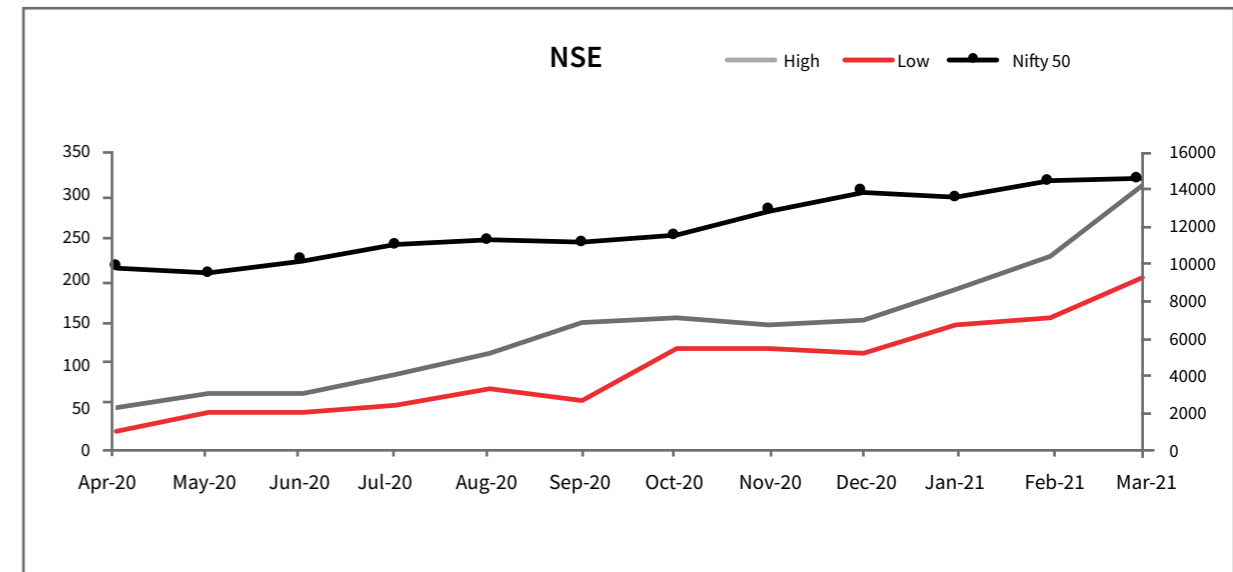
The Company has paid the annual listing fees for the year 2020-21 the exchanges where securities are listed.

Corporate Identification Number (CIN):
L24232CH1989PLC009705

e) Market Price data

Market price data (High/Low) during each month in the year 2020-21

Month	BSE				NSE			
	High	Low	Total Traded Quantity	Sensex	High	Low	Total Traded Quantity	Nifty 50
April 2020	50.50	22.20	35119	33717.62	51.30	22.00	230115	9859.90
May 2020	67.55	42.80	128516	32424.10	68.60	43.46	814108	9580.30
June 2020	65.40	46.65	123361	34915.8	66.80	46.00	543823	10302.10
July 2020	91.50	54.10	311471	37606.89	90.30	54.15	428203	11073.45
August 2020	115.30	74.80	423481	38628.29	114.60	73.80	962952	11387.50
September 2020	151.80	90.25	191307	38067.93	150.00	59.55	988529	11247.55
October 2020	159.40	121.45	178817	39614.07	157.95	121.20	546784	11642.40
November 2020	150.35	122.30	197546	44149.72	149.45	120.25	625494	12968.95
December 2020	154.95	116.85	273996	47751.33	155.05	116.05	838041	13981.75
January 2021	191.50	151.15	209983	46285.77	190.70	149.00	736874	13634.60
February 2021	229.45	156.90	272186	49099.99	229.80	158.00	648769	14529.15
March 2021	314.10	206.55	498842	49509.15	313.35	203.75	686283	14690.70



f) Registrar & Transfer Agent

Link Intime India Pvt Limited, Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058
E-mail: delhi@linkintime.com
Phone ; 011 - 4141 0592/93/94, Fax ; 011-41410591

g) Share Transfer System:

In order to make the process easy and fast, the board has delegated the powers to Registrar & Transfer Agent. Share certificates in case of transfer are generally returned to the transferee(s) within a period of 15 days. Company has also formed the Stakeholder Relationship Committee to look into transfer/ transmission/ demat/ remat/ duplicate issue of shares and for other shareholders' complaints.

h) Shareholding Pattern as on 31.03.2021:

Sr. No.	Description	No. of holders	Shares	%
1	Promoters Individuals	2	21,30,000	17.26
2	Promoters - Body Corporate	1	23,00,000	18.64
3	Promoter Group- Individual	1	50	0.00
4	Foreign portfolio Investors	1	5,000	0.04
5	Individuals- Public	12972	67,52,417	54.71
6	Body Corporate	112	3,41,567	2.77
7	NBFCs registered with RBI	1	15,000	0.12
8	NRIs	277	2,65,453	2.8860
9	Clearing Members	86	1,81,387	1.47
10	HUF	375	2,35,251	1.91
11	IEPF	1	1,15,863	0.94
TOTAL		13829	1,23,41,988	100.00

Folios with same PAN are clubbed together.

i) Distribution of Shareholding as on 31st March 2021:

SR. NO.	SHAREHOLDING OF SHARES		SHAREHOLDER	PERCENTAGE OF TOTAL	TOTALSHARES	PERCENTAGE OF TOTAL.	
1	1	to	500	12495	88.4477	14,07,798	11.4066
2	501	to	1000	769	5.4435	6,18,018	5.0074
3	1001	to	2000	393	2.7819	6,00,691	4.8671
4	2001	to	3000	141	0.9981	3,54,542	2.8726
5	3001	to	4000	56	0.3964	2,02,768	1.6429
6	4001	to	5000	58	0.4106	2,71,223	2.1976
7	5001	to	10000	106	0.7503	7,62,210	6.1757
8	10001	to	*****	109	0.7716	81,24,738	65.8301
Total				14127	100	1,23,41,988	100

j) Dematerialization of shares and liquidity

As on 31.03.2021, 12202550 equity shares representing 98.87% of total share capital of the company are in dematerialized form with NSDL and CDSL. Trading of shares only permitted in demat form. 100% promoters holding is in demat form.

Mode	No. of Shares	Percentage
DEMAT	12202550	98.87%
PHYSICAL	139438	1.13%
Total	12341988	100%

National Securities Depository Limited
4th Floor, 'A' Wing, Trade World,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai - 400 013, India.

E-Mail : info@nsdl.co.in, Website: www.nsdl.co.in

Central Depository Services (India) Limited
Marathon Futurex, A Wing,
25th Floor, Mafarlal Mills Compound,
N.M. Joshi Marg, Lower Parel,
Mumbai-400013

Website: www.centraldepository.com

Email : helpdesk@cdslindia.com

k) Unclaimed Dividend

As per the section 124 of the companies Act, 2013 and rules there under, the company is required to transfer unpaid dividend which have remained unpaid/unclaimed for a period of 7 consecutive years from the date of declaration to Investor Education and Protection fund.

The Dividend which remained unpaid/unclaimed for 7 consecutive years has been transferred to Investor Education and Protection fund as per the provisions of Companies Act, 2013.

During the year Company has transferred unclaimed dividend for the financial year 2012-13 amounting ₹867834.00 to IEPF.

l) Share Transferred to IEPF:

During the year Company transferred 19,378 Equity Shares to IEPF on account of dividend unclaimed for seven consecutive years.

m) Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on equity:

The Company has not issued GDRs/ADRs.

n) Commodity price risk or foreign exchange risk and hedging activities:

During the year there is no major foreign exchange risk due to the natural hedging on account of imports & exports.

o) Plant Location

1. Unit-I Plot 51-52, Industrial Area, Phase-I, Panchkula-134 113, India

2. Unit-II: Hill Top Industrial Estate, Jharmajri EPIP, Phase-I (Extn.), Village- Bhatoli Kalan, Baddi (H.P), India- 173 205

p) Address for correspondence

Shareholders are requested to contact the following:

Mrs. Neha Arora

Company Secretary & Compliance Officer

Venus Remedies Limited

51-52, Ind. Area, Ph.-I, Panchkula (Haryana)-134113

Ph-0172-2933090, 94

E.mail:complianceofficer@venusremedies.com,

investorgrievance@venusremedies.com

Website: www.venusremedies.com

q) Registered Office :

Venus Remedies Limited

SCO 857, 2nd Floor, Cabin No. 10,

NAC, Manimajra, Chandigarh-160101.

12 NOMINATION FACILITY:

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the company, as permitted under Section 72 of the Companies Act, 2013 are requested to submit to the company the prescribed Form.

13. COMMUNICATION TO SHAREHOLDERS

All the quarterly reports, financial results, press releases are posted on our website www.venusremedies.com. Financial results are generally published in Business standard and Financial Express news papers.

14. COMPLIANCE WITH MANDATORY REQUIREMENTS

Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (l) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations.

15. DECLARATION AS REQUIRED UNDER REGULATION 34(3) AND SCHEDULE V OF THE LISTING REGULATIONS

Your Company has made compliance with all the requirement of corporate governance report of sub-para (2) to (10) of Schedule V under regulations 34(3) and 53(f) of listing regulations.

DECLARATION REGARDING AFFIRMATION TO THE CODE OF CONDUCT

In accordance with regulation 26(3) of SEBI(Listing Obligation & Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Directors and Senior Management personnel of the Company have affirmed compliance to the Venus Remedies Limited Code of Conduct for the financial year ended on 31.03.2021.

For **Venus Remedies Limited**

Pawan Chaudhary
(Chairman & Managing Director)
(DIN : 00435503)

Place: Panchkula
Date : 12.08.2021

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of the Board,
Venus Remedies Limited

We have examined the compliance of conditions of Corporate Governance by Venus Remedies Ltd. for the year ended 31st March, 2021, as stipulated in SEBI(Listing Obligation & Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance as stipulated in the said regulations. 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 by the Directors and the Management, we certify that the Company has complied with the conditions of corporate governance.

Based on the certificate received from Share Transfer Agent and the minutes of the Share Transfer and Shareholders' Grievance Committee, we state that no investor grievance is pending for a period exceeding six months.

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

For **P. Chadha & Associates**
Company Secretaries

Sd/-

Prince Chadha

M. No. : 23856

C.P . No.: 12409

UDIN : A032856C000751046

Date : 12.08.2021
Place: Chandigarh

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

To,
The Board of Directors
Venus Remedies Limited
SCO-857, C. No. 10, 2nd Floor,
NAC, Manimajra, Chandigarh-160101

I/We have examined the relevant registers, records, forms, returns and disclosures received from Venus Remedies Limited having CIN L24232CH1989PLC009705 and having registered office at SCO-857, C. No. 10, 2nd Floor, NAC, Manimajra Chandigarh-160101, (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my/our information and according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN
1	Mr. Pawan Chaudhary	00435503
2	Dr. (Mrs.) Manu Chaudhary	00435834
3	Mr. Peeyush Jain	00440361
4	Mr. Ashutosh Jain	01336895
5	Dr. Suresh Kumar Chadha	00449766
6	Mr. Pravindra Singh Chaudhan	08068504
7	Dr. Gilbert Wenzel	01492035
8	Mr. Navdeep Sud	08764371

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

For **P. Chadha & Associates**
Company Secretaries

Sd/-

Prince Chadha

M. No. : 23856

C.P. No.: 12409

UDIN : A032856C000751046

Date : 12.08.2021
Place: Chandigarh

STANDALONE FINANCIAL STATEMENTS

Independent Auditors' Report

To the Members of

VENUS REMEDIES LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

OPINION

We have audited the accompanying Standalone Ind AS financial statements of VENUS REMEDIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of

India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER

We draw attention to note no.37 of the Standalone Ind AS financial statements with respect to liability related to FCCB bonds amounting to US\$4,595,833 in the absence of any explicit agreement and based on reassessment of liability in terms of the provisions of The Limitation Act, 1963. Accordingly the carrying value of such FCCB liability has not been reinstated at current exchange rate. No provision for interest payable has been made since 1st February 2015, as the FCCB Bonds liability becoming time barred, as per a legal opinion obtained by the Company. The provision of interest made from 1st February 2015 till 31st March, 2019 of ₹686 Lakhs was also written back during previous financial year 2019-20.

Our opinion is not modified in respect of above matter.

KEY AUDIT MATTERS

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

We have determined that there are no key audit matters to communicate in our report.

INFORMATION OTHER THAN THE STANDALONE IND AS FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

Our opinion on the Standalone Ind AS 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 Ind AS 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 Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Standalone Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating

effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from

error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Standalone Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical

requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act.
 - (e) On the basis of the written representations received

from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 as at 31st March, 2021 on its financial position in its Standalone Ind AS financial statements - Refer Note 48 to the Standalone Ind AS financial statements;
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Vinod Kumar & Associates**
Chartered Accountants
FRN-002304N

Mukesh Dadhich
Partner

M.No. 511741

UDIN: 21511741AAAAHM5494

Date: 31st May, 2021

Place: Panchkula

Annexure A to the Independent Auditors' Report

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the Standalone Ind AS financial statements for the year ended 31st March 2021, we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on physical verification as confirmed by the management. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships and other parties, mentioned in the register maintained under section 189 of the Companies Act, 2013. Since, the company has not granted any loans, provisions of clause (iii) (a) to (iii) (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made, securities and guarantees given.

(v) The Company has not accepted any deposit from the public. Thus, paragraph 3(v) of the Order is not applicable.

(vi) On the basis of records produced we are of the opinion that prima facie cost records and accounts prescribed by the central government under section 148 of the act in respect of the products of "the company" covered under the rules under said section have been maintained. However we are neither required to carry out nor have carried out any detailed examination of such accounts and records.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, duty of excise, service tax, Goods and Service Tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, service tax, Goods and Service Tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March 2021 for a period of more than six months from the date they became payable

(b) According to the information and explanations and records of the company, the dues outstanding of income-tax, sales- tax, wealth-tax, service tax, Goods and Service Tax, custom duty, excise duty, value added tax and cess which have not been deposited by the company on account of any dispute are as follow:

Nature of statute	Nature of the dues	Period to which the amount relates	Forum where dispute is pending	Demand Amount (₹In lakhs)	Remarks
Income Tax Act, 1961	Income Tax	AY 2011-12	Commissioner of Income Tax Appeals	16.34	The Disputed demand of ₹16.34 lakhs was deducted by the Income Tax Department from refund due to the Company.

(viii) In our opinion and according to the information and explanations provided by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(ix) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations provided by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Although, the company has issued warrants with an option to convert them fully into equity shares of the company on preferential basis in one or more tranches and the funds raised through warrants still unutilized and remains with the company as on Balance Sheet date.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

For **Vinod Kumar & Associates**
Chartered Accountants
FRN-002304N

Mukesh Dadhich
Partner
M.No. 511741
UDIN: 21511741AAAAM5494

Date: 31st May, 2021
Place: Panchkula

Annexure B to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date) Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Standalone Ind AS financial statements of VENUS REMEDIES LIMITED ("the Company") as of 31st March, 2021 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan

and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to Standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to Standalone Ind AS financial statements, 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 Standalone Ind AS 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 with reference to Standalone Ind AS financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE IND AS FINANCIAL STATEMENTS

A company's internal financial control with reference to Standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone Ind AS financial statements 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 Standalone Ind AS 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 Standalone Ind AS financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE IND AS FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to Standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Standalone Ind AS financial statements 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, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Ind AS financial statements and such internal financial controls with reference to Standalone Ind AS financial statements were operating effectively as at 31st March 2021, based on the internal control with reference to Standalone Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Vinod Kumar & Associates**
Chartered Accountants
FRN-002304N

Mukesh Dadhich
Partner

M.No. 511741

UDIN: 21511741AAAAHM5494

Date: 31st May, 2021
Place: Panchkula

Standalone Balance Sheet

as at 31st March, 2021

(₹ in lakh)

Particulars	Note No.	Figures as at the end of 31.03.2021 (₹ in Lakhs)	Figures as at the end of 31.03.2020 (₹ in Lakhs)
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant & Equipment	2 (A)	14890.34	16740.90
(b) Capital Work In Progress	2 (B)	2510.89	2463.10
(c) Intangible Assets	2 (C)	9530.07	10406.37
(d) Financial Assets			
(i) Investment	3	13.89	13.89
(ii) Other Non Current Financial Assets	4	3296.82	3157.05
(e) Other non - current assets	5	3309.42	3251.20
Total Non- Current Assets		33551.43	36032.51
(2) Current Assets			
(a) Inventories	6	11969.17	13643.98
(b) Financial Assets			
(i) Trade Receivables	7	1643.78	2977.91
(ii) Cash and Cash Equivalents	8	2770.28	125.78
(iii) Bank balances other than (ii) above	9	10.00	18.26
(iv) Other Financial Assets	10	24.50	60.44
(C) Current Tax Assets	11	2871.98	2853.80
(D) Other Current Assets	12	1840.19	3513.95
(E) Assets held for sale	13	-	5200.00
Total Current Assets		21129.90	28394.12
Total Assets		54681.33	64426.63
EQUITY AND LIABILITY			
Equity			
(a) Equity Share Capital	14	1234.20	1234.20
(b) Other Equity	15	38784.08	31991.15
Total Equity		40018.28	33225.35
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16		
(a) Secured		-	2392.00
(b) Unsecured		4752.06	4834.07
(ii) Other Financial Liabilities	17	28.35	29.35
(b) Provisions	18	737.60	662.95
(c) Deferred Tax Liabilities (Net)	19	363.40	1684.60
Total Non- Current Liabilities		5881.41	9602.97
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	-	8142.34
(ii) Trade Payables	21		
(a) Total outstanding dues of micro enterprises and small enterprises		321.93	176.19
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		6514.09	3220.00
(iii) Other Financial Liabilities	22	1786.45	9960.03
(b) Other Current Liabilities	23	91.15	39.13
(c) Provisions	24	68.02	60.62
Total Current Liabilities		8781.64	21598.31
Total Equity and Liability		54681.33	64426.63

Significant Accounting Policies and Notes on Accounts 1 to 51

Notes and Significant Accounting Policies referred to above and annexed there to form an integral part of Balance Sheet. This is the Balance Sheet referred to in our Report of even date.

FOR VINOD KUMAR & ASSOCIATES

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)
Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 31.05.2021

For and on behalf of the Board of Directors

(Peeyush Jain)
Deputy Managing Director
DIN : 00440361

(Neha Kodan)
Company Secretary

(Pawan Chaudhary)
Managing Director & CFO
DIN : 00435503

(Ajeet Kapoor)
AVP-Accounts

Standalone Statement of Profit & Loss

for the period ended 31st March, 2021

(₹ in lakh)

Sr. No	Particulars	Note No.	For the Year Ended 31.03.2021 (₹ in Lakhs)	For the Year Ended 31.03.2020 (₹ in Lakhs)
I	Revenue from operations	25	51462.30	32023.07
II	Other Income	26	1776.22	357.92
III	Total Revenue (I +II)		53238.52	32380.99
IV	Expenses:			
	Cost of materials consumed	27	34404.36	17059.69
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	(735.59)	621.14
	Employee Benefit Expenses	29	3588.82	3378.78
	Finance Costs	30	1272.64	1304.57
	Depreciation and Amortization Expenses	31	3428.01	3105.14
	Selling, Manufacturing & Administration Expenses	32	7931.95	5231.53
	Research & Development Expenses	33	1586.49	1425.23
	Total Expenses (IV)		51476.68	32126.08
V	Profit before exceptional items and Taxes	(III - IV)	1761.84	254.91
VI	Exceptional Items	34	2344.20	(881.21)
VII	Profit before Taxes		4106.04	(626.30)
	Income Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		1321.20	(196.39)
VIII	Net Profit/(Loss) for the period		5427.24	(822.69)
IX	Other Comprehensive Income			
	(I) Items that will not be classified to Profit & loss accounts net of Income tax		(9.52)	(47.15)
	(II) Items that will be classified to Profit & loss accounts net of Income tax		-	-
	Total Comprehensive income for the period		5417.72	(869.84)
X	Earning per equity share:			
	(1) Basic		43.97	(6.67)
	(2) Diluted		43.97	(6.67)

Notes and Significant Accounting Policies referred to above and annexed there to form an Integral

part of Statement of Profit & Loss . This is the Statement of Profit & Loss referred to in our Report of even date.

FOR VINOD KUMAR & ASSOCIATES

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)
Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 31.05.2021

For and on behalf of the Board of Directors

(Peeyush Jain)
Deputy Managing Director
DIN : 00440361

(Neha Kodan)
Company Secretary

(Pawan Chaudhary)
Managing Director & CFO
DIN : 00435503

(Ajeet Kapoor)
AVP-Accounts

Standalone Statement of Changes In Equity

as at 31st March, 2021

(₹ in lakh)

Sr. No	Particulars	31.03.2021		31.03.2020	
		No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
A	Equity Share Capital (Refer Note. 14)				
	Balance at the beginning of the reporting period	12341988	1234.20	12341988	1234.20
	Changes in equity share capital during the year			-	-
	Balance at the end of the reporting period	12341988	1234.20	12341988	1234.20

B Other Equity (Refer Note. 15)

PARTICULARS	RESERVE AND SURPLUS			OTHER COM- PREHENSIVE INCOME Remeasurement of Net Dues Benefit	Money Received against Share Warrants	TOTAL OTHER EQUITY
	Securities Premium	General Reserve	Retained Earning			
Balance at 01.04.2020	7560.08	21146.30	3284.77			31991.15
Profit for the Year			5427.24			5427.24
Movement in other comprehensive income				(9.52)		(9.52)
Movement in retained earnings			(9.52)	9.52		0.00
Issue of share warrants*					1375.21	1375.21
Balance at 31.03.2021	7560.08	21146.30	8702.49	-	1,375.21	38784.08

*Issue of Share warrants: After receiving in principal approval from stock exchanges, the company has offered and allotted 10,25,000 "Convertible share warrants" at price of ₹ 134.17 /- each (at a face value of ₹ 10 each and premium of ₹ 124.17/- per convertible warrant) for the purpose of investing for constant & perpetual innovation towards exploring novel platform technologies in the form of New Drug Delivery Systems.

Nature and purpose of each reserve

- Securities Premium- The amount received in excess of the face value of equity is recognized in securities premium These will be utilized in accordance with the provision of the companies act 2013.
- General Reserve- The reserve arises on transfer portion of the net profit pursuant of the earlier of the companies act 1956. Mandatory transfer to general reserve is not required under the companies act 2013.
- Retained Earnings- Retained earning is the accumulated amount of profit or loss earned by the company till date.

FOR VINOD KUMAR & ASSOCIATES

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)
Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 31.05.2021

For and on behalf of the Board of Directors

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(Pawan Chaudhary)
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(Ajeet Kapoor)
AVP-Accounts

Standalone Statement of Cash Flow

for the year ended on 31st March, 2021

(₹ in lakh)

PARTICULARS	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & exceptional items	1761.84	254.91
Adjustment for Depreciation	3428.01	3105.14
Adjustment for gain on sale of intangible asset	(1300.00)	-
Interest Expense	680.23	1141.46
Increase in long term provision for gratuity and leave encashment	72.53	83.38
Exchange Fluctuation	(604.23)	(258.39)
Interest Received	(12.21)	(33.08)
Operating Profit before working capital changes	4026.17	4293.42
Adjustments for increase /decrease in Current Assets	5312.95	3104.22
Decrease / Increase in Current Liabilities/ Provisions	1583.41	(1066.91)
Extraordinary items	2344.20	1444.00
Net Cash Flow from operating activities (A)	13266.73	7774.72
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase/Sale	5751.05	(766.36)
Interest Received	12.21	33.08
Proceeds from loans and advances	(197.98)	269.29
Net Cash Flow from Investing Activities (B)	5565.28	(463.99)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Warrants	1375.21	-
Proceeds from Security Deposit (Net)	(1.00)	(16.08)
Proceeds from Term Loan (Net)	(8739.18)	(3327.87)
Proceeds from Short term Borrowing(Net)	(8142.34)	(2749.52)
Interest Expense	(680.20)	(1141.46)
Net Cash from Financing Activities (C)	(16187.51)	(7234.93)
Net Increase in Cash & Cash Equivalents (A+B+C)	2644.50	75.81
Cash & Cash Equivalents as at 31.03.2020(Refer Note No. 8)	125.78	
Cash & Cash Equivalents as at 31.03.2021(Refer Note No. 8)	2770.28	
Cash & Cash Equivalents as at 31.03.2019		49.97
Cash & Cash Equivalents as at 31.03.2020(Refer Note No. 8)		125.78

As per our separate report of even date

FOR VINOD KUMAR & ASSOCIATES

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)
Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 31.05.2021

For and on behalf of the Board of Directors

(Peeyush Jain)
Deputy Managing Director
DIN : 00440361

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Company Secretary

(Pawan Chaudhary)
Managing Director & CFO
DIN : 00435503

(Ajeet Kapoor)
AVP-Accounts

Significant Accounting Policies and Notes to Accounts

NOTE NO. -1

SIGNIFICANT ACCOUNTING POLICIES

1. CORPORATE INFORMATION

Venus Remedies Limited (the 'Company') is a public limited Company with registered office situated at Chandigarh and is listed on the Bombay Stock Exchange Limited (BSE), National Stock Exchange of India (NSE). The Company is one of the handful player in pharmaceutical sector to launch world global injectable manufacturers. It has world-class manufacturing facilities in Panchkula and Baddi (in India) and Werne (in Germany) and research and development center in Venus Medicine Research Centre (in India)

2. BASIS OF ACCOUNTING AND STATEMENT OF COMPLIANCE

These standalone financial statements of the company have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the Ind As as notified under section 133 of the Companies Act 2013 (the Act read with rule 4 of the Companies (Indian Accounting Standards) Rules 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India. These standalone financial statements were authorized for issue by the company's Board of Directors on 31-05-2021.

3. FUNCTIONAL AND PRESENTATION CURRENCY

These standalone financial statements are presented in Indian rupees which is the functional currency of the Company. The figures in the Balance Sheet and Profit & Loss Account for the year have been rounded off to nearest lakhs.

4. BASIS OF MEASUREMENT

These standalone financial statements are prepared under the historical cost convention, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the

accounting policies below and on the basis of going concern. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

5. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported assets and liabilities, revenue and expenses and disclosures relating to contingent liabilities. Management believes that estimates used in the preparation of the financial statement are prudent and reasonable. Examples of such estimates include valuation of inventories, sales return, employees costs, assessment of recoverable amounts of deferred tax assets, provisions against litigations and contingencies.

• Inventories

The Company estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future demand or other market-driven changes that may reduce future selling prices.

• Recoverability of advances / receivables

At each balance sheet date, based on historical default rates observed over expected life, the Management assesses the expected credit losses on outstanding receivables and advances.

• Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company by their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum,

Significant Accounting Policies and Notes to Accounts

of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

6. RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2021.

7. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared using the significant accounting policies and measurement bases summarized below.

a. Current / Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule 3 of the Act. Based on the nature of products & time between the acquisition of the assets for processing and their realisation in cash & cash equivalents, the company has ascertained its operating cycle upto 12 months for the purpose of current/non-current classification of assets & liabilities

b. Property, Plant and Equipment & Depreciation (IND AS 16)

• Items of property, Plant and equipment at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises: its purchase price, including import duties and non-refundable purchase taxes after deducting trade discounts and rebates.

• Expenses incurred up to date of putting them in commercial use.

• The Company is following the useful life method of depreciation as per the useful life specified Schedule II to the Act. The Carrying amount of assets is being depreciated over the remaining useful life of the assets. On assets sold, discarded etc, during the year depreciation is provided up to the date of sale/discard. Depreciation

is calculated on a straight-line basis over the estimated useful lives of the assets.

• The residual value and useful life is reviewed at each financial year.

• Carrying value of PPE are reviewed for impairment when events or changes in circumstances indicates that the carrying value may not be recoverable.

• Capital work in progress in respect of assets which are not ready for their intended use are carried at cost comprising of direct costs related incidental expenses and attributable interest.

c. Intangible Assets (IND AS 38)

• Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The company amortizes its intangible assets over a period of 20 years.

• The cost of an Intangible Assets comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities) and any directly attributable expenditure on making the asset ready for its intended use.

• Research cost & related expenditure are recognised in Statement of Profit and Loss in the period in which such expenditure is incurred.

• Intangible Assets with finite lives are amortized on a straight-line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Standalone Statement of Profit and Loss.

d. Lease (IND AS 116)

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the

Significant Accounting Policies and Notes to Accounts

consideration in the contract to each lease component based on the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option

where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Company as a Lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

e. Investment in Subsidiary (IND AS 27)

The company has elected to recognise its Investments in

Significant Accounting Policies and Notes to Accounts

equity instruments in subsidiaries at cost less impairment loss, if any in accordance with option available in Ind AS 27 'Separate Financial Statements'.

f. Inventories (IND AS 2)

Method of valuation of inventories adopted are as under:-

- Stock Raw Material and Packing Material: - At cost price.
- Stock of Work-in-Progress:- At material cost plus apportioned manufacturing overheads.
- Stock of Finished Goods:- At material cost plus apportioned manufacturing overheads and other costs incurred in bringing the inventories to their present location and condition or Net Realizable value, whichever is lower.
- Spares and consumables: - At cost.

g. Trade Receivables (IND AS 109)

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109 'Financial Instruments', which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

h. Cash & Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

i. Financial Instruments (IND AS 109)

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

- Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs through profit or loss..
 - An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue cost.
- Subsequent measurement of financial assets and financial liabilities:
- All financial liabilities and Financial Assets are subsequently measured at Fair value through profit & loss.

Derecognition

- The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.
 - The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.
 - The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid , including any noncash assets transferred or liabilities assumed , shall be recognised in profit & loss
- ### j. Revenue Recognition (IND AS 115)
- Revenue is recognised recognised when control of the products being sold has transferred to the customer and when there are no longer any unfulfilled obligations to the customer. This is generally on delivery to the customer but depending on individual customer terms, this can be at the time of dispatch, delivery or upon formal customer

Significant Accounting Policies and Notes to Accounts

acceptance. This is considered the appropriate point where the performance obligations in our contracts are satisfied as company no longer have control over the inventory Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and Indirect Taxes. No element of financing is present in the pricing arrangement. Settlement terms range from cash-on-delivery to credit terms ranging up to 90 days.

- Dividend income is recognized at the time when the right to receive is established by the entity.
- Other income is accounted for on mercantile basis unless otherwise stated in other IND AS.

k. Employee Benefits(IND AS-19)

• Current employee benefits

- Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be incurred when the liabilities are settled.
- Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

• Post Retirement Employee Benefits

- Post- retirement benefits plan are determined on the basis of an actuary valuation by an independent actuary. Liability recognised in the balance sheet in respect of defined benefit obligation is the present value of the defined benefit obligation at the end of reporting period.
- The company has adopted a policy of compensated earned leave which are accumulating in nature and is determined by actuarial valuation at each

reporting date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date.

- Gratuity liability accounted for on the basis of actuarial valuation as per Ind AS 19 'Employee Benefits'. Liability recognized in the Standalone Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Standalone Statement of Profit and Loss. Actuarial gain / loss pertaining to gratuity are accounted for as OCI.

l. Foreign Currency Transactions (IND AS-21)

- Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.
- Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.
- Any income/expense arising from foreign currency transactions is dealt in the statement of profit and loss account for the year.

m. Borrowing Cost (IND AS 23)

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of costs of such assets till such time as the assets is ready for its intended use. All other borrowing

Significant Accounting Policies and Notes to Accounts

costs are recognized as an expense in the period in which incurred.

n. Government Grants (IND AS 20)

- The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to revenue are recognized on a systematic basis in the statement of Profit and Loss over the period necessary to match them with the related costs which they are intended to compensate.
- Income from export incentives such as duty drawback, merchandise export import scheme are recognized on accrual basis

o. Provisions, Contingent Liabilities & Contingent Assets(IND AS 37)

- Provisions involving substantial degree of estimation in management are recognized when there is present obligation as a result of past events, and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes for
 - Possible obligations which will be confirmed only by the future events not wholly within the control of the company or
 - Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

- Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is disclosed.

p. Income Tax (IND AS 12)

Income tax expenses comprises current and deferred tax. It is recognized in statement of profit and loss.

- Current Tax: Provision is made for income tax based on the liability as computed after taking credit for allowance

and exemptions. Adjustments in books are made only after the completion of the assessment.

- Deferred Tax: Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for the taxation purposes. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.
- MAT: Minimum Alternative Tax payable under the provisions of the income tax Act, 1961 is recognized as an asset in the year in which credit becomes eligible and is set off in the year in which the Company becomes liable to pay income taxes at the enacted tax rates and shall be reversed in the year in which it lapses.

q. Earning per Share (Ind AS -33)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares, unless the effect of potential dilutive equity shares is antidilutive.

r. Operating Cycle:

Based on the nature of product /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 12 months for the purpose of classification of its assets and liabilities as current and Non-current.

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

(₹ in Lakhs)

Sr. No	Particulars	Gross Block			Depreciation		Net Block			
		As at 01.04.2020	Addition during the year	Deduction during the year	As at 31.03.2021	As at 01.04.2020	Addition during the year	As set w/o till 31-03-2021	WDV as on 31.03.2021	WDV as on 31.03.2020
I	Tangible Assets									
	Land	922.94	-	-	922.94	-	-	-	922.94	922.94
	Building	5306.89	32.57	-	5339.46	183.90	-	2090.83	3248.63	3399.96
	Building for R & D	1302.70	-	-	1302.70	45.37	-	600.45	702.25	747.62
	Plant & Machinery	9957.28	284.03	660.81	9580.50	4690.41	647.18	4984.21	4596.29	5266.88
	R & D Pilot Plant	1617.69	7.75	-	1625.44	617.63	85.07	702.70	922.74	1000.06
	R & D Equipment	5739.79	206.30	-	5946.09	3079.15	380.93	3460.08	2486.01	2660.64
	Computer, IT and Communication Equipment	3534.95	91.21	-	3626.16	2962.42	216.39	3178.81	447.35	572.53
	D G Set	217.79	1.62	-	219.41	211.35	2.56	213.91	5.50	6.44
	Electrical Installation	1045.93	6.23	-	1052.16	852.11	58.19	910.30	141.86	193.82
	Furniture & Fixture	594.51	12.27	-	606.78	455.78	41.40	497.18	109.60	138.73
	Lab Equipment	3132.05	6.45	846.38	2292.12	2044.77	475.46	1673.83	618.29	1087.27
	Office Equipment/ Security Equipment	591.59	4.60	-	596.19	549.15	31.82	580.97	15.22	42.45
	Pollution Control	632.87	-	-	632.87	271.03	32.67	303.70	329.17	361.84
	Vehicles	300.08	22.15	11.41	310.82	292.49	2.37	11.41	283.46	27.36
	Other Fixed Assets	744.89	39.79	0.19	784.49	412.76	54.60	0.00	467.36	317.13
	TOTAL	35641.95	714.97	1518.79	34838.13	18901.06	2551.71	1504.99	19947.79	14890.34
	(PREVIOUS YEAR)	34973.36	798.32	129.73	35641.96	16957.72	2038.36	95.03	18901.06	16740.90

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

(₹ in Lakhs)

Sr. No	Particulars	Gross Block		Deduction during the year	Net Block
		As at 01.04.2020	Addition during the year		
II	Capital Work-in-progress				
	Building Under Construction	2460.36	29.48	-	2489.85
	Plant & Machinery	0.78	0.63	-	1.41
	R & D Equipment	0.03	1.05	-	1.08
	Other	1.93	16.63	-	18.56
	TOTAL	2463.10	47.79	-	2510.89
	(PREVIOUS YEAR)	6476.42	2.74	4016.06	2463.10

NOTE : 2 (C) INTANGIBLE ASSETS

Sr. No	Particulars	Gross Block		Depreciation		Net Block
		As at 31.03.2020	Addition during the year	Deduction during the year	As at 31.03.2021	
III	Intangible Assets					
	Patent IPR Technologies	15701.36	-	-	9220.61	7070.39
	Product & Process Development	7633.59	-	-	4584.28	3335.98
	TOTAL	23334.95	-	-	13804.89	10406.37
	(PREVIOUS YEAR)	32432.56	0.00	9097.60	12928.58	16673.15

2(B) The capital work in progress consists of new office building under construction. The construction work on the building was stopped in previous years. During the year ended March 2020, Holding Company had carried out impairment study of capital work in progress. As per the impairment study report, there was impairment loss of ₹ 4016.06 lakh effect of the same had been considered under Exceptional item in statement of Profit & Loss for the year ended March 2020.

2(C) During the year ended March 2020, the Holding Company had identified certain patents of ₹ 9097.60 lakh (Net Book Value: ₹ 5200.00 lakh), which had been moved from Intangible Assets to Assets held for sale and the Holding Company has sold these assets during the current financial year 2020-21 (Refer Note No. 13)

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

NOTE : 3 INVESTMENT

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Investment in Equity instruments		
	Wholly owned subsidiary (At cost- Unquoted)		
	Venus Pharma GMBH	13.89	13.89
	Total	13.89	13.89

NOTE : 4 OTHER NON CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Share Application Money In		
	WOS (Venus Pharma GmbH)	2859.72	2859.72
2	Security Deposit	437.10	297.33
	Total	3296.82	3157.05

NOTE : 5 OTHER NON CURRENT ASSETS (UNSECURED , CONSIDERED GOOD)

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Advances for Capital Goods	74.65	16.43
2	Advance for In Licensing of Technology	3234.77	3234.77
	Total	3309.42	3251.20

NOTE: 6 INVENTORIES

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Raw Material	6604.06	8641.97
2	Work-in-Progress	3666.35	3276.06
3	Finished Goods	1662.29	1708.49
4	Consumables	15.05	17.46
5	Goods-in-transit		
	a) Finished Goods	21.42	-
	Total	11969.17	13643.98

NOTE : 7 TRADE RECEIVABLES

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Trade receivable Considered good – Unsecured	1643.78	2977.91
	Total	1643.78	2977.91

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

7.1 Includes Dues from Related Party. Refer Note No. 44

NOTE : 8 CASH & CASH EQUIVALENT

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Balances with Banks		
	In current Accounts	1960.93	42.85
	In Foreign Exchange Account	805.02	76.29
2	Cash in Hand	4.33	6.64
	Total	2770.28	125.78

8.1 Cash in hand includes Foreign Exchange in hand ₹ 2.41 Lakhs (P.Y. ₹ 2.29 Lakhs).

NOTE : 9 OTHER BANK BALANCES

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Fixed Deposits		
	Fixed Deposit	10.00	10.00
2	Bank Balance		
	Unclaimed Dividend	-	8.26
	Total	10.00	18.26

9.1 Fixed Deposit of ₹ 10 Lakhs (Previous year ₹ 10 Lakhs) is held with bank as margin money for Bank guarantee/ Letter of Credit

NOTE : 10 OTHER FINANCIAL ASSETS (UNSECURED , CONSIDERED GOOD)

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Advance to Staff	6.95	7.07
2	Other Loans & Advances	17.55	53.37
	Total	24.50	60.44

NOTE : 11 CURRENT TAX ASSETS

(UNSECURED , CONSIDERED GOOD)

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Tax Credit Receivable	2818.23	2818.23
2	TDS Receivables	53.75	35.57
	Total	2871.98	2853.80

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

NOTE : 12 OTHER CURRENT ASSETS (UNSECURED , CONSIDERED GOOD)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Balance with Government Authorities	1051.85	1352.37
2	Advance to suppliers	217.99	1789.22
3	Prepaid expenses	50.18	29.74
4	Export incentive Recoverable	520.17	342.62
Total		1840.19	3513.95

NOTE : 13 ASSETS HELD FOR SALE

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Product & Process Development	-	1678.65
2	Patent IPR Technologies	-	3521.35
Total		-	5200.00

13.1 During Financial year ended March 2020, the Company had identified certain patents of ₹ 9097.60 Lakhs (Net Book Value: 5200.00 Lakhs), which had been moved from Intangible Assets to Assets held for sale. Now during the current financial year 2020-21, the company has sold these assets and profit on sale of these assets has been account for as other income.

NOTE : 14 EQUITY SHARE CAPITAL

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	AUTHORIZED SHARE CAPITAL 20000000 Equity Shares of ₹ 10/- each. (Previous Year 20000000 Equity Shares of ₹ 10/- each)	2000.00	2000.00
2	ISSUED , SUBSCRIBED & PAID UP CAPITAL		
	12341988 Equity Shares of ₹ 10/- each, Fully paid up (Previous year 12341988 Equity Shares of 10/- each)	1234.20	1234.20
Total		1234.20	1234.20

14.1 The details of Shareholders holding more than 5% shares:

Sr. No	Particulars	Figures as at the end of 31.03.2021 No. of Shares (%)	Figures as at the end of 31.03.2020 No. of Shares (%)
1	Sunev Pharma Solutions Limited	2300000 (18.64%)	2300000 (18.64%)
2	Mr. Pawan Chaudhary	987000 (8.00%)	987000 (8.00%)
3	Mrs. Manu Chaudhary	1143000 (9.26%)	1143000 (9.26%)

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

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

Sr. No	Particulars	Figures as at the end of 31.03.2021 No. of Shares (In Lakhs)	Figures as at the end of 31.03.2020 No. of Shares (In Lakhs)
1	Equity Shares at the beginning of the year	123.42	123.42
2	Add: Shares issued during the year	-	-
	Equity Shares at the end of the year	123.42	123.42

Rights, Preference and restriction attached to shares

The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors are subject to shareholders approval in ensuing AGM except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all the preferential amount in proportion to their shareholding.

NOTE : 15 OTHER EQUITY

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Securities Premium		
	As per last Balance Sheet	7560.08	7560.08
	Total A	7560.08	7560.08
2	General Reserve		
	As per last Balance Sheet	21146.30	21146.30
	Total B	21146.30	21146.30
3	Retained Earnings		
	As per last Balance Sheet	3284.77	4154.61
	Add: Profit for the period	5427.24	(822.69)
	Add : Reclassification of actuarial gains/ loss in respect of employee benefit scheme as other comprehensive Income	(9.52)	(47.15)
	Total C	8702.49	3284.77
4	Money received against Share Warrants		
	Issue of share warrants	1375.21	-
	Total D	1375.21	-
	Total (a+b+c+d)	38784.08	31991.15

NOTE : 16 BORROWINGS

(A) SECURED LOANS

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Term Loans	-	2392.00
Total		-	2392.00

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

16(A)(1) During Financial year ended March, 2020, Borrowing were Secured by first charge on Fixed Assets & second charge on current assets of the company & personal guarantee of the promoter directors. However, during the Financial year ending March, 2021, the company has repaid all the above borrowing under the Settlement agreements entered with the lenders and all charges have been satisfied by filing requisite forms with Ministry of Corporate Affairs.

(b) Unsecured Loans (₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Foreign Currency Convertible Bonds	3867.89	3867.89
2	Loan from Directors	884.17	966.19
	Total	4752.06	4834.08

16.(B).1 Refer Note-37

NOTE : 17 OTHER FINANCIAL LIABILITIES (₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Security Received	28.35	29.35
	Total	28.35	29.35

NOTE : 18 PROVISIONS (₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Provision For Employees Benefit		
	Provision for Gratuity	479.81	423.13
	Provision for Leave Encashment	257.79	239.82
	Total	737.60	662.95

NOTE : 19 DEFERRED TAX LIABILITY (NET) (₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Deferred Tax Liability	363.40	1,684.60
	Total	363.40	1684.60
	Component of Deferred Tax (Asset)/ Liabilities		
	Deferred tax (Assets)/Liabilities in relation to		
	Opening Balance		
	-Property Plant & Equipment	2474.99	2710.08
	-Provisions	(790.39)	(1221.86)
	Carry forward losses	-	-
	Total	1684.60	1488.22

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
	Changes Recognized in Profit & Loss account		
	-Property Plant & Equipment	691.11	(235.09)
	-Provisions	582.42	431.47
	Carry forward losses	(2594.73)	-
	Total	(1321.20)	196.38
	Closing Balance		
	-Property Plant & Equipment	3166.10	2474.99
	-Provisions	(207.97)	(790.39)
	Carry forward losses	(2594.73)	-
	Total	363.40	1,684.60

TAX RECONCILIATION

Particulars	As at 31.03.2021(₹)	As at 31.03.2020(₹)
Profit before tax	4096.53	(673.46)
Applicable tax rate	25.17%	26.00%
Computed tax expense	1031.01	-
Tax effect of:		
- Exempted Income	(1220.14)	-
- Expense disallowed	41.23	-
Total	(147.91)	-
Tax adjustment related to earlier year	-	-
Current tax Provision- A	-	-
Deferred tax Provision-B	1321.20	(196.39)
Profit & Loss (A+B)	1321.20	(196.39)
Effective rate	32.25%	-29.16%

NOTE: 20 BORROWINGS (₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Working Capital Loan from Bank- Secured	-	8142.34
	Total	-	8142.34

20.1 During Financial year ended March, 2020, Borrowings were Secured by first charge on current assets of the company & second charge on fixed assets & further secured by personal Guarantee of Promoter Director. However, during Financial year ended March, 2021 the company has repaid all the above borrowing under the settlement agreements entered with the lenders and all charges have been satisfied by filing requisite forms with Ministry of Corporate Affairs.

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

NOTE : 21 TRADE PAYABLES

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Total outstanding dues of micro enterprises and small enterprises	321.93	176.19
2	Total outstanding dues of creditors other than micro enterprises and small enterprises	6514.09	3220.00
	Total	6836.02	3396.19

NOTE: 22 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Current Maturities of Long Term debts	-	6263.84
2	Current Maturities of Vehicle Loan Obligation	-	1.31
3	Advance From Customers	358.66	600.09
4	Creditors for Capital Expenditure	60.49	24.82
5	Unclaimed Dividends	-	8.26
6	Creditor for Expenses	603.88	214.00
7	Employee Dues	469.55	361.77
8	Interest due but not paid	-	2255.66
9	Other Payable	293.87	230.27
	Total	1786.45	9960.03

NOTE : 23 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Statutory Dues	91.15	39.13
	Total	91.15	39.13

NOTE : 24 PROVISIONS

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Provision for Gratuity	52.09	45.78
2	Provision for Leave Encashment	15.93	14.84
	Total	68.02	60.62

NOTE : 25 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Sales of products	50417.45	31429.81
2	Income from research activities	282.67	110.13
3	Other Operating Revenue	762.18	483.13
	Total	51462.30	32023.07

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

25.1 Other Operating Revenue includes ₹ 762.18 Lacs (P.Y. 483.13) received / receivable from Government as Export Incentives.

NOTE : 26 OTHER INCOME

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Bank Interest	12.21	33.08
2	Rent Received	33.39	31.66
3	Net Gain on Foreign currency	604.23	258.39
4	Other Income	1126.39	34.79
	Total	1776.22	357.92

26.1 Other income includes profit on sale of Asset held for Sale.

NOTE : 27 COST OF MATERIAL CONSUMED

(₹ in Lakhs)

Sr. No	Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
	Opening Stock		
	- Raw Material	8641.97	8079.87
	Add : Purchases	32892.01	17621.79
	Total (A)	41533.98	25701.66
	Less : Closing Stock (B)	6604.06	8641.97
	Total (C) = (A - B)	34929.92	17059.69
	Less : Exceptional Items(Refer Note 34) (D)	525.56	-
	Total (C - D)	34404.36	17059.69

NOTE : 28 CHANGE IN INVENTORIES

(₹ in Lakhs)

Sr. No	Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
1	Opening Stock		
	- Finished Goods	1708.49	2323.41
	-Work In Progress	3276.06	3282.28
	Total (A)	4984.55	5605.69
2	Closing Stock		
	- Finished Goods	1662.29	1708.49
	- Work in progress	3666.35	3276.06
	Total (B)	5328.64	4984.55
	Net (C) = (A - B)	(344.09)	621.14
	Less : Exceptional Items(Refer Note No 34) (D)	391.50	-
	Change in Inventories (C - D)	(735.59)	621.14

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

NOTE : 29 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Sr. No	Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
1	Salaries & Wages	3213.62	3110.00
2	Contribution to Provident Fund and other funds	201.80	194.96
3	Staff Welfare Expenses	173.40	73.82
	Total	3588.82	3378.78

29.1 Reconciliation of Defined benefit Obligation

(₹ in Lakhs)

Sr. No	Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
1	Gratuity		
	Fair Value Of Plan Assets	-	-
	Present value of obligation	531.90	468.91
	Amount recognised in balance Sheet	531.90	468.91
2	Leave Encashment		
	Fair Value Of Plan Assets	-	-
	Present value of obligation	273.72	254.66
	Amount recognised in balance Sheet	273.72	254.66

As per IND AS-19 "Employee Benefits", the disclosures as defined in Indian Accounting Standard are given below:

29.2 Expenses recognised during the year

(₹ in Lakhs)

Sr. No	Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
1	Gratuity		
	Current Service Cost	62.24	60.24
	Interest Cost	29.31	23.13
	Net Actuarial (gain)/loss recognised in the period	9.52	47.15
	Expense recognised in the P&L Statement	101.07	130.52
2	Leave Encashment		
	Current Service Cost	90.28	89.87
	Interest Cost	15.92	13.42
	Net Actuarial (gain)/loss recognised in the period	(71.97)	(41.82)
	Expense recognised in the P&L Statement	34.23	61.47

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

29.3 Amount Recognised in other Comprehensive Income

(₹ in Lakhs)

Sr. No	Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
1	Gratuity		
	Actuarial (Gain)/Loss – Due to experience variance	9.52	47.15
	Net(Income)/Expense for the period recognized in Other Comprehensive Income	9.52	47.15
2	Leave Encashment		
	Actuarial (Gain)/Loss – Due to experience variance	-	-
	Net(Income)/Expense for the period recognized in Other Comprehensive Income	-	-
	Actuarial Assumptions (Financial)		
	Discount Rate	6.25%	6.25%
	Estimated rate of increase in salary	5%	5%
	Rate of return on plan assets	-	-
	(Demographic)		
	Mortality basis	Indian Assured Lives Mortality (2012-14) Ult.	
	Attrition	0.1	0.1
	Disability	No explicit allowance	

Sensitivity Analysis

(₹ in Lakhs)

Change in Valuation Assumption	Gratuity – PV of liability obligations	Leave – PV of liability obligations
Discount rate Δ (-1%)	569.07	291.05
Discount rate Δ (0%)	531.90	273.72
Discount rate Δ (+1%)	498.71	258.16
Salary Esc. Rate Δ (-1%)	497.83	257.70
Salary Esc. Rate Δ (0%)	531.90	273.72
Salary Esc. Rate Δ (+1%)	569.41	291.22

NOTE : 30 FINANCIAL COST

(₹ in Lakhs)

Sr. No	Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
1	Interest Expenses	680.23	1141.46
2	Other Borrowing Cost	592.41	163.11
	Total	1272.64	1304.57

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

NOTE : 31 DEPRECIATION & AMORTISED EXPENSES

(₹ in Lakhs)

Sr. No	Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
1	Depreciation	2551.71	2038.36
2	Amortisation of Intangible Assets	876.30	1066.78
	Total	3428.01	3105.14

NOTE : 32 OTHER EXPENSES

A. Manufacturing Expenses

(₹ in Lakhs)

Sr. No	Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
1	Power & Fuel	339.15	341.04
2	Consumables	157.29	136.17
3	Repair & Maintenance		
	- Building	72.56	31.31
	- Electrical	21.78	14.68
	- Plant & Machinery	70.99	55.74
4	Other Manufacturing Expenses	112.49	109.45
	Total (A)	774.26	688.40

B. Administration Expenses

(₹ in Lakhs)

Sr. No	Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
1	Rent	7.51	1.59
2	Rates, Fee & Taxes	31.40	21.54
3	Insurance	36.92	43.40
4	Legal and Professional Expenses	25.34	52.53
5	Postage, Telex & Telegram	4.79	4.97
6	Printing & Stationery	18.97	20.83
7	Telephone Expenses	23.39	42.88
8	Traveling & Conveyance:		
	- Staff	95.02	131.76
	- Directors	0.92	11.11
	- Others	0.27	4.71
9	Running, Repair & Maintenance :		
	- Vehicles	41.12	62.18
	- Computer	7.66	6.92
	- Others	7.99	8.91
10	Auditors' Fees	5.00	5.00
11	Directors Remuneration	244.53	195.81
12	Other Administrative Expenses	556.44	446.23
13	Other Corporate Expenses	72.23	83.27
	Total (B)	1179.50	1143.63

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

C. Selling and Distribution Expenses

(₹ in Lakhs)

Sr. No	Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
1	Discount / Commission	409.63	390.48
2	Other Selling Expenses	4724.53	1673.56
3	Advertisement & Sales Promotion	257.07	599.59
4	Sample Distribution	34.51	75.79
5	Incentive to Field Force	314.49	219.55
6	Traveling and conveyance Field Staff (Incl. Hotel)	237.96	440.53
	Total (C)	5978.19	3399.50
	GRAND TOTAL(A+B+C)	7931.95	5231.53

NOTE : 33 RESEARCH AND DEVELOPMENT EXPENSES

(₹ in Lakhs)

Sr. No	Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
1	Remuneration of R & D Staff	388.76	416.80
2	R & D Expenses	134.26	111.61
3	Material used for Development of new products	117.18	108.28
4	R & D Consumables	88.19	48.86
5	IPR , Patent , Technology & Dossiers expenses	858.10	739.68
	Total	1586.49	1425.23

NOTE : 34 EXCEPTIONAL ITEMS:

(₹ in Lakhs)

Sr. No	Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
1	Raw Material	(525.56)	-
2	Finished Goods- WIP	(391.50)	-
3	Waiver on Loan Settlements with Lenders and writing off other balance	3261.26	2448.85
4	FCCB Interest	-	686.00
5	Impairment of Asset	-	(4016.06)
	Total	2344.20	(881.21)

34.1 Exceptional items stated in the statement resulted due to waiver on settlement of Borrowings from lenders, expiry & degradation of inventory due to lockdown and writing off of other balances.

34.2 During year ending on 31st March 2021, the company has made settlements with Dena bank, HDFC Bank, Corporation Bank, EXIM Bank and State Bank of India and got a waiver of ₹ 3559 lakhs (P.Y. 1443 Laks) on principal outstanding and 1289 Lakh (P.Y. 1004.71 Lakh) on interest outstanding.

35. The financial statements were approved by the board of directors on 31st May 2021.

36. The sitting fees paid to non-executive directors is ₹ 1.80 lakhs and ₹ 0.67 lakh as at March 31, 2021 and 2020, respectively.

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

37. FCCB bonds amounting to US \$ 4,595,833 as on 31st March 2021 became due for maturity on 1st February, 2015. At the time of maturity, the Company had an approved line of credit from the consortium of lenders for the redemption of the bonds, however, none of the bondholder(s) or their custodian bank submitted their bonds for conversion or redemption. Now, in the absence of any explicit agreement and based on reassessment of liability in terms of the provisions of The Limitation Act, 1963, the Company has decided to cap its liability outstanding as on 1st February 2015. Accordingly, the carrying value of such FCCB liability has not been reinstated at current exchange rate. No provision for interest payable has been made since 1st February 2015, as the FCCB Bonds liability becoming time barred, as per a legal opinion obtained by the Company.

Further, the board of directors in their meeting held on 31st May 2021 have agreed that a request letter be submitted to Reserve Bank of India in regard to FCCB to seek further course of action on the same.

38. EARNING PER SHARE (IND AS-33)

The calculation of Earning per share (EPS) is based on the earnings and number of shares as computed below:

(₹ In Lakhs)

Profit after Tax	₹ 5427.24	₹ (822.69)
	No. of shares in Lakhs as on 31.03.21	No. of shares in Lakhs as on 31.03.20
Weighted average number of shares in calculating the basic EPS	123.42	123.42
Weighted average number of shares in calculating Diluted EPS	123.42	123.42
Earning per share (Face value ₹ 10 /each)		
Earning per share Basic in ₹	43.97	(6.67)
Earning per share Diluted in ₹	43.97	(6.67)

39. The Company continues to closely monitor the impact of the COVID-19 pandemic on all aspects of its business, including how it has impacted and will impact its customers, employees, vendors and business partners. There is no significant impact of COVID-19 on the Company's operations and revenue during the period as the company business comes under essential category. However the management has exercised due care, in concluding on significant accounting judgements and estimates, inter-alia, recoverability of receivables, assessment for impairment of investments, intangible assets, inventory, based on the information available to date, both internal and external, while preparing the Company's Financial Statements for the year ended 31st March, 2021.

40. Fair value of cash and current deposits, trade and other current receivable, trade payable, other current liabilities, current loans from banks and other institution approximate their carrying amount due to current maturities of these instruments.

41. Details of dues to micro and small enterprises as defined under the MSME Act, 2006:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Amount due to vendor	321.93	176.19

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

42. Section 135 of the Companies Act, 2013, is not applicable for the company during the financial year 2020-21 as the profit of last three financial year calculated as per section 198 of the companies act was less than ₹5 crores.

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

43. Payments to Auditors:

(₹ in Lakhs)

Sr. No	Particulars	Current Year	Previous Year
1	Statutory Audit Fees (Including Limited Review Fees)	5.00	5.00
	Total	5.00	5.00

44. RELATED PARTY DISCLOSURES:

As per IND AS- 24, the disclosures of transactions with related parties during the year are given below.

Names of related parties and description of relationship:

1.	Wholly Owned Subsidiary	Venus Pharma GmbH
2.	Entity in which Director is interested	Sunev Pharma Solutions Limited Spine Software Systems Pvt Limited Mr. Pawan Chaudhary Mrs. Manu Chaudhary
3.	Key Management Personnel	Mr. Peeyush Jain Mr. Ashutosh Jain Ms. Neha Kodan
4.	Director's Relative	Mr. Saransh Chaudhary Mr. Akshansh Chaudhary

Nature of Transaction	Transaction during the Year				Outstanding Balance	
	Subsidiaries	Entity in which Director is interested	Key managerial Personnel	Directors Relative	As on 31-03-2021	As on 31-03- 2020
Revenue of operation	11630.18 -6151.36				261.23- R	823.91-R
Sales of Asset	-	0.09 -1.54	-		-	-
Rent Received	-	33.23 -31.62	-		45.63-R	59.62-R
Purchases and Others	34.99 -261.42	- (-)	-		-	-
IT Services	-	291.46 -27.59	-		28.25-P	7.52-P
Purchase of Software	-	- -239.39	-		-	-
Remuneration to Directors / KMP***	-	-	242.73 -195.14		18.00-P	12.01-P
Remuneration	-	-	-	65 -36	5.04-P	2.09-P
Advance for in Licensing for Technology	-	-	-		3234.77-R	3234.77-R

*Previous year figures have been shown in bracket & R-Receiveable and P-Payable.

** Includes exchange fluctuation effect.

***The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

The above figures do not include provisions for encashable leave and gratuity, as separate actuarial valuations are not available.

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

45. FINANCIAL RISK MANAGEMENT:

The Company has exposure to the following risks arising from financial instruments:

- i. Credit risk: Credit risk is the risk that counterparty will not meet its obligations leading to a financial loss. The Company is exposed to credit risk arising from trade receivables. All financial assets are initially considered performing and evaluated periodically for expected credit loss. A default on a financial asset is when there is a significant increase in the credit risk which is evaluated based on the business environment. The assets are written off when the Company is certain about the non-recovery.
 - a) Trade receivables - The Company has an established credit policy and a credit review mechanism. The concentration of credit risk arising from trade receivables is limited due to large customer base. Management believes that the unimpaired amounts that are past due are collectible in full, based on historical payment behaviour and analysis of customer credit risk.
 - b) Financial instruments and cash deposits - Company periodically reviews the credit risk arising from balances / deposits with banks, other financial assets and current investments, if any, and manage the same accordingly.
- ii. **Liquidity risk:** Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Current Financial Liabilities	31.03.2021		31.03.2020	
	Carrying Amount	Less than 1 year	Carrying Amount	Less than 1 year
Borrowings	-	-	8142.34	8142.34
Trade Payables	6836.02	6836.02	3396.19	3396.19
Other Financial Liabilities	1786.45	1786.45	9960.03	9960.03

iii. Market risk:

Market risk is the risk that the fair value of the future cash flows will fluctuate because of changes in the market prices such as currency risk, interest rates risk and commodity price risk.

- a) Currency risk - The Company's operates outside Indian Territory also and there is foreign exchange risk to the Company.
- b) Interest rate risk - Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retrial benefits. The Company generally utilises fixed rate borrowings and therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in the market interest rates. The Company is not exposed to significant interest rate risk as at the respective reporting dates.
- c) Commodity risk - The Company has no such risk.

Notes on Standalone Financial Statement

For the year ended on 31st March, 2021

46. The company has paid a sum of ₹ 3234.77 Lakhs to inventor for acquiring 3 products / patents right title and interest in and to the invention and the patent applications in previous financial years. These invented products are already in the market since 5 years and the company has exclusive worldwide marketing rights for these products in terms of agreement entered with inventor. Now, the patent has been granted to inventor in financial year 2018-19. The company will recognised these Patent IPR technologies based on valuation done by registered valuer in the year when patent will transfer in the name of the company in terms of agreement entered in previous financials years and latest understanding between inventor and the company.

47. There is no remittance in foreign currency on account of dividend.

48. Contingent Liabilities and Commitments

Particulars	(₹ in Lakhs)	
	Current Year	Previous Year
Contingent Liabilities		
Tax demand pending in appeal	16.34	16.34
Capital commitment	112.53	5.00

49. The figures in the Balance Sheet, Statement of Profit & Loss, Statement of cash flows and other notes forming part of financial statements have been rounded off to nearest multiple of rupee in lakhs.

50. The company operates only in one business segment viz "Pharmaceutical Formulation" and is engaged in manufacturing and trading of medicines.

51. The previous year figures have been regrouped/ reclassified, wherever necessary to Confirm to the current year presentation.

In terms of our annexed report of even date

FOR VINOD KUMAR & ASSOCIATES

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)
Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 31.05.2021

For and on behalf of the Board of Directors

(Peeyush Jain)
Deputy Managing Director
DIN : 00440361

(Pawan Chaudhary)
Managing Director & CFO
DIN : 00435503

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
AVP-Accounts

VENUS PHARMA GmbH GERMANY

Sr. No.	Particulars	31.03.2021		31.03.2020	
		€ in lacs	₹ in lacs	€ in lacs	₹ in lacs
1	Share capital	0.25	13.89	0.25	13.89
2	Reserves & surplus	(15.94)	10.09	(25.52)	(888.33)
3	Total assets	55.31	4762.45	55.03	4570.06
4	Total Liabilities	55.31	4762.45	55.03	4570.06
5	Turnover	169.26	14281.07	105.71	8496.35
6	Profit before taxation	9.59	749.29	(2.23)	(177.23)
7	Provision for taxation	NIL	NIL	NIL	NIL
8	Profit after taxation	9.59	749.29	(2.23)	(177.23)
9	Proposed Dividend	NIL	NIL	NIL	NIL

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditors' Report

To the Members of

VENUS REMEDIES LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

OPINION

We have audited the accompanying consolidated Ind AS Financial Statements of VENUS REMEDIES LIMITED (hereinafter referred to as "the holding Company") and its subsidiary (the holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March 2021, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor, referred to in the Other Matters paragraph below, the aforesaid consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India

('ICAI'), and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER

We draw attention to note no.38 of the Consolidated Ind AS Financial Statements with respect to liability related to FCCB bonds amounting to US\$4,595,833 in the absence of any explicit agreement and based on reassessment of liability in terms of the provisions of The Limitation Act, 1963. Accordingly the carrying value of such FCCB liability has not been reinstated at current exchange rate. No provision for interest payable has been made since 1st February 2015, as the FCCB Bonds liability becoming time barred, as per a legal opinion obtained by the Holding Company. The provision of interest made from 1st February 2015 till 31st March, 2019 of ₹686 Lakhs was also written back during previous financial year 2019-20.

Our opinion is not modified in respect of above matter

KEY AUDIT MATTERS

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

OTHER MATTERS

We did not audit the Ind AS financial statements / financial information of a subsidiary whose financial statements / financial information reflect total assets of ₹4762.45 Lakhs as at 31st March, 2021, total revenues of ₹14,281.07 Lakhs, total net profit after tax of ₹ 749.29 Lakhs, and net cash flows amounting to ₹35.7 Lakhs for the year ended on that date, as considered in the consolidated financial statements.

These Ind AS financial statements / financial information have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion is not modified in respect of above matters.

INFORMATION OTHER THAN THE CONSOLIDATED IND AS IND AS FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the Ind AS Financial Statements and our auditors' report thereon.

Our opinion on the consolidated Ind AS Ind AS 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 consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated Ind AS Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective

Board of Directors of the entity included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS Financial Statements by the Directors of the holding Company, as aforesaid.

In preparing the consolidated Ind AS Financial Statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity 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 entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 consolidated Ind AS 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 consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the entity 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 in preparation of consolidated Ind AS Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group (Holding company and subsidiaries) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS Financial Statements, including the disclosures, and whether the consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding

the financial information of such entities or business activities within the Group to express an opinion on the consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities.

We believe that the audit evidence obtained by us and by the other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

We communicate with those charged with governance of the Holding Company, 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 consolidated Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS Financial Statements.
 - b) In our opinion, proper books of account as required

by law relating to preparation of the aforesaid consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

- c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS Financial Statements.
- d) In our opinion, the aforesaid consolidated Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the holding Company, as on 31st March 2021 and taken on record by the Board of Directors of holding company, none of the directors of the holding company is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to Ind AS Financial Statements of the company and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company to its directors is in accordance with the provisions of Section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the

Act which are required to be commented upon by us.

2. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS Financial Statements disclose the impact of pending litigations as at 31st March 2021 on the consolidated financial position of the Group. Refer Note 44 to the consolidated Ind AS Financial Statements.
 - ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
 - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the holding Company during the year ended 31st March 2021.

For **Vinod Kumar & Associates**
Chartered Accountants
FRN-002304N

Mukesh Dadhich
Partner
M.No. 511741
UDIN:21511741AAAAHN2440

Date: 31st May, 2021
Place: Panchkula

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 of even date)
Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS Financial Statements of VENUS REMEDIES LIMITED ("the Holding Company") as of 31st March 2021, we have audited the internal financial controls with reference to the Ind AS Financial Statements of the Holding Company.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Holding company, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Ind AS Financial Statements criteria established by the Holding company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective entity's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated Ind AS Financial Statements of the Holding Company, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those

Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated Ind AS Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS Financial Statements, 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 consolidated Ind AS 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 internal financial control system with reference to consolidated Ind AS Financial Statements of the Holding Company.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS Financial Statements for external purposes in accordance with generally accepted accounting

principles. A company's internal financial control with reference to consolidated Ind AS Financial Statements 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 consolidated Ind AS 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 consolidated Ind AS Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated Ind AS Financial Statements to future periods are subject to the risk that the internal financial control with reference to consolidated Ind AS Financial

Statements 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, the Holding Company have, in all material respects, an adequate internal financial controls system with reference to consolidated Ind AS Financial Statements and such internal financial controls with reference to consolidated Ind AS Financial Statements were operating effectively as at 31st March 2021, based on the internal control with reference to consolidated Ind AS Financial Statements criteria established by the Holding Company, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Vinod Kumar & Associates**
 Chartered Accountants
 FRN-002304N

Mukesh Dadhich
 Partner
 M.No. 511741
 UDIN:21511741AAAAHN2440

Date: 31st May, 2021
 Place: Panchkula

Consolidated Balance Sheet

as at 31st March, 2021

(₹ in lakh)

Particulars	Note No.	Figures as at the end of 31.03.2021 (₹ in Lakhs)	Figures as at the end of 31.03.2020 (₹ in Lakhs)
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant & Equipment	2 (A)	16496.76	18393.94
(b) Capital Work In Progress	2 (B)	2510.91	2463.10
(c) Intangible Assets	2 (C)	9671.62	10542.99
(d) Financial Assets			
(i) Other Non Current Financial Assets	3	437.10	325.50
(e) Other non - current assets	4	3309.42	3251.20
Total Non- Current Assets		32425.81	34976.73
(2) Current Assets			
(a) Inventories	5	11998.67	14112.42
(b) Financial Assets			
(i) Trade Receivables	6	3204.16	3069.05
(ii) Cash and Cash Equivalents	7	2887.92	194.24
(iii) Bank balances other than (ii) above	8	10.00	18.26
(iv) Other Financial Assets	9	27.61	149.94
(C) Current Tax Assets	10	2871.98	2853.80
(D) Other Current Assets	11	2159.18	3802.71
(E) Assets held for sale	12	-	5200.00
Total Current Assets		23159.52	29400.42
Total Assets		55585.33	64377.15
EQUITY AND LIABILITY			
Equity			
(a) Equity Share Capital	13	1234.20	1234.20
(b) Other Equity	14	38794.17	31102.81
Total Equity		40028.37	32337.01
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15		
(a) Secured		9.39	2418.65
(b) Unsecured		4673.71	4786.68
(ii) Other Financial Liabilities	16	28.35	29.35
(b) Provisions	17	737.60	662.95
(c) Deferred Tax Liabilities (Net)	18	363.40	1684.60
Total Non- Current Liabilities		5812.45	9582.23
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	430.50	8557.59
(ii) Trade Payables	20		
(a) Total outstanding dues of micro enterprises and small enterprises		321.93	176.19
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		6813.75	3493.34
(iii) Other Financial Liabilities	21	2012.27	10099.55
(b) Other Current Liabilities	22	98.04	70.62
(c) Provisions	23	68.02	60.62
Total Current Liabilities		9744.51	22457.91
Total Equity & Liability		55585.33	64377.15

Significant Accounting Policies and Notes on Accounts 1 to 52

Notes and Significant Accounting Policies referred to above and annexed there to form an integral part of Consolidated Balance Sheet. This is the Consolidated Balance Sheet referred to in our Report of even date.

FOR VINOD KUMAR & ASSOCIATES

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)
Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 31.05.2021

For and on behalf of the Board of Directors

(Peeyush Jain)
Deputy Managing Director
DIN : 00440361

(Pawan Chaudhary)
Managing Director & CFO
DIN : 00435503

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
AVP-Accounts

Consolidated Statement of Profit & Loss

for the period ended 31st March, 2021

(₹ in lakh)

Sr. No	Particulars	Note No.	For the Year Ended 31.03.2021 (₹ in Lakhs)	For the Year Ended 31.03.2020 (₹ in Lakhs)
I	Revenue from operations	24	54812.35	33933.43
II	Other Income	25	1962.98	530.77
III	Total Revenue (I +II)		56775.33	34464.20
IV	Expenses:			
	Cost of materials consumed	26	34793.99	16845.48
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	27	(714.69)	585.52
	Employee Benefit Expenses	28	4601.87	4602.14
	Finance Costs	29	1301.93	1333.74
	Depreciation and Amortization Expenses	30	3527.61	3201.23
	Selling, Manufacturing & Administration	31	9177.73	6393.20
	Research & Development Expenses	32	1575.75	1425.23
	Total Expenses (IV)		54264.19	34386.54
V	Profit/(Loss) before exceptional items and Taxes	(III - IV)	2511.14	77.66
VI	Exceptional Items	33	2344.20	(881.21)
VII	Profit/(Loss) before Taxes		4855.34	(803.55)
	Income Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		1321.20	(196.39)
VIII	Net Profit/(Loss) for the period		6176.54	(999.93)
IX	Other Comprehensive Income			
	(I) Items that will not be classified to Profit & loss accounts net of Income tax		(9.52)	(47.15)
	(II) Items that will be classified to Profit & loss accounts net of Income tax		-	-
	Total Comprehensive income for the period		6167.02	(1047.08)
X	Earning per equity share:			
	(1) Basic		50.04	(8.10)
	(2) Diluted		50.04	(8.10)

Notes and Significant Accounting Policies referred to above and annexed there to form an

Integral part of Consolidated Statement of Profit & Loss. This is the Consolidated Statement of Profit & Loss referred to in our Report of even date.

FOR VINOD KUMAR & ASSOCIATES

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)
Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 31.05.2021

For and on behalf of the Board of Directors

(Peeyush Jain)
Deputy Managing Director
DIN : 00440361

(Pawan Chaudhary)
Managing Director & CFO
DIN : 00435503

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
AVP-Accounts

Consolidated Statement of Changes In Equity

as at 31st March, 2021

(₹ in lakh)

Sr. No	Particulars	31.03.2021		31.03.2020	
		No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
A	Equity Share Capital (Refer Note. 13)				
	Balance at the beginning of the reporting period	12341988	1234.20	12341988	1234.20
	Changes in equity share capital during the year			-	-
	Balance at the end of the reporting period	12341988	1234.20	12341988	1234.20

B Other Equity (Refer Note. 14)

PARTICULARS	RESERVE AND SURPLUS			OTHER COM- PREHENSIVE INCOME Remeasurement of Net Dues Benefit	Money Received against Share Warrants	TOTAL OTHER EQUITY
	Securities Premium	General Reserve	Retained Earning			
Balance at 01.04.2020	7560.08	22204.08	1338.65		-	31102.81
Profit for the Year		149.13	6176.54			6325.67
Movement in other comprehensive income				(9.52)		(9.52)
Movement in retained earnings			(9.52)	9.52		0.00
Issue of Share warrants*					1375.21	1375.21
Balance at 31.03.2021	7560.08	22353.21	7505.67	0.00	1375.21	38794.17

* Money received against share warrants: After receiving in principal approval from stock exchanges, the Holding Company has offered and allotted 10,25,000 "Convertible share warrants" at price of ₹ 134.17/- each (at a face value of ₹ 10 each and premium of ₹ 124.17/- per convertible warrant) for the purpose of investing for constant & perpetual innovation towards exploring novel platform technologies in the form of New Drug Delivery Systems.

Nature and purpose of each reserve

- Securities Premium- The amount received in excess of the face value of equity is recognized in securities premium These will be utilized in accordance with the provision of the companies act 2013
- General Reserve- The reserve arises on transfer portion of the net profit pursuant of the earlier of the companies act 1956. Mandatory transfer to general reserve is not required under the companies act 2013
- Retained Earnings- Retained earning is the accumulated amount of profit or loss earned by the company till date.

FOR VINOD KUMAR & ASSOCIATES

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)
Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 31.05.2021

For and on behalf of the Board of Directors

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Deputy Managing Director
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(Neha Kodan)
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(Pawan Chaudhary)
Managing Director & CFO
DIN : 00435503

(Ajeet Kapoor)
AVP-Accounts

Consolidated Statement of Cash Flow

for the year ended on 31st March, 2021

(₹ in lakh)

PARTICULARS	For the Year	For the Year
	Ended 31.03.2021	Ended 31.03.2020
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & extraordinary items	2511.15	77.67
Adjustment for Depreciation	3527.61	3201.22
Adjustment for gain on sale of intangible	(1300.00)	0.00
Interest Expense	701.03	1166.28
Increase in long term provision for gratuity and leave encashment	72.53	83.38
Exchange Fluctuation	(649.45)	(260.44)
Interest Received	(12.22)	(33.96)
Operating Profit before working capital changes	4850.65	4234.16
Adjustments for increase /decrease in Current Assets	4266.78	1166.33
Decrease / Increase in Current Liabilities/ Provisions	1799.81	915.95
Extraordinary items	2344.20	1444.00
Net Cash Flow from operating activities (A)	13261.44	7760.43
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase/Sale	5757.40	(778.08)
Interest Received	12.22	33.96
Proceeds from loans and advances	(198.00)	269.29
Net Cash Flow from Investing Activities (B)	5,571.62	(474.83)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Warrants	1375.21	0.00
Proceeds from Security Deposit (Net)	(1.00)	(16.08)
Proceeds from term Loans (Net)	(8755.12)	(3,344.24)
Proceeds from Short term Borrowing(Net)	(8142.34)	(2,749.52)
Interest Expense	(701.01)	(1,166.28)
Advance Given	-	(24.12)
Net Cash from Financing Activities (C)	(16224.26)	(7300.23)
Net Increase in Cash & Cash Equivalents (A+B+C)	2608.80	(14.63)
Unrealised Loss/(gain) on foreign currency cash and cash equivalents	84.88	5.56
Cash & Cash Equivalents as at the beginning of the year(Refer Note No. 7)	194.24	203.31
Cash & Cash Equivalents as at the end of the year (Refer Note No.7)	2887.92	194.24

As per our separate report of even date

FOR VINOD KUMAR & ASSOCIATES

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)
Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 31.05.2021

For and on behalf of the Board of Directors

(Peeyush Jain)
Deputy Managing Director
DIN : 00440361

(Neha Kodan)
Company Secretary

(Pawan Chaudhary)
Managing Director & CFO
DIN : 00435503

(Ajeet Kapoor)
AVP-Accounts

Significant Accounting Policies and Notes to Accounts

FINANCIAL STATEMENTS AS ON 31ST MARCH, 2021

NOTE NO. -1

1. CORPORATE INFORMATION

The Consolidated Financial Statements comprise Consolidated Financial Statements of “Venus Remedies Limited” (“the Holding Company” or “The Company”) and its subsidiary (collectively referred to as “the Group”) for the year ended 31st March, 2021.

The Holding Company is a listed entity incorporated in India and listed on the Bombay Stock Exchange Limited (BSE), National Stock Exchange of India (NSE). The Group is one of the handful player in pharmaceutical sector to launch world global injectable manufacturers. It has world-class manufacturing facilities in Panchkula and Baddi (in India) and Werne (in Germany) and research and development center in Venus Medicine Research Centre (in India)

2. SIGNIFICANT ACCOUNTING POLICIES:

A. Statement of Compliance:

These Consolidated Financial Statements of the company have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the Ind As as notified under section 133 of the Companies Act 2013 (the Act read with rule 4 of the Companies (Indian Accounting Standards) Rules 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India.

B. Basis of consolidation:

a) The Consolidated Financial Statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with IND AS 110, “Consolidated Financial Statements”.

- b) In case of foreign subsidiary, being non-integral foreign operations, revenue items are consolidated at average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the other comprehensive income.
- c) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the Consolidated Financial Statements as Goodwill or Capital Reserve as the case may be.
- d) The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated statement of Profit and loss account as the profit or loss on disposal of investment in subsidiary.
- e) The Company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealized profits and losses resulting from transactions between the Company and its associated to the extent of its share, through its profit and loss account to the extent such change is attributable to the associated’ profit and loss account and through its reserves for the balance, based on available information.
- f) As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company’s separate Consolidated Financial Statements.

3. OTHER SIGNIFICANT ACCOUNTING POLICIES:

The Consolidated Financial Statements have been prepared using the significant accounting policies and measurement bases summarized below.

Significant Accounting Policies and Notes to Accounts

i. Current / Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle and other criteria set out in Schedule 3 of the Act. Based on the nature of products & time between the acquisition of the assets for processing and there realisation in cash & cash equivalents, the Group has ascertained its operating cycle upto 12 months for the purpose of current/non -current classification of assets & liabilities

ii. Property, Plant and Equipment & Depreciation (IND AS 16)

- Items of property, Plant and equipment at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises: its purchase price, including import duties and non - refundable purchase taxes after deducting trade discounts and rebates.
- Expenses incurred up to date of putting them in commercial use.
- The Group is following the useful life method of depreciation as per the useful life specified Schedule II to the Act. The Carrying amount of assets is being depreciated over the remaining useful life of the assets. On assets sold, discarded etc, during the year depreciation is provided up to the date of sale/ discard. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets.
- The residual value and useful life is reviewed at each financial year.
- Carrying value of PPE are reviewed for impairment when events or changes in circumstances indicates that the carrying value may not be recoverable.
- Capital work in progress in respect of assets which are not ready for their intended use are carried at cost comprising of direct costs related incidental expenses and attributable interest.

iii. Intangible Assets (IND AS 38)

- Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The group amortizes its intangible assets over a period of 20 years.
- The cost of an Intangible Assets comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities) and any directly attributable expenditure on making the asset ready for its intended use.
- Research cost & related expenditure are recognised in Statement of Profit and Loss in the period in which such expenditure is incurred.
- Intangible Assets with finite lives are amortized on a straight-line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Standalone Statement of Profit and Loss.

iv. Lease (IND AS 116)

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component based on the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received,

Significant Accounting Policies and Notes to Accounts

plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the

lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Group as a Lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

v. Inventories (IND AS 2)

Method of valuation of inventories adopted are as under:-

- Stock Raw Material and Packing Material: - At cost price.
- Stock of Work-in-Progress:- At material cost plus apportioned manufacturing overheads.
- Stock of Finished Goods:- At material cost plus apportioned manufacturing overheads and other costs incurred in bringing the inventories to their present location and condition or Net Realizable value, whichever is lower.
- Spares and consumables: - At cost.

Significant Accounting Policies and Notes to Accounts

vi. Trade Receivables (IND AS 109)

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109 'Financial Instruments', which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

vii. Cash & Cash Equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

viii. Financial Instruments (IND AS 109)

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

- Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs through profit or loss.
- An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue cost.

Subsequent measurement of financial assets and financial liabilities:

- All financial liabilities and Financial Assets are subsequently measured at Fair value through profit & loss.

Derecognition

2. The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.
3. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.
4. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid , including any noncash assets transferred or liabilities assumed , shall be recognised in profit & loss.

ix. Revenue Recognition (IND AS 115)

1. Revenue is recognised when control of the products being sold has transferred to the customer and when there are no longer any unfulfilled obligations to the customer. This is generally on delivery to the customer but depending on individual customer terms, this can be at the time of dispatch, delivery or upon formal customer acceptance. This is considered the appropriate point where the performance obligations in our contracts are satisfied as group no longer have control over the inventory. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and Indirect Taxes. No element of financing is present in the pricing arrangement. . Settlement terms range from cash-on-delivery to credit terms ranging up to 90 days.
2. Dividend income is recognized at the time when the right to receive is established by the entity.
3. Other income is accounted for on mercantile basis unless otherwise stated in other IND AS.

x. Employee Benefits(IND AS-19)

- Current employee benefits

Significant Accounting Policies and Notes to Accounts

- a) Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be incurred when the liabilities are settled.
- b) Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.
- Post Retirement Employee Benefits
 - a) Post- retirement benefits plan are determined on the basis of an actuary valuation by an independent actuary. Liability recognised in the balance sheet in respect of defined benefit obligation is the present value of the defined benefit obligation at the end of reporting period.
 - b) The Holding Company has adopted a policy of compensated earned leave which are accumulating in nature and is determined by actuarial valuation at each reporting date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date.
 - c) Gratuity liability accounted for on the basis of actuarial valuation as per Ind AS 19 'Employee Benefits'. Liability recognized in the Consolidated Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss. Actuarial gain / loss pertaining to gratuity are accounted for as OCI.

xi. Foreign currencies Transactions and Translation (IND AS-21)

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's closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Consolidated Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively). In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognised. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

xii. Borrowing Cost(IND AS 23)

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of costs of such assets till such time as the assets is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which incurred.

Significant Accounting Policies and Notes to Accounts

xiii. Government Grants (IND AS 20)

- g) The group recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to revenue are recognized on a systematic basis in the statement of Profit and Loss over the period necessary to match them with the related costs which they are intended to compensate.
- h) Income from export incentives such as duty drawback, merchandise export import scheme are recognized on accrual basis

xiv. Provisions, Contingent Liabilities & Contingent Assets(IND AS 37)

- Provisions involving substantial degree of estimation by management and are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes for
 - i) Possible obligations which will be confirmed only by the future events not wholly within the control of the group or
 - ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is disclosed.

xv. Income Tax (IND AS 12)

Income tax expenses comprises current and deferred tax. It is recognized in statement of profit and loss

- Current Tax: Provision is made for income tax based on the liability as computed after taking credit for allowance and exemptions. Adjustments in books are made only after the completion of the assessment.

- Deferred Tax: Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for the taxation purposes. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.
- MAT: Minimum Alternative Tax payable under the provisions of the income tax Act, 1961 is recognized as an asset in the year in which credit becomes eligible and is set off in the year in which the Holding Company becomes liable to pay income taxes at the enacted tax rates and shall be reversed in the year in which it lapses.

xvi. Earning per Share (Ind AS -33)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares, unless the effect of potential dilutive equity shares is antidilutive.

xvii. Operating Cycle:

Based on the nature of product /activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and Non- current.

Notes on Consolidated Financial Statement

For the year ended on 31st March, 2021

Sr. No	Particulars	Gross Block		Depreciation		Net Block		
		As at 31.03.2020	Addition during the year	Deduction during the year	As at 31.03.2021	Exchange Difference	WDV as on 31.03.2021	WDV as on 31.03.2020
I	Tangible Assets							
	Land	1140.40	-	-	-	23.50	1163.90	1155.37
	Building	7614.56	32.57	2955.91	263.77	3219.68	4564.89	4748.04
	Building for R & D	1302.70	-	555.08	45.37	600.45	702.25	747.62
	Plant & Machinery	10295.77	286.90	4965.88	956.05	5256.53	4638.57	5335.09
	R & D Pilot Plant	1617.69	7.75	617.63	85.07	702.70	922.74	1000.06
	R & D Equipment	5739.79	206.30	3079.15	380.93	3460.08	2486.01	2660.64
	Computer, I.T and Communication Equipment	3534.95	97.91	2962.42	218.44	3180.86	451.96	572.53
	D G Set	217.79	1.62	211.35	2.56	213.91	5.50	6.44
	Electrical Installation	1045.93	6.23	852.11	58.19	910.30	141.86	193.82
	Furniture & Fixture	594.51	12.27	455.78	41.40	497.18	109.60	138.73
	Lab Equipment	3132.05	6.45	2044.77	475.48	1673.87	618.25	1087.27
	Office Equipment/ Security Equipment	619.57	4.60	575.32	33.14	608.46	15.93	44.43
	Pollution Control	632.87	-	271.03	32.67	303.70	329.17	361.84
	Vehicles	312.29	22.15	323.03	304.70	295.66	27.37	7.58
	Other Fixed Assets	755.19	40.21	794.63	55.80	476.03	318.76	334.48
	TOTAL	38556.06	724.96	20271.93	2651.24	21399.41	16496.76	18393.94
	(PREVIOUS YEAR)	37882.29	810.44	18238.29	2134.37	20271.92	18393.94	19643.93

NOTE : 2 (A) PROPERTY, PLANT & EQUIPMENT

(₹ in Lakhs)

Notes on Consolidated Financial Statement

For the year ended on 31st March, 2021

Sr. No	Particulars	Gross Block		Depreciation		Net Block	
		As at 31.03.2020	Addition during the year	Deduction during the year	As at 31.03.2021	Exchange Difference	WDV as on 31.03.2021
II	Capital Work-in-progress						
1	Building Under Construction	-	2460.36	29.50	-	-	2489.86
2	Plant & Machinery	-	0.78	0.63	-	-	1.41
3	R & D Equipment	-	0.03	1.05	-	-	1.08
4	Other	-	1.93	16.63	-	-	18.56
	TOTAL	2463.10	47.81	47.81	0.00	0.00	2510.91
	(PREVIOUS YEAR)	6476.42	2.74	4,016.06	4,016.06	2463.10	2463.10

NOTE : 2 (B) CAPITAL WORK-IN-PROGRESS

(₹ in Lakhs)

Sr. No	Particulars	Gross Block		Depreciation		Net Block		
		As at 31.03.2020	Addition during the year	Deduction during the year	As at 31.03.2021	Exchange Difference	WDV as on 31.03.2021	
III	Intangible Assets							
1	Patent IPR Technologies	16088.13	-	8889.93	589.72	9479.57	6622.31	7207.01
2	Product & Process Development	7633.59	-	4297.61	286.67	4584.28	3049.31	3335.98
	TOTAL	23721.72	-	13187.54	876.39	14063.85	9671.62	10542.99
	(PREVIOUS YEAR)	32819.33	-	16018.36	1066.85	13187.54	10542.99	16801.04

NOTE : 2 (C) INTANGIBLE ASSETS

(₹ in Lakhs)

2(B) The capital work in progress consists of new office building under construction. The construction work on the building was stopped in previous years. During the year ended March 2020, Holding Company had carried out impairment study of capital work in progress. As per the impairment study report, there was impairment loss of ₹ 4016.06 lakh effect of the same had been considered under Exceptional item in statement of Profit & Loss for the year ended March 2020.

2(C) During the year ended March 2020, the Holding Company had identified certain patents of ₹ 9097.60 lakh (Net Book Value: ₹ 5200.00 lakh), which had been moved from Intangible Assets to Assets held for sale and the Holding Company has sold these assets during the current financial year 2020-21. (Refer Note No. 12)

Notes on Consolidated Financial Statement

For the year ended on 31st March, 2021

NOTE : 3 OTHER NON CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Security Deposit	437.10	297.33
2	Loans & Advances	-	28.18
	Total	437.10	325.50

NOTE : 4 OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Advances for Capital Goods	74.65	16.43
2	Advance for In Licensing of Technology	3234.77	3234.77
	Total	3309.42	3251.20

NOTE: 5 INVENTORIES

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Raw Material	6604.06	8641.97
2	Work-in-Progress	3666.35	3276.06
3	Finished Goods	1691.79	1758.89
4	Consumables	15.05	17.46
5	Goods-in-transit	-	-
	a) Finished Goods	21.42	418.04
	Total	11998.67	14112.42

NOTE : 6 TRADE RECEIVABLES

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Trade receivable Considered good – Unsecured	3204.16	3069.05
	Total	3204.16	3069.05

NOTE : 7 CASH & CASH EQUIVALENT

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Balances with Banks		
	In current Accounts	1960.93	42.85
	In Foreign Exchange Accounts	922.32	144.32
2	Cash in Hand	4.67	7.07
	Total	2887.92	194.24

7.1 Cash in hand includes Foreign Exchange in hand ₹ 2.75 Lakhs(P.Y. ₹ 2.72 Lakhs).

Notes on Consolidated Financial Statement

For the year ended on 31st March, 2021

NOTE : 8 OTHER BANK BALANCES

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Fixed Deposits		
	Fixed Deposit being Margin Money	10.00	10.00
2	Bank Balance		
	Unclaimed Dividend	-	8.26
	Total	10.00	18.26

8.1 Fixed Deposit of ₹ 10 Lakhs (Previous year ₹ 10 Lakhs) is held with bank as margin money for Bank guarantee/ Letter of Credit

NOTE : 9 OTHER FINANCIAL ASSETS

(UNSECURED , CONSIDERED GOOD)

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Advance to Staff	6.95	7.07
2	Other Loans & Advances	20.66	142.87
	Total	27.61	149.94

NOTE : 10 CURRENT TAX ASSETS

(UNSECURED , CONSIDERED GOOD)

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Tax Credit Receivable	2818.23	2818.23
2	TDS Receivables	53.75	35.57
	Total	2871.98	2853.80

NOTE : 11 OTHER CURRENT ASSETS

(UNSECURED , CONSIDERED GOOD)

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Balance with Government Authorities	1370.84	1641.13
2	Advance to suppliers	217.99	1789.22
3	Prepaid expenses	50.18	29.74
4	Export Incentive Recoverable	520.17	342.62
	Total	2159.18	3802.71

Notes on Consolidated Financial Statement

For the year ended on 31st March, 2021

NOTE : 12 ASSETS HELD FOR SALE

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Product & Process Development	-	1678.65
2	Patent IPR Technologies	-	3521.35
	Total	-	5200.00

12.1 During Financial year ended March 2020, the Holding Company had identified certain patents of ₹ 9097.60 Lakhs (Net Book Value: 5200.00 Lakhs), which had been moved from Intangible Assets to Assets held for sale. Now during the current financial year 2020-21, the Holding Company has sold these assets and profit on sale of these assets has been account for as other income.

NOTE : 13 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	AUTHORIZED SHARE CAPITAL		
	20000000 Equity Shares of ₹ 10/- each. (Previous Year 20000000 Equity Shares of ₹ 10/- each)	2,000.00	2,000.00
		2000.00	2000.00
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL		
	12341988 Equity Shares of ₹ 10/- each, Fully paid up (Previous year 12341988 Equity Shares of ₹ 10/- each)	1234.20	1234.20
	Total	1234.20	1234.20

13.1 The details of Shareholders holding more than 5% shares:

(₹ in Lakhs)

Sr. No	Name Of Shareholders	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
		No. of Shares (%)	No. of Shares (%)
1	Sunev Pharma Solutions Limited	2300000 (18.64%)	2300000 (18.64%)
2	Mr. Pawan Chaudhary	987000 (8.00%)	987000 (8.00%)
3	Mrs. Manu Chaudhary	1143000 (9.26%)	1143000 (9.26%)

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

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
		No. of Shares	
1	Equity Shares at the beginning of the year	12341988	12341988
2	Add: Shares issued during the year	-	-
	Equity Shares at the end of the year	12341988	12341988

Notes on Consolidated Financial Statement

For the year ended on 31st March, 2021

Rights, Preference and restriction attached to shares

The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors are subject to shareholders approval in ensuing AGM except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all the preferential amount in proportion to their shareholding.

NOTE :14 OTHER EQUITY

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Securities Premium		
		7560.08	7560.08
	Total A	7560.08	7560.08
2	General Reserve		
	As per last Balance Sheet	21146.30	21146.30
	Total B	21146.30	21146.30
3	Foreign Exchange Translation Reserve		
	As per Last Balance Sheet	1,057.78	926.12
	Add: During the year	149.13	131.66
	Total	1206.91	1057.78
4	Retained Earnings		
		1338.65	2385.73
	Add: Profit for the period	6176.54	(999.93)
	-Taxes on Dividend	-	-
	Add : Reclassification of actuarial gains/ loss in respect of employee benefit scheme as other comprehensive Income	(9.52)	(47.15)
	Total C	7505.67	1338.65
5	Money Received against Share Warrants		
	Issue of share warrants	1375.21	-
	Total D	1375.21	-
	Total (a+b+c+d)	38794.17	31102.81

NOTE : 15 BORROWINGS

A. SECURED LOANS

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Term Loans	9.39	2418.65
	Total	9.39	2418.65

15(A)(1.1) During Financial year ended March, 2020, Borrowing of holding company were Secured by first charge on Fixed Assets & second charge on current assets of the holding company & personal guarantee of the promoter directors. However, during the Financial year ending March, 2021, the holding company has repaid all the above borrowing under the Settlement agreements entered with the lenders and all charges have been satisfied by filing requisite forms with Ministry of Corporate Affairs.

15(A)(1.2) Term Loan obtained by the Subsidiary Company is secured by first charge on on current assets of the Subsidiary company

Notes on Consolidated Financial Statement

For the year ended on 31st March, 2021

B. Unsecured Loans

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Foreign Currency Convertible Bonds	3867.89	3867.89
2	Loan from Directors	805.82	918.79
	Total	4673.71	4786.68

15(B)(1) Refer Note No. 38

NOTE : 16 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Security Received	28.35	29.35
	Total	28.35	29.35

NOTE : 17 PROVISIONS

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Provision For Employees Benefit		
	Provision for Gratuity	479.81	423.13
	Provision for Leave Encashment	257.79	239.82
	Total	737.60	662.95

NOTE : 18 DEFERRED TAX LIABILITY (NET)

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Deferred Tax Liability	363.40	1684.60
	Total	363.40	1684.60
	Component of Deferred Tax (Asset)/ Liabilities		
	Deferred tax (Assets)/Liabilities in relation to		
	Opening Balance		
	-Property Plant & Equipment	2474.99	2710.08
	-Provisions	(790.39)	(1221.86)
	-Carry forward losses	-	-
	Total	1684.60	1488.22
	Changes Recognized in Profit & Loss account		
	-Property Plant & Equipment	691.11	(235.09)
	-Provisions	582.42	431.47
	-Carry forward losses	(2594.73)	-
	Total	(1321.20)	196.38

Notes on Consolidated Financial Statement

For the year ended on 31st March, 2021

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
	Closing Balance		
	-Property Plant & Equipment	3166.10	2474.99
	-Provisions	(207.97)	(790.39)
	-Carry forward losses	(2594.73)	-
	Total	363.40	1684.60
	Tax Reconciliation	As at 31.03.2021(₹)	As at 31.03.2020(₹)
	Particulars		
	Profit before tax	4096.53	(673.46)
	Applicable tax rate	25.17%	26.00%
	Computed tax expense	-	-
	Tax effect of :		
	- Exempted Income	-	-
	- Expense disallowed	-	-
	Total	-	-
	Tax adjustment related to earlier year	-	-
	Current tax Provision- A	-	-
	Deferred tax Provision-B	1321.20	(196.39)
	Profit & Loss (A+B)	1321.20	(196.39)
	Effective rate	32.25%	-29.16%

NOTE: 19 BORROWINGS

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Working Capital Loan from Bank- Secured (Secured by first charge on current assets of the Subsidiary company.)	430.50	8557.59
	Total	430.50	8557.59

19.1 During Financial year ended March, 2020 , Borrowings of holding company were Secured by first charge on current assets of the company & second charge on fixed assets of holding company & further secured by personal Guarantee of Promoter Director. However, during Financial year ended March, 2021 the holding company has repaid all the above borrowing under the settlement agreements entered with the lenders and all charges have been satisfied by filing requisite forms with Ministry of Corporate Affairs.

19.2 Working Capital Loan obtained by the Subsidiary Company is secured by first charge on on current assets of the Subsidiary company

Notes on Consolidated Financial Statement

For the year ended on 31st March, 2021

NOTE : 20 TRADE PAYABLES

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Micro, Small and Medium Enterprises	321.93	176.19
2	Others	6813.75	3493.34
	Total	7135.68	3669.53

NOTE: 21 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Current Maturities of Long Term debts	18.24	6280.75
2	Current Maturities of Vehicle Loan Obligation	-	1.31
3	Advance From Customers	318.58	600.09
4	Creditors for Capital Expenditure	60.49	24.82
5	Unclaimed Dividends	-	8.26
6	Creditor For Expenses	603.88	214.00
7	Employee Dues	469.55	361.77
8	Interest due but not paid	-	2255.66
9	Other Payable	541.53	352.89
	Total	2012.27	10099.55

NOTE : 22 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Statutory Dues	98.04	70.62
	Total	98.04	70.62

NOTE : 23 PROVISIONS

(₹ in Lakhs)

Sr. No	Particulars	Figures as at the end of 31.03.2021	Figures as at the end of 31.03.2020
1	Provision for Gratuity	52.09	45.78
2	Provision for Leave Encashment	15.93	14.84
	Total	68.02	60.62

NOTE : 24 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Sr. No	Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
1	Sales of products	53767.50	33340.17
2	Income from research activities	282.67	110.13
3	Other Operating Revenue	762.18	483.13
	Total	54812.35	33933.43

Notes on Consolidated Financial Statement

For the year ended on 31st March, 2021

24.1 Other Operating Revenue includes ₹ 762.18 Lakhs (P.Y. 483.13 Lakhs) received / receivable from Government as Export Incentives.

NOTE : 25 OTHER INCOME

(₹ in Lakhs)

Sr. No	Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
1	Bank Interest	12.22	33.08
2	Rent Received	78.00	104.96
3	Net Gain on Foreign currency	649.45	260.44
4	Other Income	1223.31	132.29
	Total	1962.98	530.77

25.1 Other income includes gain on sale of asset held for sale.

NOTE : 26 COST OF MATERIAL CONSUMED

(₹ in Lakhs)

Sr. No	Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
	Opening Stock		
	- Raw Material	8641.97	8079.87
	Add : Purchases	33281.64	17407.58
	Total	41923.61	25487.45
	Less : Exceptional Items(Refer note -33)	-	-
	Less : Closing Stock	6604.06	8641.97
	Total	35319.55	16845.48
	Less : Exceptional Items(Refer Note 33) (D)	525.56	-
	Total (C - D)	34793.99	16845.48

NOTE : 27 CHANGE IN INVENTORIES

(₹ in Lakhs)

Sr. No	Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
1	Opening Stock		
	- Finished Goods	1758.89	2338.18
	-Work In Progress	3276.06	3282.28
	Total (A)	5034.95	5620.47
2	Closing Stock		
	- Finished Goods	1691.79	1758.89
	- Work in progress	3666.35	3276.06
	Less: Exceptional Items(Refer note-33)	-	-
	Total (B)	5358.14	5034.95
	Net (C) = (A-B)	(323.19)	585.52
	Less : Exceptional Items(Refer Note No 33) (D)	391.50	-
	Change in Inventories (C - D)	(714.69)	585.52

Notes on Consolidated Financial Statement

For the year ended on 31st March, 2021

NOTE : 28 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Sr. No	Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
1	Salaries & Wages	4049.21	4112.30
2	Contribution to Provident Fund and other funds	375.39	409.80
3	Staff Welfare Expenses	177.27	80.04
	Total	4601.87	4602.14

28.1 RECONCILIATION OF DEFINED BENEFIT OBLIGATION

(₹ in Lakhs)

Sr. No	Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
1	Gratuity		
	Fair Value Of Plan Assets	-	-
	Present value of obligation	531.90	468.91
	Amount recognised in balance Sheet	531.90	468.91
2	Leave Encashment		
	Fair Value Of Plan Assets	-	-
	Present value of obligation	273.72	254.66
	Amount recognised in balance Sheet	273.72	254.66

As per IND AS-19 "Employee Benefits", the disclosures as defined in Indian Accounting Standard are given below:

28.2 EXPENSES RECOGNISED DURING THE YEAR

(₹ in Lakhs)

Sr. No	Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
1	Gratuity		
	Current Service Cost	62.24	60.24
	Interest Cost	29.31	23.13
	Net Actuarial (gain)/loss recognised in the period	9.52	47.15
	Expense recognised in the P&L Statement	101.07	130.52
2	Leave Encashment		
	Current Service Cost	90.28	89.87
	Interest Cost	15.92	13.42
	Net Actuarial (gain)/loss recognised in the period	(71.97)	(41.82)
	Expense recognised in the P&L Statement	34.23	61.47

Notes on Consolidated Financial Statement

For the year ended on 31st March, 2021

28.3 : AMOUNT RECOGNISED IN OTHER COMPREHENSIVE INCOME

(₹ in Lakhs)

Sr. No	Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
1	Gratuity		
	Actuarial (Gain)/Loss – Due to experience variance	9.52	47.15
	Net(Income)/Expense for the period recognized in Other Comprehensive Income	9.52	47.15
2	Leave Encashment		
	Actuarial (Gain)/Loss – Due to experience variance	-	-
	Net(Income)/Expense for the period recognized in Other Comprehensive Income	-	-

Actuarial Assumptions

(Financial)			
Discount Rate		6.25%	6.25%
Estimated rate of increase in salary		5%	5%
Rate of return on plan assets			
(Demographic)			
Mortality basis		Indian Assured Lives Mortality (2012-14) Ult.	
Attrition		0.1	0.1
Disability		No explicit allowance	

Sensitivity Analysis

	Gratuity – PV of liability obligations	Leave – PV of liability obligations
Change in Valuation Assumption		
Discount rate Δ (-1%)	569.07	291.05
Discount rate Δ (0%)	531.90	273.72
Discount rate Δ (+1%)	498.71	258.16
Salary Esc. Rate Δ (-1%)	497.83	257.70
Salary Esc. Rate Δ (0%)	531.90	273.72
Salary Esc. Rate Δ (+1%)	569.41	291.22

NOTE : 29 FINANCIAL COST

(₹ in Lakhs)

Sr. No	Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
1	Interest Expenses	701.03	1166.28
2	Other Borrowing Cost	600.90	167.46
	Total	1301.93	1333.74

Notes on Consolidated Financial Statement

For the year ended on 31st March, 2021

NOTE : 30 DEPRECIATION & AMORTISED EXPENSES

(₹ in Lakhs)

Sr. No	Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
1	Depreciation	2651.23	2134.37
2	Amortisation of Intangible Assets	876.38	1066.86
	Total	3527.61	3201.23

NOTE : 31 OTHER EXPENSES

A. Manufacturing Expenses

(₹ in Lakhs)

Sr. No	Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
1	Power & Fuel	457.90	473.02
2	Consumables	157.29	136.17
3	Repair & Maintenance		
	- Building	79.28	38.93
	- Electrical	21.78	14.68
	- Plant & Machinery	78.95	70.98
4	Other Manufacturing Expenses	321.28	324.17
	Total	1116.48	1057.95

A. Manufacturing Expenses

(₹ in Lakhs)

Sr. No	Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
1	Rent	7.51	10.71
2	Rates, Fee & Taxes	45.90	65.05
3	Insurance	51.97	58.66
4	Legal and Professional Expenses	118.07	138.80
5	Postage, Telex & Telegram	5.69	6.14
6	Printing & Stationery	21.56	22.84
7	Telephone Expenses	28.47	48.50
8	Traveling & Conveyance:		
9	- Staff	95.02	131.76
10	- Directors	0.92	11.11
11	- Others	0.27	4.71
	Running, Repair & Maintenance :		
12	- Vehicles	51.99	73.63
13	- Computer	29.42	35.98
14	- Others	8.49	9.46
15	Auditors' Fees	13.39	14.44
16	Directors Remuneration	244.53	195.81
17	Other Administrative Expenses	662.88	461.15
18	Other Corporate Expenses	72.22	83.27
	Total	1458.30	1372.02

Notes on Consolidated Financial Statement

For the year ended on 31st March, 2021

C. Selling and Distribution Expenses

(₹ in Lakhs)

Sr. No	Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
1	Discount / Commission	395.09	390.48
2	Other Selling Expenses	5365.04	2219.05
3	Advertisement & Sales Promotion	257.45	600.23
4	Sample Distribution	32.22	75.79
5	Incentive to Field Force	314.49	219.55
6	Traveling and conveyance Field Staff (Incl. Hotel)	238.66	458.12
	Total	6602.95	3963.22
	GRAND TOTAL	9177.73	6393.20

NOTE : 32 RESEARCH AND DEVELOPMENT EXPENSES

(₹ in Lakhs)

Sr. No	Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
1	Remuneration of R & D Staff	388.76	416.80
2	R & D Expenses	134.26	111.61
3	Material used for Development of new products	117.18	108.28
4	R & D Consumables	86.22	48.86
5	IPR , Patent , Technology & Dossiers expenses	849.33	739.68
	Total	1575.75	1425.23

NOTE : 33 EXCEPTIONAL ITEMS

(₹ in Lakhs)

Sr. No	Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
1	Raw material	(525.56)	-
2	Finished Goods- WIP	(391.50)	-
3	Waiver on Loan Settlements with Lenders and writing off other balance	3261.26	2448.85
4	FCCB Interest	-	686.00
5	Impairment of Asset	-	(4016.06)
	Total	2344.20	(881.21)

33.1 Exceptional items stated in the statement resulted due to waiver on settlement of borrowings from lenders, expiry & degradation of inventory due to lockdown and writing off of other balances by Holding Company during Financial Year 2020-21.

33.2 During year ending on 31st March 2021, the holding company has made settlements with Dena bank, HDFC Bank, Corporation Bank, EXIM Bank and State Bank of India and got a waiver of ₹ 3559 lakhs (P.Y. 1443 Laks) on principal outstanding and 1289 Lakh (P.Y. 1004.71 Lakh) on interest outstanding.

34 AUDITOR'S REMUNERATION

(₹ in Lakhs)

Sr. No	Particulars	Current Year	Previous Year
1	Statutory Audit Fees (Including Limited Review Fees)	13.39	14.44
	Total	13.39	14.44

35 RELATED PARTY DISCLOSURES:

As per IND AS- 24, the disclosures of transactions with related parties during the year are given below.

Names of related parties and description of relationship:

S No.	Nature of Relationship	Name of Related Party
1.	Entities in which Director is interested	Sunev Pharma Solutions Limited
		Spine Software Systems Pvt Limited
2.	Key Management Personnel	Mr. Pawan Chaudhary
		Mrs. Manu Chaudhary
		Mr. Peeyush Jain
		Mr. Ashutosh Jain
		Mrs. Neha Kodan
3.	Director's Relative	Mr. Akshansh Chaudhary
		Mr. Saransh Chaudhary

Nature Of Transaction	Transaction during the Year			Outstanding Balance	
	Entity in which Director is interested	Key managerial Personnel	Director's Relative	As on 31-03-2020	As on 31-03-2019
Sales of Asset	0.09 (1.54)	-	-	-	-
Rent Received	33.23 (31.62)	-	-	45.63-R	59.62-R
IT Services	291.46 (27.59)	-	-	28.25-P	7.52-P
Purchase of Software	- -239.39	-	-	-	-
Remuneration to Directors /KMP	-	242.73 -195.14	-	18.00-P	12.01-P
Remuneration	-	-	65 -36	5.04-P	2.09-P
Advance for in Licensing for Technology	-	-	-	3234.77 (R)	3234.77-R

* Previous year figures have been shown in bracket.

** Includes exchange fluctuation effect.

***The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

***The above figures do not include provisions for encashable leave and gratuity, as separate actuarial valuations are not available.

36 The wholly Owned Subsidiary "Venus Pharma GmbH" was operated at Werne, Germany, Accordingly, the Balance Sheet of Wholly Owned Subsidiary has been consolidated along with the Holding Company in accordance with the IND AS 110 Consolidated Financial Statements."

37 The audited Consolidated Financial Statements of foreign subsidiary associates have been prepared in accordance with Generally accepted Principles of its Country of Incorporation or International Financial Reporting Standards. The differences in accounting policies of the company and its subsidiaries are not material.

38 FCCB bonds amounting to US\$4,595,833 as on 31st March, 2021 became due for maturity on 1st February, 2015. At the time of maturity, the Holding Company had an approved line of credit from the consortium of lenders for the redemption of the

bonds, however, none of the bondholder(s) or their custodian bank submitted their bonds for conversion or redemption. Now, in the absence of any explicit agreement and based on reassessment of liability in terms of the provisions of The Limitation Act,1963, the Holding Company has decided to cap its liability outstanding as on 1st February 2015. Accordingly the carrying value of such FCCB liability has not been reinstated at current exchange rate. No provision for interest payable has been made since 1st February 2015, as the FCCB Bonds liability becoming time barred, as per a legal opinion obtained by the Holding Company.

Further, the board of directors in their meeting held on 31st May, 2021 have agreed that a request letter be submitted to Reserve Bank of India in regard to FCCB to seek further course of action on the same.

39 EARNING PER SHARE (IND AS-33)

The calculation of Earning per share (EPS) are based on the earnings and number of shares as computed below:

Profit after Tax	₹ 6176.54	₹ (999.93)
	No. of shares in Lakhs as on 31.03.21	No. of shares in Lakhs as on 31.03.20
Weighted average number of shares in calculating the basic EPS	123.42	123.42
Weighted average number of shares in calculating Diluted EPS	123.42	123.42
Earning per share (Face value ₹ 10 /each)		
Earning per share Basic in ₹	50.04	(8.10)
Earning per share Diluted in ₹	50.04	(8.10)

40 The group continues to closely monitor the impact of the COVID-19 pandemic on all aspects of its business, including how it has impacted and will impact its customers, employees, vendors and business partners. There is no significant impact of COVID-19 on the group operations and revenue during the period as the group business comes under essential category. However the management has exercised due care, in concluding on significant accounting judgements and estimates, inter-alia, recoverability of receivables, intangible assets, inventory, based on the information available to date, both internal and external, while preparing the Group Financial Statements for the year ended 31st March, 2021.

41 Fair value of cash and current deposits, trade and other current receivable, trade payable, other current liabilities, current loans from banks and other institution approximate their carrying amount due to current maturities of these instruments

42 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Amount due to vendor	321.93	176.19

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

43 FINANCIAL RISK MANAGEMENT:

The group has exposure to the following risks arising from financial instruments:

- Credit risk:** Credit risk is the risk that counterparty will not meet its obligations leading to a financial loss. The group is exposed to credit risk arising from trade receivables. All financial assets are initially considered performing and evaluated periodically for expected credit loss. A default on a financial asset is when there is a significant increase in the credit risk which is evaluated based on the business environment. The assets are written off when the Group is certain about the non-recovery.

- a) a. Trade receivables - The group has an established credit policy and a credit review mechanism. The concentration of credit risk arising from trade receivables is limited due to large customer base. Management believes that the unimpaired amounts that are past due are collectible in full, based on historical payment behaviour and analysis of customer credit risk.
- b) Financial instruments and cash deposits – Group periodically reviews the credit risk arising from balances / deposits with banks, other financial assets, and current investments, if any, and manage the same accordingly.
- ii. **Liquidity risk:** Liquidity risk is the risk that the Group may encounter difficulty in meeting its obligations.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Current Financial Liabilities	31.03.2021		31.03.2020	
	Carrying Amount	Less than 1 year	Carrying Amount	Less than 1 year
Borrowings	430.50	430.50	8557.59	8557.59
Trade Payables	7135.68	7135.68	3669.53	3669.53
Other Financial Liabilities	2012.27	2012.27	10099.55	10099.55

iii. **Market risk:**

Market risk is the risk that the fair value of the future cash flows will fluctuate because of changes in the market prices such as currency risk, interest rates risk and commodity price risk.

- a) Currency risk - The group operates outside Indian territory also and there is foreign exchange risk to the group.
- b) Interest rate risk - Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retirement benefits. The group generally utilises fixed rate borrowings and therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in the market interest rates. The group is not exposed to significant interest rate risk as at the respective reporting dates.

Commodity risk - The group has no such risk.

44 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Lakhs)

Particulars	Current Year	Previous Year
Contingent Liabilities		
d) Tax demand pending in appeal	16.34	16.34
Capital commitment	112.53	5.00

There is no contingent liability and capital commitment in the books of Subsidiary Company.

45 DISCLOSURE AS PER IND AS 112 'DISCLOSURE OF INTEREST IN OTHER ENTITIES

Enterprises Consolidated As Subsidiary In Accordance With Ind-As 110 –Consolidated Financial Statements (₹ in Lakhs)

Name of the Subsidiary	Country of Incorporation	Ownership Interest held by the Venus Remedies Limited(%)		Ownership Interest held by the Non Controlling Interest(%)		Principal Activities
		As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2021	As at 31 st March, 2020	
Venus Pharma GmbH	Germany	100%	100%	-	-	Sale of Pharmaceutical products

NON CONTROLLING INTEREST

Set out below is summarised financial information for subsidiary that has non-controlling interest. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised Balance Sheet

(₹ in Lakhs)

Particulars	Venus Pharma GMBH	
	As at 31 st March, 2021	As at 31 st March, 2020
Current assets	2936.12	2704.82
Current liabilities	1869.35	2558.12
Net current assets/(liabilities)	1066.77	146.70
Non-Current assets	1826.33	1865.24
Non-Current liabilities	9.39	26.65
Net non-current assets/(liabilities)	1816.94	1838.59
Net Assets	2883.71	1985.28
Accumulated NCI	-	-

Summarised statement of profit and loss for the year ended

(₹ in Lakhs)

Particulars	Venus Pharma GMBH	
	As at 31 st March, 2021	As at 31 st March, 2020
Total income	14281.07	8496.35
Profit/(loss) for the year	749.29	(177.23)
Other comprehensive income/ (expense)	-	-
Total comprehensive income/ (expense)	749.29	(177.23)
Profit/(loss) allocated to NCI	-	-

Summarised cash flows for the year ended

(₹ in Lakhs)

Particulars	Venus Pharma GMBH	
	As at 31 st March, 2021	As at 31 st March, 2020
Cash flows from/(used in) operating activities	(5.33)	(14.28)
Cash flows from/(used in) financing activities	6.36	(10.85)
Cash flows from/(used in) financing activities	(36.73)	(65.30)
Net increase/ (decrease) in cash and cash equivalents	(35.70)	(90.43)

46. DISCLOSURE AS PER SCHEDULE III TO THE COMPANIES ACT, 2013

As at March 31, 2021

(₹ in Lakhs)

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	INR	As % of consolidated net assets	INR	As % of consolidated profit and loss	INR	As % of consolidated other comprehensive income	INR	As % of total comprehensive income
Holding	40018.28	99.94%	5427.24	87.87%	(9.52)	100%	5417.72	87.85%
Venus Remedies Limited								
Foreign subsidiaries								
Venus Pharma GMBH	23.98	0.06%	749.29	12.13%	-	-	749.29	12.15%
Total	40042.26	100%	6176.54	100%	(9.52)	100%	6167.02	100%
Adjustments arising out of consolidation								
Non-controlling interest	13.89							
Total	40028.37		6176.54		(9.52)		6167.02	

As at March 31, 2020

(₹ in Lakhs)

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	INR	As % of consolidated net assets	INR	As % of consolidated profit and loss	INR	As % of consolidated other comprehensive income	INR	As % of total comprehensive income
Holding	33225.35	102.70%	(822.69)	82.28%	(47.15)	100%	(869.84)	83.07%
Venus Remedies Limited								
Foreign subsidiaries								
Venus Pharma GMBH	(874.44)	(2.70%)	(177.24)	17.72%	-	-	(177.2)	16.93%
Total	32350.91	100%	(999.93)	100%	(47.15)	100%	(1047.08)	100%
Adjustments arising out of consolidation	13.89							
Non-controlling interest	-	-	-	-	-	-	-	-
Total	32337.02		(999.93)		-47.15		(1047.08)	

- 47 During the year, both the Holding & subsidiary company has undertaken a review of all fixed assets in line with the requirements of IND AS 36 on "Impairment of Assets". Based on such review, no provision for impairment is required to be recognized during the Financial year 2020-21.
- 48 In the books, Holding company has provided for gratuity and leave encashment as per valuation which was done as required under IND AS 19 Employees benefits. Whereas in subsidiary the Employee law prevailing in the state are complied with.
- 49 The group operates only in one business segment viz "Pharmaceutical Formulation" and is engaged in manufacturing and trading of medicines In terms of our annexed report of even date
- 50 There is no remittance in foreign currency on account of dividend.
- 51 The figures in the Balance Sheet, Statement of Profit & Loss, Statement of cash flows and other notes forming part of Consolidated Financial Statements have been rounded off to nearest multiple of rupee in lakhs.
- 52 The previous year figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation.

FOR VINOD KUMAR & ASSOCIATES

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)
Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 31.05.2021

For and on behalf of the Board of Directors

(Peeyush Jain)
Deputy Managing Director
DIN : 00440361

(Pawan Chaudhary)
Managing Director & CFO
DIN : 00435503

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
AVP-Accounts



VENUS REMEDIES LIMITED

Registered Office:

SCO 857, Cabin No. 10, 2nd Floor,
NAC Manimajra Chandigarh (U.T.)
160101, India

Corporate Office:

51-52, Industrial Area, Phase-1,
Panchkula, Haryana - 134113, India
CIN: L24232CH1989PLC009705
www.venusremedies.com