



## Vista Pharmaceuticals Ltd

CIN : L24239TG1991PLC012264

7-1-212/A/70, Plot No. : 85, Shivbagh, Ameerpet, Hyderabad-16. Telangana

India Tel: 91-40-65581585, Fax : 91-40-23741585

e-mail : admin.hyd@vistapharmaceuticals.com www.vistapharmaceuticals.com

Hyderabad, 02nd September, 2021.

To

The General Manager - Operations,

BSE Limited,

Phiroze Jeejeebhoy Towers,

25th Floor, Dalal Street,

Mumbai – 400 001.

Dear Sir/Ma'am,

**Sub: Submission of 30th Annual Report of Vista Pharmaceuticals Limited for the financial year 2020- 2021, along with the notice of Annual General Meeting- Regulation 34 (1) of SEBI (LODR) Reg, 2015.**

**Scrip Code: 524711**

In Compliance with Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015, we herewith submit the 30th Annual Report for the Financial Year 2020-2021 along with Notice of the Annual General Meeting to be held on Saturday, 25th day of September, 2021 at 3.00 P.M through Video Conferencing ("VC") /Other Audio Visual Means ("OAVM") and the venue of meeting shall be deemed to be the registered office of the Company i.e., Plot Nos. 10 to 14 and 16 to 20, TSIIIC Industrial Estate, Gopalaipalli Village, Narketpally Mandal, Nalgonda District- 508254, Telangana. The Notice of AGM along with Annual report have been dispatched to the shareholders of the Company in compliance with the Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by the Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13<sup>th</sup>, 2021.

We further wish to inform you that the Company is providing e-voting facility to the shareholders to vote on the resolutions proposed to be passed at the 30th Annual General Meeting to be held on Saturday, 25th day of September, 2021 at 3.00 P.M through Video Conferencing and other audio visual means (VC & OAVM). The e-voting will commence at 09.00 AM on Wednesday, 22nd day of September, 2021 and ends at 05.00 PM on Friday, 24th day of September, 2021. Further the company will also provide the facility of venue e-voting during the time of the 30th AGM.



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India Tel: 91-40-65581585, Fax : 91-40-23741585

e-mail : admin.hyd@vistapharmaceuticals.com www.vistapharmaceuticals.com

Kindly take the above information on records.

Thanking You,

**Thanking You,  
for Vista Pharmaceuticals Limited**



**Akash Bhagadia  
Company Secretary**



**VISTA PHARMACEUTICALS LIMITED**

**30<sup>th</sup> Annual Report**

**2020-2021**





## BOARD OF DIRECTORS

Dr. Dhananjaya Alli	:	Managing Director
Mr. Stanley Prabhakar Reddy	:	Director (Non Executive)
Mr. Mallem Hanumantha Rao	:	Director (Non Executive)
Mr. Narendra Gilaka	:	Independent Director
Dr. Umesh Virupakah Banakar	:	Independent Director
Ms. Divya Bhavani Chakravarthula	:	Independent Director
Mr. Umakanth Katta	:	Director (Non Executive)
Mr. Divakar Reddy Yerrabommanahalli	:	Director (Non Executive)

## KEY MANAGERIAL PERSONNEL

Dr. Dhananjaya Alli	:	Managing Director
Mr. Suneel Pachipala	:	Chief Financial officer
Mr. Akash Bhagadia	:	Company Secretary (w.e.f. 20.08.2020)

**Corporate Identity Number: L24239TG1991PLC012264**

## Corporate Office:

7-1-212/A/70, Plot No. 85,  
Shivbagh, Ameerpet,  
Hyderabad 500016, Telangana.  
Phone: 040-23738872, Fax : 040-23741585,  
E-mail: [admin.hyd@vistapharmaceuticals.com](mailto:admin.hyd@vistapharmaceuticals.com)

## Registered Office and Factory

Plot Nos.10 to 14 and 16 To 20,  
TSIIC, Industrial Estate, Chityal,  
Gopalaipalli, Narketpally Mandal,  
Nalgonda District- 508254, Telangana.  
Phone: 09291015956, Fax: 08682-272551,  
E-mail: [admin.hyd@vistapharmaceuticals.com](mailto:admin.hyd@vistapharmaceuticals.com)

## Statutory Auditors

M/s. A.M Reddy & D.R. Reddy,  
Chartered Accountants, Hyderabad.

## Registrars and Share Transfer Agents

M/s. Aarthi Consultants Private Ltd  
H.No.1-2-285, Domalguda, Hyderabad-500029  
Ph.No.040-27634445/27638111/27642217  
E.mail:Info@aarthiconsultants.com

## Secretarial Auditors

Mr. Nagamalla Sricharan  
Practicing Company Secretary

## Banker

Bank of Baroda

## Internal Auditors

M/s.V.Durga Prasad & Associates  
Chartered Accountants, Hyderabad.

### NOTICE TO THE SHAREHOLDERS

**NOTICE** is hereby given that the 30<sup>th</sup> Annual General Meeting of the Members of M/s Vista Pharmaceuticals Limited will be held on Saturday, the 25<sup>th</sup> Day of September, 2021 at 03.00 P.M through Video Conferencing (“VC”) /Other Audio Visual Means (“OAVM”) and the venue of meeting shall be deemed to be the registered office of the Company i.e., Plot Nos. 10 to 14 and 16 to 20, TSIIC Industrial Estate, Gopalaipalli Village, Narketpally Mandal, Nalgonda District- 508254, Telangana to transact the following business.

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statements for the year ended 31st March, 2021 along with Notes to accounts, Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Mallem Hanumantha Rao [DIN: 00129311], who retires by rotation and being eligible, offers him for re-appointment.

*for* **VISTA PHARMACEUTICALS LIMITED**

Sd/-

**Dhananjaya Alli**  
**Managing Director**  
**DIN No: 00610909**

**Place: Hyderabad**  
**Date: 14.08.2021**

### Notes

1. Pursuant to the General Circular nos. 20/2020, 14/2020, 17/2020, 02/2021 issued by the Ministry of Corporate Affairs (“MCA”) and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the SEBI (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”).
2. Pursuant to the above referred circulars issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporate is entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company is availing the services of Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e- voting system as well as venue voting on the date of the AGM will be provided by CDSL.
6. In line with Ministry of Corporate Affairs circular No. 17/2020 dated April 13, 2020, the Notice of the 30th AGM and the Annual Report for 2020-2021 will be available on the Company’s website [www.vistapharmaceuticals.com](http://www.vistapharmaceuticals.com) for download. The notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com)
7. Shareholders who would like to express their views/ask questions during the meeting should register themselves as a speaker by sending a request mentioning their name, demat account number/folio number, email id, mobile number at [accounts@vistapharmaceuticals.com](mailto:accounts@vistapharmaceuticals.com) latest by 05.00 PM on Friday, 17<sup>th</sup> September, 2021.
8. Shareholders who have queries may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at [accounts@vistapharmaceuticals.com](mailto:accounts@vistapharmaceuticals.com) latest by 5.00 PM on Friday, 17<sup>th</sup> September, 2021.



9. Shareholders who have registered their e-mail addresses with Depositories / with the Company / with the Registrar and Share Transfer Agent are being sent this Notice by e-mail. Shareholders who have not registered their e-mail addresses or have not received any communication regarding this Notice for any reason whatsoever, may obtain this Notice and the procedure for E-voting by registering their e-mail addresses using the link [http://www.aarthiconsultants.com/investor\\_services](http://www.aarthiconsultants.com/investor_services) under Investor Services/ Go Green Feedback Tab.
10. Those shareholders who have registered themselves as a speaker and confirmed by Company will only be allowed to express their views/ask questions during the meeting.
11. The statement of the particulars of Directors seeking Re-appointment as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is enclosed as **Annexure A**.
12. Corporate Members intending to authorize their representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
13. Members desirous of seeking any information on the accounts or operations of the company are requested to write to the Company at least 10 days prior to the Meeting so that the required information can be made available at the Meeting.
14. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
15. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar & Share Transfer Agent, M/s Aarthi Consultant Private Limited. Members holding shares in electronic form must send the advice about the change of address to their respective Depository Participants (DPs) and not to the Company. Non-resident Indian shareholders are requested to inform us immediately the change in the residential status on return to India for permanent settlement.
16. Members holding shares under multiple folios are requested to consolidate their holdings, if the shares are held in the same name or in the same order of names.
17. The equity shares of the Company have been notified for compulsory trading in demat form. The Company has signed agreement with Depositories and M/s. Aarthi Consultant Private Limited (RTA) to facilitate dematerialization of shares. Members are requested to avail of this facility and have their shareholding converted into dematerialized form.
18. Considering the social distancing norm to be followed due to wide spreading COVID-19 Pandemic. All Documents referred to in the accompanying notice and the Explanatory Statement will be sent to the respective shareholder upon receiving the request at the e-mail id [accounts@vistapharmaceuticals.com](mailto:accounts@vistapharmaceuticals.com) of the Company for inspection of the members of the Company.
19. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection by giving a prior notice to the Company. Members can inspect the same by sending an email to [accounts@vistapharmaceuticals.com](mailto:accounts@vistapharmaceuticals.com).



20. Any director himself or any member intending to propose any person as a director other than a retiring director, has to give a notice as to his intention to propose him/her as a candidate for that office not less 14 (fourteen) days before the meeting along with deposit of Rs.1,00,000 (Rupees One Lakh).
21. The Notice of AGM and Annual Report are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Members (Physical / Demat) who have not registered their email addresses with the company can get the same registered with the company by requesting in member updation form by sending an email to [accounts@vistapharmaceuticals.com](mailto:accounts@vistapharmaceuticals.com) and [aarthiconsultants@gmail.com/info@aarthiconsultants.com](mailto:aarthiconsultants@gmail.com/info@aarthiconsultants.com). Please submit duly filled and signed member updation form to the above mentioned email. Upon verification of the Form the email will be registered with the Company till the date of AGM.
22. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the following: [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com).
23. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.
24. Members holding shares in the company and who have not registered their mail id with the company or the depository and wish to avail e voting may follow the instruction of e-voting herein mentioned below.
25. With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on June 8, 2018 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization.

### **26. Voting through electronic means:**

In compliance with the provisions of section 108 of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014, amended by the Companies (Management and Administration) Amendment Rules, 2016 and Regulation 44 of the listing agreement, shareholders are provided with the facility to cast their vote electronically, through the Remote e-voting services provided by Central Depository Services (India) Limited (CDSL), in respect of all resolutions set forth in this Notice.

Mr. NVSS Suryanarayana Rao, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the Remote e-voting process in a fair and transparent manner.

A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e., Friday, 17th September, 2021 only shall be

entitled to avail the facility of remote e-voting.

The remote e-voting period commences on Wednesday, 22<sup>nd</sup> September, 2021 at 9.00 A.M. and ends on Friday, 24<sup>th</sup> September, 2021 at 5.00 P.M. The remote e-voting module shall be disabled for voting thereafter. Once the vote on resolution is cast by the member, the member shall not be allowed to change it subsequently.

Members, who are present in meeting through video conferencing facility and have not casted their vote on resolution through remote e-voting, shall be allowed to vote through e-voting system during the meeting.

### **THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- (i) The voting period begins on Wednesday, 22<sup>nd</sup> September, 2021 at 9.00 A.M. and ends on Friday, 24<sup>th</sup> September, 2021 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, 17<sup>th</sup> September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with</li> </ol>

	NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

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

(v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:



	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [accounts@vistapharmaceuticals.com](mailto:accounts@vistapharmaceuticals.com) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if

the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022- 23058542/43.

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

## Brief profile of Directors Retiring and to be appointed, at the Annual General Meeting of the Company

(Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

<b>Name of the Director</b>	<b>Mr. Mallem Hanumantha Rao</b>
Date of Birth	23.05.1939
Date of Appointment	16.06.1993
Expertise in specific functional areas	General Management and Marketing
Qualifications	BA.BL(ML)
List of other companies in which Directorship is held as on March 31, 2021	NIL
Chairman/Member of the Committees of the Board of the Companies in which he is a Director as on March 31, 2021	NIL
Equity Shares held in the Company as on the date of Notice of AGM	33,000

\*Directorships and Committee memberships in Vista Pharmaceuticals Ltd are not included in the aforesaid disclosure. Also directorships in Private Limited Companies, Foreign Companies and Section 8 companies and their Committee memberships are excluded. Membership and Chairmanship of Audit Committees, Nomination & Remuneration committee and Stake holders' relationship Committees of only public Companies have been included in the aforesaid table.



## Green Initiative for Paperless Communications:

The Ministry of Corporate Affairs (“MCA”) has taken a “Green Initiative in Corporate Governance” by allowing paperless compliances by Companies through electronic mode. In accordance with the recent circular bearing no.17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 issued by the Ministry of Corporate Affairs, Companies can now send various notices/documents to their shareholders through electronic mode to the registered e-mail addresses of the shareholders. This is a golden opportunity for every shareholder of the Company to contribute to the Corporate Social Responsibility initiative of the Company.

This move by the Ministry is a welcome move, since it will benefit the society at large through reduction in paper consumption and contribution towards a greener environment. Additionally, it will avoid loss in postal transit, save time, energy and costs.

Pursuant to the said circular, the company has forwarded e-mail communication to all share holders whose email id were registered in the Depository records that the company intends to use the said e-mail id to send various Notices/ Correspondences etc .

By Understanding the underlying theme of the above circulars, to support this green initiative of the Government in full measure, the company is sending the documents like notice convening general meetings, financial statements, directors reports, auditor’s report etc to the email address registered with the depositories by the share holders holding shares in electronic form and for shareholders holding shares in physical form, the physical copy to the address registered with the Registrar and Share transfer Agents of the Company.

In this regard, we request share holders who have not registered their email addresses, so far to register their email addresses, in respect of electronic holding with depository through their concerned depository participants and Members who hold shares in physical form are requested to send the required details to the Registrar and Share Transfer Agent, M/s. Aarthi Consultants Private Ltd. H.No. 1-2-285, Domalguda, Hyderabad - 500 029

## Depository Services:

For guidance on depository services, Shareholders may write to the Company or to the respective Depositories:

### National Securities Depository Ltd.

Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400 013.

Tel : 091-022-24994200,

Fax:091-022-24972993/24976351

Email : [info@nsdl.co.in](mailto:info@nsdl.co.in)

### Central Depository Services (India) Ltd.

Marathon Futurex, A- Wing, 25<sup>th</sup> floor, NM Joshi Marg, Lower Parel, Mumbai – 400 013.

Tel : 091-022-22723333

Fax : 091-022-22723199

Email: [investors@cdslindia.com](mailto:investors@cdslindia.com)

## BOARD'S REPORT

To  
The Members,  
Vista Pharmaceuticals Limited.

Your Directors hereby present the 30th Annual Report together with the audited statements of account for the year ended 31st March, 2021.

### Financial summary or highlights/Performance of the Company

The financial results of the company are as follows:

Particulars	(Amount in Rs in Lakhs)	
	31-03-2021	31-03-2020
Revenue from Operations	126.64	2275.90
Other Income	31.85	374.77
<b>Total Revenue</b>	<b>158.49</b>	<b>2650.68</b>
Expenses	454.49	2909.66
Depreciation	72.77	134.63
<b>Total Expenses</b>	<b>527.27</b>	<b>3044.29</b>
<b>Profit Before exceptional and extraordinary items and Tax</b>	<b>(368.78)</b>	<b>(393.61)</b>
<b>Less: exceptional and extraordinary items</b>	<b>0.00</b>	<b>0.00</b>
<b>Profit Before Taxation</b>	<b>(368.78)</b>	<b>(393.61)</b>
<b>Less: - Current Tax</b>	<b>0</b>	<b>0</b>
- Income Tax (Earlier years)	0	0
- Deferred Tax	(180.26)	(25.89)
<b>Profit After Tax</b>	<b>(188.52)</b>	<b>(367.72)</b>

### Brief description of the Company's working during the year/State of Company's affair

During the financial year, your Company has a turnover of Rs. 126.64/- Lakhs as against Rs. 2,275.90/- Lakhs in the previous year. The Company has incurred a loss of Rs. 188.52/- lakhs as against the loss in the previous year of Rs. 367.72/- lakhs. During the period under review there was no change in the nature of Business of the Company.

Company has prepared its financial Statements in accordance with Indian accounting standards notified under section 133 of the Companies Act, 2013 read with paragraph 7 of Companies (Accounts) Rules 2014.

**Material Changes and Commitments, if any, affecting the Financial Position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.**

Except the effect of Covid Pandemic and consequent lockdown resulting in a severe slowdown of economy, there are no material changes and commitments after the closure of the financial year, which will affect the financial position of the Company.

There are no other Material Changes and Commitments affecting the financial position of the Company which occurred between the end of the financial year to which the financial statements relate and the date of this Report.

### **Dividend**

The company has incurred losses in the Financial Year under review. Therefore, no dividend has been recommended by Board of Directors for the financial year 2020-21.

### **Transfer to reserve**

There were no transfers to Reserves during the financial year 2020-21.

### **Share Capital**

The authorized share capital of the Company as on March 31, 2021 is Rs. 15,00,00,000/- divided into 7,50,00,000 equity shares of Rs. 2/- each.

Issued, subscribed and paid up capital of the Company as on March 31, 2021 is Rs. 7,35,87,814/- divided into 3,67,93,907 equity shares of Rs.2/- each.

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

During the period under review, there was an increase in paid up share capital of the company from 6,07,30,674 to 7,35,87,814 as the Company has allotted 64,28,570 equity shares of Rs.2/- each at an premium of Rs. 12/- per share to Non- Promoter on Preferential basis.

### **Listing**

The shares of the Company are listed on BSE Limited and the Company confirms that it has paid the Annual Listing Fees for the year 2020-2021 to BSE.

### **Directors and Key Managerial Personnel:**

The Board of Directors of your company is duly constituted. The Board consists of Eight Directors comprising of Executive Directors, Non Executive Directors and Independent Director.

### ***Proposed Reappointment:***

As per the provision of the Companies Act, 2013, Mr. Mallem Hanumantha Rao, (DIN: 00129311) Director of the Company, who has been longest in the office, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible to offer himself for re-appointment in accordance with the provisions of the Companies Act and pursuant to Articles of Association of the Company. The Board recommends his reappointment.

### **Key Managerial Personnel**

The following are the Key Managerial Personnel of the Company.

Sl. No	Name		Designation
1	Dr. Dhananjaya Alli	:	Managing Director
2	Mr. Suneel Pachipala	:	Chief Financial officer
3	Mr. Akash Bhagadia	:	Company Secretary (w.e.f. 20.08.2020)

## Change in Director/ Key Managerial Personnel during the year

- The members of the Company at the 29<sup>th</sup> Annual General Meeting held on 29th day of December, 2020 has re-appointed Mr. Anand Chittajallu, as Director who was eligible to be re-appointed by retire by rotation.
- The members of the Company at the 29<sup>th</sup> Annual General Meeting held on 29th day of December, 2020 has re-appointed Dr. Dhananjaya Alli (DIN: 00610909) as Managing Director of the Company for a period of 3 (Three) years commencing from 07.09.2020.
- The members of the Company at the 29<sup>th</sup> Annual General Meeting held on 29th day of December, 2020 has regularised the appointment of Mr. Divakar Reddy Yerrabommanahalli (DIN: 08574891), Additional Director as a Director of the Company we.f. 30.09.2019.
- The members of the Company at the 29<sup>th</sup> Annual General Meeting held on 29th day of December, 2020 has regularised the appointment of Mr. Umakanth Katta (DIN: 07438554), Additional Director as a Director of the Company w.e.f. 13.07.2020.
- Mr. Arjun Upadhyay, Company Secretary and compliance officer has resigned from the Company w.e.f. 18.08.2020.
- Mr. Akash Bhagadia, Company Secretary and compliance officer of the Company was appointed w.e.f. 20.08.2020.
- Mr. Anand Chittajallu, has resigned as Director of the Company w.e.f. 01.04.2021.

## Meetings

During the year under review 10 (Ten) Board Meetings were convened and held. The Board meetings were held on 14.05.2020, 25.05.2020, 07.07.2020, 13.07.2020, 29.07.2020, 03.08.2020, 18.08.2020, 14.09.2020, 12.11.2020 and 12.02.2021. The intervening gap between the Meetings was not more than 120 days as prescribed under the Companies Act, 2013.

## Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders Relationship Committees.

## Declaration by Independent Directors

A declaration has been received by all the Independent Directors of the Company that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015.

A meeting of the Independent Directors was held on 12.02.2021 which was attended by the Independent Directors. The Independent Directors have evaluated the performance of the Non-Independent Directors, the Board as a whole and the Chairman of the Board. The Board was briefed on the deliberations made at the Independent Directors Meeting.



In the opinion of the Board with the Independent Directors holds integrity, expertise and experience as required under the Act.

## Directors' Responsibility Statement

Pursuant to the requirement of Section 134, in the Companies Act, 2013, the Board of Directors of the Company make the following statements, to the best of their knowledge and belief and according to the information and explanations obtained by them:

- a) That in the preparation of the annual financial statements for the year ended March 31, 2021, the applicable accounting standards (IND AS) have been followed and there have been no material departures there from;
- b) That the accounting policies mentioned in notes to the Financials Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profits of the Company for the year ended on that date;
- c) That proper and sufficient care has been taken 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;
- d) That the annual financial statements have been prepared on a going concern basis;
- e) That proper internal financial control has been laid down to be followed by the Company and such internal financial controls are adequate and operating effectively.
- f) That proper systems are in place to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## Audit Committee

The Audit Committee of the Company is duly constituted as per section 177 of the companies act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Composition and Scope of Audit Committee is as follows

The following are the members of the Audit Committee as on 31.03.2021:

S. No	Name of the Director	Designation	Category
1.	Ms. Ch. Divya Bhavani	Member	Independent, Non-Executive
2.	Mr. G. Narendra	Member	Independent, Non-Executive
3.	Mr. Mallem Hanumantha Rao	Member	Non-Executive

During the Period under review Audit committee has met 4 (Four) times during the year ended 31<sup>st</sup> March, 2020

## Audit Committee Meetings

Sl. No.	Date of meeting	Total No of Directors as on the date of meeting	Number of directors attended
1.	14.05.2020	03	03

2.	07.07.2020	03	03
3.	12.11.2020	03	03
4.	12.02.2021	03	03

## Scope of Committee:

The terms of reference of the Audit Committee include the following:

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b. Recommending the appointment, removal of external auditors, fixation of audit fee, terms of appointment and also approval for payment for any other services.
- c. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, focusing primarily on:
  - Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - Any changes in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Qualifications in the draft audit report;
  - Significant adjustments made in the financial statements arising out of audit;
  - The going concern assumption;
  - Compliance with accounting standards;
  - Compliance with listing and legal requirements concerning financial statements;
- d. Reviewing, with the management and auditors, and the adequacy of internal control systems;
- e. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- f. Reviewing, with the management, the quarterly financial statements and auditor's report before submission to the Board for approval;
- g. Reviewing, with the management, the statement of uses/application of funds raised through an issue, the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- h. Approval or any subsequent modification of transactions of the listed entity with related parties;
- i. Scrutiny of inter-corporate loans and investments;

- j. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- k. Evaluation of internal financial controls and risk management systems;
- l. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- m. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- n. To review the functioning of the whistle blower mechanism;
- o. Approval of the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.
- p. Composition, name of members and Chairperson

## Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

## Nomination and Remuneration Committee:

The Company had constituted the Nomination and Remuneration Committee under section 178 of the Companies Act, 2013.

### (a) Composition, Meetings and Attendance during the year

The Nomination and Remuneration Committee comprises of the following members

S. No	Name of the Director	Designation	Category
1.	Ms. Ch. Divya Bhavani	Member	Independent, Non-Executive
2.	Mr. G. Narendra	Member	Independent, Non-Executive
3.	Mr. Mallem Hanumantha Rao	Member	Non-Executive

The Committee held 2 (Two) meetings during the year ended 31<sup>st</sup> March, 2021.

### Nomination and Remuneration committee meetings

Sl. No	Date of meeting	Total number of directors as on date of meeting	Directors Attended
1	25.05.2020	03	03
2	18.08.2020	03	03

### (b) Selection and Evaluation of Directors

The Board has bases on recommendations of the nomination and remuneration Committee, laid down following policies:

1. Policy for Determining qualifications, Positive Attributes and Independence of a Director
2. Policy for Board & Independent Directors Evaluation

### **(c) Performance Evaluation of Board, Committees and Directors**

The company believes formal evaluation of the board and of the individual directors, on an annual basis, is a potentially effective way to respond to the demand for greater board accountability and effectiveness. For the company, evaluation provides an ongoing means for directors to assess their individual and collective performance and effectiveness. In addition to greater board accountability, evaluation of board members helps in;

- a. More effective board process
- b. Better collaboration and communication
- c. Greater clarity with regard to members roles and responsibilities
- d. Improved chairman – managing directors and board relations

#### **The evaluation process covers the following aspects**

- Self evaluation of directors.
- Evaluation of the performance and effectiveness of the board.
- Evaluation of the performance and effectiveness of the committees.
- Feedback from the non executive directors to the chairman.
- Feedback on management support to the board.

### **(d) Remuneration Policy for Directors**

- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully;
- Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks; and
- Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

### **Particulars of Employees**

Details in respect of remuneration paid to employees as required under Section 197 (12) of the Companies Act, 2013, read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended forms part of this report. In terms of Section 136 of the Companies Act, 2013 the same is open for inspection at the Registered Office of the Company.

Copies of this statement may be obtained by the members by writing to the Company Secretary at the Registered Office of the Company.



## Statutory Auditors

M/s. A.M Reddy & D.R. Reddy., Chartered Accountants (Firm Registration no. 009068S), was appointed as statutory auditors of the company in the 29<sup>th</sup> Annual General Meeting for a period of five years from the conclusion of 29<sup>th</sup> AGM till the conclusion of 34<sup>th</sup> AGM. The Statutory auditors have confirmed their eligibility for the financial year 2020-21.

However, Pursuant to notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending section 139 of the Companies Act, 2013 and the rules framed thereunder, the mandatory requirement for ratification of appointment of auditors by the members at every Annual General Meeting ("AGM") has been omitted, and hence the company is not proposing an item on ratification of appointment of Auditors at this AGM.

## Management Responses to Observation in Auditors' Report

The Auditors report and noted to accounts is self explanatory do not call for any further comments. The Auditors report is enclosed with the financial statement in this Annual report.

With reference to observations made in the CARO report, the following are the responses of the Management against the observation of auditor.

S. No	Audit Observation	Management Comments
1.	Statutory dues which were outstanding, as at March 31, 2021 for a period of more than six months from the date they became payable under Income Tax Act, 1961 with respect to Income Tax for Financial Year 2018-19, Tax Deductible at Source under Sec 194I, Tax Deductible at Source under Sec 194C, Tax Deductible at Source under Sec 192B, Tax Deductible at Source under Sec 194J, ESI Act, 1948, Employees Provident Fund Act, 1952, Telangana Professional Tax Act, 1987.	The delay in payment of statutory dues is due to impact of COVID-19 pandemic on the operations of the Company and due to lack of funds. The company will ensure to pay the statutory dues upon arrangement of funds.

## Secretarial Auditor

In terms of Section 204 of the Act and Rules made there under, Mr. Nagamalla Sircharan, Practicing Company Secretary has been appointed as Secretarial Auditor of the Company for the financial year under review.

## Management Responses to Observation in Secretarial Audit Report

The Secretarial Auditors report for the financial year is enclosed as Annexure to this report.

The following are the responses of the Management against the observation of Secretarial auditor

S. No	Secretarial Audit Observation	Management Comments
1	The Company is yet to file the Corporate action with NSDL for allotment of 64,28,570 equity shares.	The Company will ensure to file the Corporate action with NSDL and Comply with statutory requirement.
2	During the audit period, the company has delayed in filing Form ADT-1 vide SRN. R72778731 dated 30.11.2020 and Form MR-1 vided SRN. R72778426	The Company will ensure timely compliance, The delay in Filing was due to impact of COVID 19

	dated 30.11.2020. However the company has not incurred the additional fees, since the same was filed in Company Fresh Start Scheme, 2020.	
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As required under the provisions of SEBI LODR Regulations, a certificate confirming that none of the Directors on the Board have been debarred or disqualified by the Board/Ministry of Corporate Affairs or any such statutory authority obtained from M/s Nagamalla Sircharan, Practicing Company Secretary is a part of the these report.

## Cost Auditors

The provisions of Section 148 of the Companies Act, 2013 does not apply to the Company and hence, no Cost Auditors are appointed.

## Reporting of Frauds by auditors

During the year under review, neither the statutory auditors nor the Secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

## Internal Audit & Controls

The Company has adequate Internal Financial Controls consistent with the nature of business and size of the operations, to effectively provide for safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statutes, accounting policies, approval procedures and to ensure optimum use of available resources. These systems are reviewed and improved on a regular basis. It has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis.

## Vigil Mechanism:

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and employees to report genuine concerns has been established.

## Risk management policy

The Risk Management Policy is in place in the Company enables the Company to proactively take care of the internal and external risks of the Company and ensures smooth business operations.

The Company's risk management policy ensures that all its material risk exposures are properly covered, all compliance risks are covered and the Company's business growth and financial stability are assured. Board of Directors decide the policies and ensure their implementation to ensure protection of Company from any type of risks.

## Extract of Annual Return

In accordance with Section 92(3) and 134(3)(a) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an annual return in Form MGT- 7 placed on the website of the Company at [www.vistapharmaceuticals.com](http://www.vistapharmaceuticals.com).

## Secretarial Standards

The Company complies with all applicable secretarial standards.

### **Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

No other significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

## Deposits

The Company has not accepted any deposit from the public under Chapter V of the Act or under the corresponding provisions of Section 73 and 74 of the Companies Act, 2013, and no amount of principal or interest was outstanding as on the Balance Sheet date.

## Subsidiary & Associates/Joint Ventures

Company does not have any subsidiary and associate, Joint Venture Company.

## Particulars of loans, guarantees or investments under section 186

Details of loans and guarantees given and investments made under Section 186 of the Act are given in the Notes to the Financial Statements.

## Particulars of contracts or arrangements with related parties:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. AOC-2 as Annexure to this report

There were no material significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or the Senior Management which may have a potential conflict with the interest of the Company at large. None of the Directors had any pecuniary relationship or transactions with the Company.

## Business Responsibility Report (BRR)

Securities Exchange Board of India (SEBI) by notification No. SEBI/LAD-NRO/GN/2019/45 dated 26.12.2019 (Securities and Exchange Board of India – Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2019 has mandated the inclusion of BRR as part of the Annual Report for the top 1000 listed entities based on their market capitalization on BSE Ltd and National Stock Exchange of India Ltd as at 31st March of every year. In view of the requirements specified, the company is not mandated for the providing the BRR and hence do not form part of this Report.

## Conservation of energy, technology absorption and foreign exchange earnings and outgo

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2015 are as follows:

## (A) Conservation Of Energy

POWER AND FUEL CONSUMPTION		2020-21	2019-20
1.	ELECTRICITY		
	a. Purchased units(KWH)	165659	340868
	Total Amount (in Rs.)	23,64,172	38,31,064
	Unit Rate (in Rs.)	14.27	11.24
	b. Own Generation(Through Diesel Generator) Units	15958	12,756
	Unit per liter of diesel oil	5.05	4.58
	Cost/Unit(Rs.)	31.65	30.64
2.	COAL		
3.	FURNANCE OIL(Diesel Oil for Boiler) Quantity (in liters)	2605	2680
	Total Amount (in Rs.)	2,07,191	2,13,128
	Average Rate/Liter (in Rs.)	79.54	79.53

## (B) Technology absorption

- (i) The efforts made towards technology absorption: The Company has neither absorbed nor adopted any new technology. The company has also not made any innovation in technology other than the R & D.
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution: No benefits derived in the year under review.
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
  - a) the details of technology imported
  - b) the year of import;
  - c) whether the technology been fully absorbed
  - d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof. No technology is imported during financial year 2020-21.

## Foreign Exchange Earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is as follows:

Foreign Exchange Inflows: Nil

Foreign Exchange Outflows: Nil

## Human Resources

Your Company treats its "Human Resources" as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

## Corporate Governance

As per Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements), 2015, provisions relating to corporate governance are not applicable to your company and therefore there is no separate report on corporate governance.

## Management's Discussion and Analysis

Management Discussion and Analysis Report, pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this report and same is annexed.

## Corporate Social Responsibility

The provisions w.r.t. CSR are not applicable to the Company therefore, the Company had not constituted CSR committee during the year 2020-21.

## Transfer of Amounts to Investor Education and Protection Fund

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

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2020-21:

No. of complaints received:	- NIL -
No. of complaints disposed off:	- NIL -

## Personnel

Your Directors place on record their appreciation for the services rendered by the employees. The relation between the management and the employees has been cordial throughout the year.

### Acknowledgements

The Directors wish to convey their appreciation to business associates for their support and Contribution during the year. The Directors would also like to thank the employees, shareholders, Customers, suppliers, alliance partners and bankers for the continued support given by them to the Company and their confidence reposed in the management.

**By order of the Board  
for VISTA PHARMACEUTICALS LIMITED**

**Place: Hyderabad  
Date: 14.08.2021**

**Sd/-  
Dr. Dhananjaya Alli  
Managing Director  
DIN No. 00610909**

**Sd/-  
Divakar Reddy Yerrabommanahalli  
Director  
DIN No: 08574891**



## Annexure – I

### FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

#### 1. Details of contracts or arrangements or transactions at arm's length basis: Nil

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) date(s) 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 material contracts or arrangement or transactions at arm's length basis: Nil

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts/arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

**By order of the Board  
for VISTA PHARMACEUTICALS LIMITED**

**Place: Hyderabad  
Date: 14.08.2021**

**Sd/-  
Dr. Dhananjaya Alli  
Managing Director  
DIN No. 00610909**

**Sd/-  
Divakar Reddy Yerrabommanahalli  
Director  
DIN No: 08574891**

## Annexure -II

### Statement of particulars as per Rule 5 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

S. No	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	Dr. Dhananjaya Alli	NA
2.	Mr. Mallem Hanumantha Rao	NA
3.	Mr. Narendra Gilaka	NA
4.	Dr. Stanley Prabhakar Reddy	NA
5.	Mr. Anand Chittajallu	NA
6.	Mr. Divya Bhavani Chakravarthula	NA
7.	Dr. Umesh Virupakah Banakar	NA
8.	Mr. Divakar Reddy Yerrabommanahalli	NA

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year.

S. No	Name of the KMP	Percentage increase in remuneration
1.	Dr. Dhananjaya Alli	NIL
2.	Mr. Akash Bhagadia	NIL
3.	Mr. Suneel Pachipala	NIL

- (iii) The number of permanent employees on the rolls of Company; **30 Employees**

- (iv) In the Financial Year 2020-21, there was no increase in the median Remuneration of employees

- (v) The key parameters for the variable component of remuneration availed by the directors the Remuneration paid to Key Managerial Personnel is as per the Remuneration Policy of the Company.

## PART-B

**Information under Section 197 (12) of the Companies Act, 2013 read with the rule 5(2) Companies (Appointment and remuneration of managerial personnel) Rules, 2014 and forming part of Directors Report for the year ended March 31, 2021**

Names of top 10 Employees Employed throughout the Financial Year and in receipt of remuneration aggregating Rs 1,02,00,000 ( 1 Crore and 2 lakhs) or more:								
Name of the Employee	Designation	Remuneration (in Rs.)	Qualification	Experience years)	Date of Commencement of Employment	Age	Last employment held before joining the company	% of equity shares held in the Company
Nil								

## 30<sup>th</sup> Annual Report

Names of top 10 Employees Employed throughout the Financial Year and in receipt of remuneration for a part of that year, at a rate which, in the aggregate, was not less than 8,50,000 lakh rupees Per Month								
Name of the Employee	Designation	Remuneration (in Rs)	Qualification	Experience (years)	Date of end of Employment	Age	Last employment held before joining the company	% of equity shares held in the Company
Nil								

(iii) Employee employed throughout the financial year or the part thereof, was in receipt of remuneration in that year which, in the aggregate, or the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than 2 % of the equity shares of the company: Nil

**By order of the Board  
for VISTA PHARMACEUTICALS LIMITED**

**Place: Hyderabad  
Date: 14.08.2021**

**Sd/-  
Dr. Dhananjaya Alli  
Managing Director  
DIN No. 00610909**

**Sd/-  
Divakar Reddy Yerrabommanahalli  
Director  
DIN No: 08574891**

## Annexure- III

### FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31<sup>ST</sup>, 2021

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

To,  
The Members,  
Vista Pharmaceuticals Limited,  
Plot Nos. 10 to 14 and 16 to 20,  
TSIIC Industrial Estate, Chityal, Gopalaipalli Village,  
Narketpally Mandal, Nalgonda District, Telangana.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VISTA PHARMACEUTICALS LIMITED** (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has during the audit period covering the Financial Year beginning from April 1, 2020 and ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the “**Act**”) and the rules made there under and other applicable provisions of the Companies Act, 1956 which are still in force;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘**SCRA**’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investments, ~~Overseas Direct Investment and External Commercial Borrowings~~;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘**SEBI Act**’):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

Not Applicable to the Company during the audit period

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Not applicable to the Company during the audit period

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

Not Applicable to the Company during the audit period

(h) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Not Applicable to the Company during the audit period

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

Not Applicable to the Company during the audit period

(j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(6) Other laws applicable to the Company as per the representations made by the Management.

I have also examined compliance with the applicable clauses of the Secretarial Standards- 1 and 2 issued by The Institute of Company Secretaries of India.

I report that, during the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines and Standards mentioned above except.

- 1) *The Company is yet to file the Corporate action with NSDL for allotment of 64,28,570 equity shares.*
- 2) *During the audit period, the company has delayed in filing Form ADT-1 vide SRN. R72778731 dated 30.11.2020 and Form MR-1 vided SRN. R72778426 dated 30.11.2020. However the company has not incurred the additional fees, since the same was filed in Company Fresh Start Scheme, 2020.*

**I further report that:**

The compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

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 Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

***Note:** During the period under review the Company has availed the relaxation from SEBI with respect to compliance of Regulation 170 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 with respect to allotment on preferential issue basis pursuant to the special resolution passed by the members of the Company on 28<sup>th</sup> June, 2020.*

**Sd/-**

**Nagamalla Sricharan**

**Practicing Company Secretary**

**ACS Membership No.: A57156**

**Certificate of Practice No.: 22919**

**UDIN: A051756C000776590**

**Hyderabad, 14<sup>th</sup> August, 2021.**

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



### ‘ANNEXURE A’

To  
The Members,  
Vista Pharmaceuticals Limited,  
Plot Nos. 10 to 14 and 16 to 20,  
TSIIC Industrial Estate, Chityal, Gopalaipalli Village,  
Narketpally Mandal, Nalgonda District, Telangana.

I report of even date is to be read along with this letter.

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

Sd/-

**Nagamalla Sricharan**  
**Practicing Company Secretary**  
**ACS Membership No.: A57156**  
**Certificate of Practice No.: 22919**  
**UDIN: A051756C000776590**

**Hyderabad, 14<sup>th</sup> August, 2021.**

## CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE

[Pursuant to clause (i) of Point (10) of Para C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We have examined the following documents:

- i. Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
- ii. Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents'),

As submitted by the Directors of Vista Pharmaceuticals Limited ('the Company') bearing CIN: L24239TG1991PLC012264 and having its registered office at Plot Nos.10 to 14 And 16 to 20, TSIC, Industrial Estate, Chityal, Gopalaipalli 508254, Telangana, to the Board of Directors of the Company ('the Board') for the Financial Year 2020-21. We have considered non-disqualification to include non-debarment by Regulatory / Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Based on our examination of relevant documents made available to us by the Company and such other verifications carried out by us as deemed necessary and to the extent possible, in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, we certify that as on date of this Certificate, none of the Directors on the Board of the Company, as listed hereunder, have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Sr. No	Name of Director	Director Identification Number (DIN)
1.	Dhananjaya Alli	00610909
2.	Mallem Hanumantha Rao	00129311
3.	Narendra Gilaka	00129383
4.	Stanley Prabhakar Reddy	07614532
5.	Divya Bhavani Chakravarthula	08074187
6.	Umesh Virupakah Banakar	08074091
7.	Divakar Reddy Yerrabommanahalli	08574891
8.	Umakanth Katta	07438554

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March, 2021.

Sd/-

**N.V.S.S. SURYANARAYANA RAO**

**Company Secretary in Practice**

**Membership Number: 5868**

**Certificate of Practice Number: 2886**

**UDIN: A005868C000826017**

**Hyderabad, 24<sup>th</sup> August, 2021.**

### CERTIFICATE OF THE MD /CFO

To  
The Board of Directors,  
Vista Pharmaceuticals Limited

We, Dhananjaya Alli, Managing Director and Suneel Pachipala, Chief Financial Officer of the Vista Pharmaceuticals Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet as at March 31, 2021, Statement of Profit and Loss, the Statement of changes in equity and Statement of Cash flows for the year ended and a summary of the significant accounting policies and other explanatory information of the company and the Board's report for the year ended March 31, 2021.
2. These statements do not contain any material untrue statement or omit any material fact nor do they contain statements that might be misleading.
3. The financial statement, and other financial information included in this report, present in all material respects a true and fair view of the company's affairs, the financial condition, results of operations and cash flows of the Company as at and for the periods presented in this report, and are in compliance with the existing accounting standards, applicable laws and regulations.
4. There are no transactions entered into by the company during the year that are fraudulent, illegal or violative of the company's code of conduct and Ethics.
5. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
6. We have indicated to the Auditors and the Audit Committee that:
  - i. there are no significant changes in internal control over financial reporting during the year;
  - ii. there are no significant changes in accounting policies during the year; and
  - iii. there are no instances of significant fraud of which we have become aware.

**By order of the Board**  
**for VISTA PHARMACEUTICALS LIMITED**

Sd/-  
**Dr. Dhananjaya Alli**  
**Managing Director**

Sd/-  
**Suneel Pachipala**  
**Chief Financial Officer**

**Place: Hyderabad**  
**Date: 14.08.2021**

## MANAGEMENT DISCUSSION AND ANALYSIS

### Introduction

India is the largest provider of generic drugs globally. Indian pharmaceutical sector supplies over 50% of global demand for various vaccines, 40% of generic demand in the US and 25% of all medicine in the UK. Globally, India ranks 3rd in terms of pharmaceutical production by volume and 14th by value. The domestic pharmaceutical industry includes a network of 3,000 drug companies and ~10,500 manufacturing units.

India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers with a potential to steer the industry ahead to greater heights. Presently, over 80% of the antiretroviral drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms.

### Market Size

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.

India's biotechnology industry comprising biopharmaceuticals, bio-services, bio-agriculture, bio-industry, and bioinformatics. The Indian biotechnology industry was valued at US\$ 64 billion in 2019 and is expected to reach US\$ 150 billion by 2025.

India's medical devices market stood at US\$ 10.36 billion in FY20. The market is expected to increase at a CAGR of 37% from 2020 to 2025 to reach US\$ 50 billion.

### Exports

India's drugs and pharmaceuticals exports stood at US\$ 24.44 billion in FY21. India is the 12th largest exporter of medical goods in the world. The country's pharmaceutical sector contributes 6.6% to the total merchandise exports. As of May 2021, India supplied a total of 586.4 lakh COVID-19 vaccines, comprising grants (81.3 lakh), commercial exports (339.7 lakh) and exports under the COVAX platform (165.5 lakh), to 71 countries. Indian drugs are exported to more than 200 countries in the world, with US being the key market. Generic drugs account for 20% of the global export in terms of volume, making the country the largest provider of generic medicines globally.

### Investments and Recent Developments

The Union Cabinet has given its nod for the amendment of existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to allow FDI up to 100% under the automatic route for manufacturing of medical devices subject to certain conditions.

The drugs and pharmaceuticals sector attracted cumulative FDI inflow worth US\$ 17.75 billion between April 2000 and December 2020 according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT).

## Some of the recent developments/investments in the Indian pharmaceutical sector are as follows:

- In June 2021, Sun Pharmaceuticals acquired the patent license for Dapagliflozin from AstraZeneca. The company will be distributing and promoting the drug under the brand name 'Oxra'.
- In June 2021, Lupin Ltd. announced its intention to enter the digital healthcare space in India. It incorporated Lupin Digital Health Ltd., a wholly owned subsidiary, to provide a digital therapeutics platform for medical practitioners and patients in the country.
- In May 2021, Cipla launched a real-time COVID-19 detection kit 'ViraGen' that is based on multiplex polymerase chain reaction (PCR) technology.
- In May 2021, the Government of India invited R&D proposals on critical components and innovations in oxygen concentrators by June 15, 2021.
- In May 2021, Indian Immunologicals Ltd. (IIL) and Bharat Immunologicals and Biologicals Corporation (BIBCOL) inked technology transfer pacts with Bharat Biotech to develop the vaccine locally to boost India's vaccination drive. The two PSUs plan to start production of vaccines by September 2021.
- In May 2021, Eli Lilly & Company issued non-exclusive voluntary licenses to pharmaceutical companies—Cipla Ltd., Lupin Ltd., Natco Pharma & Sun Pharmaceutical Industries Ltd.—to produce and distribute Baricitinib, a drug for treating COVID-19.
- In April 2021, the CSIR-CMERI, Durgapur, indigenously developed the technology of Oxygen Enrichment Unit (OEU). The unit can deliver medical air in the range of ~15 litres per minute, with oxygen purity of >90%. It transferred the technology to MSMEs—Conquerent Control Systems Pvt. Ltd., A B Elasto Products Pvt. Ltd. and Automation Engineers, Mech Air Industries and Auto Malleable.
- In April 2021, National Pharmaceutical Pricing Authority (NPPA) fixed the price of 81 medicines including off-patent anti-diabetic drugs allowing due benefits of patent expiry to the patients.
- In February 2021, Aurobindo Pharma announced plans to procure solar power from two open access projects of NVNR Power and Infra in Hyderabad. The company will acquire 26% share capital in both companies with an US\$ 1.5 million investment. The acquisition is expected to be completed by the end of March 2021.
- In February 2021, the Telangana government partnered with Cytiva to open a 'Fast Trak' lab to strengthen the biopharma industry of the state.
- In February 2021, Glenmark Pharmaceuticals Limited launched SUTIB, a generic version of Sunitinib oral capsules, for the treatment of kidney cancer in India.
- In February 2021, Natco Pharma launched Brivaracetam for the treatment of epilepsy in India.
- In February 2021, the Russian Ministry of Health allowed Glenmark Pharmaceuticals to market its novel fixed-dose combination nasal spray in Russia.
- In January 2021, the Central government announced to set up three bulk drug parks at a cost of Rs. 14,300 crore (US\$ 1,957 million) to manufacture chemical compounds or active pharmaceutical ingredients (APIs) for medicines and reduce imports from China.

## Government Initiatives

Some of the initiatives taken by the Government to promote the pharmaceutical sector in India are as follows:

- In June 2021, Finance Minister Ms. Nirmala Sitharaman announced an additional outlay of Rs. 197,000 crore (US \$26,578.3 million) that will be utilised over five years for the pharmaceutical

PLI scheme in 13 key sectors such as active pharmaceutical ingredients, drug intermediaries and key starting materials.

- To achieve self-reliance and minimise import dependency in the country's essential bulk drugs, the Department of Pharmaceuticals initiated a PLI scheme to promote domestic manufacturing by setting up greenfield plants with minimum domestic value addition in four separate 'Target Segments' with a cumulative outlay of Rs. 6,940 crore (US\$ 951.27 million) from FY21 to FY30.
- In May 2021, under Atmanirbhar Bharat 3.0, Mission COVID Suraksha was announced by the Government of India to accelerate development and production of indigenous COVID vaccines. To augment the capacity of indigenous production of Covaxin under the mission, the Department of Biotechnology, Government of India, provided financial support in the form of a grant to vaccine manufacturing facilities for enhanced production capacities, which is expected to reach >10 crore doses per month by September 2021.
- In April 2021, the Union Government decided to streamline and fast-track the regulatory system for COVID-19 vaccines that have been approved for restricted use by the US FDA, EMA, UK MHRA, PMDA Japan or those listed in the WHO Emergency Use Listing (EUL). This decision is likely to facilitate quicker access to foreign vaccines by India and encourage imports.
- In February 2021, the Punjab government announced to establish three pharma parks in the state. Of these, a pharma park has been proposed at Bathinda, spread across ~1,300 acres area and project worth ~Rs. 1,800 crore (US\$ 245.58 million). Another medical park worth Rs. 180 crore (US\$ 24.56 million) has been proposed at Rajpura and the third project, a greenfield project, has been proposed at Wazirabad, Fatehgarh Sahib.
- Under Union Budget 2021-22, the Ministry of Health and Family Welfare has been allocated Rs. 73,932 crore (US\$ 10.35 billion) and the Department of Health Research has been allocated Rs. 2,663 crore (US\$ 365.68 billion). The government allocated Rs. 37,130 crore (US\$ 5.10 billion) to the 'National Health Mission'. PM Aatmanirbhar Swasth Bharat Yojana was allocated Rs. 64,180 crore (US\$ 8.80 billion) over six years. The Ministry of AYUSH was allocated Rs. 2,970 crore (US\$ 407.84 million), up from Rs. 2,122 crore (US\$ 291.39 million).

### ROAD AHEAD

Medicine spending in India is projected to grow 9% to 12% over the next five years, leading India to become one of the top 10 countries in terms of medicine spending.

Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as cardiovascular, anti-diabetes, anti-depressants and anti-cancers, which are on the rise.

The Indian Government has taken many steps to reduce costs and bring down healthcare expenses. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies. In addition, the thrust on rural health programmes, lifesaving drugs and preventive vaccines also augurs well for the pharmaceutical companies.

Indian pharmaceutical sector supplies over 50% of the global demand for various vaccines, 40% of the generic demand for US and 25% of all medicines for UK. India contributes the second-largest share of pharmaceutical and biotech workforce in the world. 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.



### ADVANTAGES TO INDIA

Globally, India ranks 3rd in terms of pharmaceutical production by volume and 14th by value. The domestic pharmaceutical industry includes a network of 3,000 drug companies and ~10,500 manufacturing units.

India is the 12th largest exporter of medical goods in the world. The country's pharmaceutical sector contributes 6.6% to the total merchandise exports. As of May 2021, India supplied a total of 586.4 lakh COVID-19 vaccines, comprising grants (81.3 lakh), commercial exports (339.7 lakh) and exports under the COVAX platform (165.5 lakh), to 71 countries.

Indian drugs are exported to more than 200 countries in the world, with US being the key market. Generic drugs account for 20% of the global export in terms of volume, making the country the largest provider of generic medicines globally. It is expected to expand even further in the coming years. The Indian pharmaceutical exports, including bulk drugs, intermediates, drug formulations, biologicals, Ayush & herbal products and surgical, reached US\$ 24.44 billion in FY21.

India's medical devices market stood at US\$ 10.36 billion in FY20. The market is expected to increase at a CAGR of 37% from 2020 to 2025 to reach US\$ 50 billion.

'Pharma Vision 2020' by the Government's Department of Pharmaceuticals aims to make India a major hub for end-to-end drug discovery. The Indian drugs and pharmaceuticals sector has received cumulative FDI inflows worth US\$ 17.75 billion between April 2000 and December 2020.

To achieve self-reliance and minimise import dependency in the country's essential bulk drugs, the Department of Pharmaceuticals initiated a PLI scheme to promote domestic manufacturing by setting up greenfield plants with minimum domestic value addition in four separate 'Target Segments' with a cumulative outlay of Rs. 6,940 crore (US\$ 951.27 million) from FY21 to FY30. In June 2021, Finance Minister Ms. Nirmala Sitharaman announced an additional outlay of Rs. 197,000 crore (US \$26,578.3 million) that will be utilised over five years for the pharmaceutical PLI scheme in 13 key sectors such as active pharmaceutical ingredients, drug intermediaries and key starting materials.

Under Union Budget 2021-22, the Ministry of Health and Family Welfare has been allocated Rs. 73,932 crore (US\$ 10.35 billion) and the Department of Health Research has been allocated Rs. 2,663 crore (US\$ 365.68 billion). The government allocated Rs. 37,130 crore (US\$ 5.10 billion) to the 'National Health Mission'. PM Aatmanirbhar Swasth Bharat Yojana was allocated Rs. 64,180 crore (US\$ 8.80 billion) over six years. The Ministry of AYUSH was allocated Rs. 2,970 crore (US\$ 407.84 million), up from Rs. 2,122 crore (US\$ 291.39 million).

India plans to set up a nearly Rs. 1 lakh crore (US\$ 1.3 billion) fund to provide boost to companies to manufacture pharmaceutical ingredients domestically by 2023.

### VISTA PHARMACEUTICALS, INIDA (VISTA INDIA) FOCUS IS:

- US Generic Market has better margins and sales volumes compared to other countries.
- Almost 85% of the prescription drug market is of Generic Drugs in US.

The company operations are going on as per USFDA cGMP norms. The validations and stability testing studies are going on as per schedules. USFDA visit was scheduled from March 15 to 20, 2020 due to

COVID 19 pandemic and country wide lock down, the same was postponed. The US FDA inspection is expected very soon and the inspection timing depends on the COVID-19 pandemic situation and guidelines of US FDA.

### **PRODUCTS TO BE INTRODUCED TO US MARKET IN 2021-22 / 2022-23:**

- Cardiac, Respiratory, and CNS drugs.

### **OPPORTUNITIES AND THREATS**

The key challenges for the Indian pharmaceutical industry include the following:

- Ensuring 24x7 compliance with global CGMP standards; this will involve continuous improvement in systems and processes as well as training of the workforce
- Increasing competition from smaller new entrants.

Looking at the urgent need of the nation for quality healthcare, the pharmaceutical industry has to develop strategies for raw material producing units with user friendly government policy for the small scale industry.

### **Risks and concerns**

Vista Pharmaceuticals Limited has established a strong risk mitigation process which entails regular and stringent monitoring of its business activities to identify, evaluate and resolve risks. The top management of the Company and the Board are involved in monitoring of risk assessment and mitigation, thus ensuring a quick resolution mechanism. The Company has a work philosophy of doing business with high ethical standards and topmost integrity. This principle has helped it to pre-empt and ease considerably the risks that came across its way.

### **Internal control systems and their adequacy**

- The Company has a well-established internal control framework, which is designed to safeguard its assets against loss from unauthorized use and ensure reliability of financial reporting. It maintains a system of internal controls designed for effectiveness and efficiency of operations, compliance and regulations, continuously assess the adequacy, effectiveness and efficiency of financial and operational controls. The management is committed to ensure an effective internal control environment, commensurate with the size and complexity of the business, which provides an assurance on compliance with internal policies, applicable laws, regulations and protection of resources and assets.
- The Company has in place adequate internal financial controls with reference to financial statements. It has adopted necessary policies and procedures for 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 the timely preparation of reliable financial information. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

## DISCUSSION ON FINANCIAL PERFORMANCE

### Revenues

Vista Pharma recorded the revenue of Rs. 126.64 Lakhs during the year, registering a decline as compared to last year revenue of Rs. 2275.90 Lakhs.

### Other Incomes

The Other income for 2020-21 was Rs. 31.85 lakhsas compared to Rs. 374.77 Lakhs in 2019-20

### Expenditure

The expenses for 2020-21 were Rs. 527.27 Lakhs as compared to Rs. 3044.29 Lakhs in 2019-20.

### Finance Costs

The finance costs for 2020-21 were Rs.154.89 Lakhs as compared to Rs.154.02 Lakhs in 2019-20.

### Profit/Loss Before Tax

There is a Loss Before Tax for 2020-21 of Rs.368.78 Lakhs as compared to Loss Before Tax of Rs.393.61 Lakhs in 2019-20.

### Profits after Tax

The Loss After Tax for 2020-21 is Rs. 188.52 Lakhs as against Loss After Tax of Rs. 367.72 Lakhs in the previous year 2019-20.

### Earnings Per Share

The EPS for 2020-21 stood at Rs. (0.54) as against EPS of Rs. (1.22) of Previous Year 2019-20.

### Outlook

Demographic trends will be a significant driver of global demand for pharmaceuticals in the next five years. Increase in diagnosis and treatment of chronic conditions and an aging population will drive pharmaceutical demand in developed markets. In emerging markets, population growth, coupled with improved access to healthcare and rising per capita income will drive demand.

## INDEPENDENT AUDITOR'S REPORT

**To the Members of  
Vista Pharmaceuticals Limited**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the standalone financial statements of Vista Pharmaceuticals Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss, statement of changes in equity and statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss, 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 Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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 and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in

“Annexure B” 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, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure C”.
  - (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits as prescribed under Section 197 of the Act and the rules there under.

**For A.M.REDDY & D.R.REDDY**  
**Chartered Accountants**  
**ICAI Firm Registration No. 009068S**

**Sd/-**  
**D.Rama Krishna Reddy**  
**Partner**  
**Membership No. 209211**  
**UDIN: 21209211AAAABT5116**

**Place: Hyderabad**  
**Date: 30.06.2021**



## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF VISTA PHARMACEUTICALS LIMITED**

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

**For A.M.REDDY & D.R.REDDY**  
**Chartered Accountants**  
**ICAI Firm Registration No. 009068S**

**Sd/-**  
**D.Rama Krishna Reddy**  
**Partner**  
**Membership No. 209211**  
**UDIN: 21209211AAAABT5116**

**Place: Hyderabad**  
**Date: 30.06.2021**

### **ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF VISTA PHARMACEUTICALS LIMITED FOR THE YEAR ENDED MARCH 31, 2021**

**[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]**

- i. In respect of the Company's fixed assets:
  - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).
  - (b) Fixed assets (Property, Plant and Equipment) have been physically verified by the management during the year and no material discrepancies were identified on such verification.
  - (c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- ii. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stock and the book records.
- iii. The Company has granted loans, unsecured to firm and Individuals covered in the register maintained under section 189 of the Act.
  - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the rate of interest and other terms and conditions on which the loans have been granted to the Company listed in the register maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company.
  - (b) In case of the loans granted to the Company listed in the register maintained under section 189 of the Act, schedule of repayment of principal and payment of interest have been stipulated. However, the parties are not due as on year end to pay interest and principal amount as stipulated.
  - (c) The According to the information and explanations given to us and on the basis of our examination of the records of the Company, no party is overdue for more than ninety days.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, provisions stated in paragraph 3(v) of the Order are not applicable to the Company.

- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues have not been regularly deposited with the appropriate authorities and there have been serious delays in large number of cases.
- (b) According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

Statutory dues which were outstanding, as at March 31, 2021 for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	TDS Liability (Amount in Rs)	Period to which the amount relates	Date of Payment	Remarks, if any
Income Tax Act, 1961	Tax Deductible at Source under Sec 194I	4,315	Financial Year 20-21	Not paid	TDS has been outstanding from September 2020 to March, 2021.
	Tax Deductible at Source under Sec 194C	4,940	Financial Year 20-21	Not paid	
	Tax Deductible at Source under Sec 192B	98,011	Financial Year 20-21	Not paid	
	Tax Deductible at Source under Sec 194J	74,106	Financial Year 20-21	Not paid	
ESI Act, 1948	ESI Payable	40868	Financial Year 20-21	Not paid	
Employees Provident Fund Act, 1952	PF Payable	1,31,911	Financial Year 20-21	Not paid	

Telangana Professional Tax Act, 1987	Professional Tax Payable	6,700	Financial Year 20-21	Not paid	
Income Tax Act, 1961	Income Tax	27,87,140	Financial Year 2018-19	Not paid	Demand raised u/s 143 1a

(c) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty, cess and any other statutory dues which have not been deposited on account of any dispute.

- viii. According to the information and explanation given to us, the Company has taken Secured loans from banks during the year. There is no default in repayment of loan, but there is irregularity in repayment of loan to the bank.
- ix. The Company has not raise any money by way of initial public offer or further public offer (including debt instruments). Company has raised Term Loans from Bank of Baroda by way of taking over the term loans from Vijaya Bank and the Term Loan Proceeds are utilized for the purpose for which they were raised.
- x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not provided any managerial remuneration during the year. Accordingly, the provisions stated in paragraph 3 (xi) of the Order are not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.
- 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 made preferential allotment of shares during the year, by allotting 64,28,570 shares having face value of Rs. 2 and securities premium of Rs. 12 each and requirements of section 42 of the Act have been complied with. The amount raised has been used for the purposes for which they were raised.
- 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, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

**For A.M.REDDY & D.R.REDDY**  
**Chartered Accountants**  
**ICAI Firm Registration No. 009068S**

**Sd/-**  
**D. Rama Krishna Reddy**  
**Partner**  
**Membership No. 209211**  
**UDIN: 21209211AAAABT5116**

**Place: Hyderabad**  
**Date: 30.06.2021**

## ANNEXURE C

### TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF VISTA PHARMACEUTICALS LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

#### 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 financial statements of Vista Pharmaceuticals Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013 .

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone 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. 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 internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 financial statements, whether due to fraud or error.



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

### **Meaning of Internal Financial Controls with Reference to Standalone Financial Statements**

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone 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 financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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, internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For A.M.REDDY & D.R.REDDY**  
**Chartered Accountants**  
**ICAI Firm Registration No. 009068S**

**Sd/-**  
**D. Rama Krishna Reddy**  
**Partner**  
**Membership No. 209211**  
**UDIN: 21209211AAAABT5116**

**Place: Hyderabad**  
**Date: 30.06.2021**

**VISTA PHARMACEUTICALS LIMITED**  
**CIN: L24239TG1991PLC012264**  
**STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2021**

S No	Particulars	Note No.	31st March 2021	31st March 2020
<b>I.</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
(a)	Property, Plant and Equipment	2.1	1,038.04	1,110.83
(b)	Capital work-in-progress		908.11	878.20
(c)	Intangible assets	2.2	955.30	955.30
(d)	Financial Assets		-	-
	(i) Investments	2.3	4.14	1.71
	(ii) Other Financial Assets	2.4	9.65	9.65
(e)	Deferred tax assets (Net)	2.12	-175.29	37.97
(f)	Other Non-Current Assets	2.5	821.74	-
	<b>Total Non - Current Assets</b>		<b>3,561.70</b>	<b>2,993.66</b>
	<b>Current assets</b>			
(a)	Inventories	2.6	968.15	968.15
(b)	Financial assets		-	-
	(i) Investments	2.7	-	-
	(ii) Trade receivables	2.8	216.92	1,028.04
	(iii) Cash and Bank equivalents	2.4	14.01	22.52
	(iv) cash and cash equivalent (other than above)		-	-
(c)	Other current assets	2.5	324.57	99.80
	<b>Total Current Assets</b>		<b>1,523.65</b>	<b>2,118.52</b>
	<b>Total Assets</b>		<b>5,085.35</b>	<b>5,112.17</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
	Equity			
(a)	Equity Share capital	2.9	735.88	607.31
(b)	Other equity	2.10	2,548.72	2,356.89
	<b>Total Equity</b>		<b>3,284.60</b>	<b>2,964.20</b>
	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
(a)	Financial Liabilities			
	(i) Borrowings	2.11	869.29	550.65
	(ii) Other financial liabilities		-	-
(b)	Deferred tax liabilities (Net)		-	-
(c)	Provisions		6.88	5.15
	<b>Total Non - Current Liabilities</b>		<b>876.16</b>	<b>555.80</b>
	<b>Current liabilities</b>			
(a)	Financial Liabilities			
	(i) Borrowings	2.11	628.37	996.07
	(ii) Trade payables	2.13	84.04	516.15
	(iii) Other financial liabilities	2.14	5.30	5.30
(b)	Current Tax Liabilities (Net)		-	-
(c)	Provisions	2.15	23.91	51.05
(d)	Other current liabilities	2.16	182.97	23.62
	<b>Total Current Liabilities</b>		<b>924.59</b>	<b>1,592.18</b>
	<b>Total Equity and Liabilities</b>		<b>5,085.35</b>	<b>5,112.17</b>

The accompanying significant accounting policies and notes form an integral part of the Standalone financial statements.

As per our report of even date  
For A M Reddy & D R Reddy  
Chartered Accountants  
FR No:009068S

Sd/-  
D Ramakrishna Reddy  
Partner  
M.No.209211

Place: Hyderabad  
Date: 30/06/2021

Sd/-  
Y Divakar Reddy  
Director  
(DIN:08574891)

Sd/-  
Akash Bhagadia  
Company Secretary

For and on behalf of Board

Sd/-  
Dr. Dhananjaya Alli  
Managing Director  
(DIN:00610909)

Sd/-  
P. Suneel  
Chief Financial Officer



# 30<sup>th</sup> Annual Report

VISTA PHARMACEUTICALS LIMITED

CIN: L24239TG1991PLC012264

STANDALONE PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st March, 2021

Particulars	S. No	2021	2020
<b>Income</b>			
Revenue from operations	2.17	126.64	2275.90
Other income	2.18	31.85	374.77
<b>Total Revenue</b>		<b>158.49</b>	<b>2650.68</b>
<b>Expenses</b>			
Cost of materials consumed	2.19	73.01	2289.54
Changes in inventories	2.20	0.00	104.16
Employee benefits expense	2.21	115.35	148.50
Finance costs	2.22	154.89	154.02
Depreciation and amortization expense	2.1	72.77	134.63
Other expenses	2.23	111.24	213.43
<b>Total Expenses</b>		<b>527.27</b>	<b>3044.29</b>
<b>Profit before tax</b>		<b>(368.78)</b>	<b>(393.61)</b>
<b>Tax expense</b>			
(1) Current tax		0.00	0.00
(2) Deferred tax		(180.26)	(25.89)
<b>Profit for the year</b>		<b>(188.52)</b>	<b>(367.72)</b>
<b>Other comprehensive income (OCI)</b>			
Items that will not be reclassified to profit or loss		0.00	0.00
Tax on items that will not be reclassified to profit or loss		0.00	0.00
		0.00	0.00
<b>Items that will be reclassified to profit or loss:</b>			
Tax on items that may be reclassified to profit or loss		0.00	0.00
Items that may be reclassified subsequently to profit or loss		0.00	0.00
<b>Total other comprehensive income/(loss) for the year, net of tax</b>		<b>0.00</b>	<b>0.00</b>
<b>Total comprehensive income for the year</b>		<b>(188.52)</b>	<b>(367.72)</b>
<b>Earnings per share:</b>			
Basic earnings per share of 2/-each		(0.54)	(1.22)
Diluted earnings per share of 2/- each		(0.54)	(1.22)

As per our report of even date  
For A M Reddy & D R Reddy  
Chartered Accountants  
FR No:009068S

Sd/-  
D Ramakrishna Reddy  
Partner  
M.No.209211

Place: Hyderabad  
Date: 30/06/2021

Sd/-  
Y Divakar Reddy  
Director  
(DIN:08574891)

Sd/-  
Akash Bhagadia  
Company Secretary

For and on behalf of Board

Sd/-  
Dr. Dhananjaya Alli  
Managing Director  
(DIN:00610909)

Sd/-  
P. Suneel  
Chief Financial Officer



# 30<sup>th</sup> Annual Report

VISTA PHARMACEUTICALS LIMITED

CIN: L24239TG1991PLC012264

## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st Mar, 2021

Particulars	March, 2021	March, 2020
<b>Cash Flows from Operating Activities</b>		
<b>Net profit before tax</b>	<b>(366.35)</b>	<b>(393.61)</b>
<b>Adjustments for :</b>		
Depreciation and amortization expense	72.77	134.63
Unrealised Foreign Exchange Gain	-	(99.17)
Gain on investments carried at fair value through profit or loss	(2.43)	1.22
Interest & Finance Charges Paid	154.89	154.02
Operating profit before working capital changes	(141.11)	(202.90)
Movements in Working Capital		
(Increase)/Decrease in Inventories	0.00	156.44
(Increase)/Decrease in Other financial assets	0.00	0.00
(Increase)/Decrease in Trade Receivables	811.12	(94.30)
(Increase)/Decrease in Other Current Assets	(224.77)	198.96
(Increase)/Decrease in Other Non Current Assets	(821.74)	0.00
Increase/(Decrease) in Trade Payables	(432.11)	(9.20)
Increase/(Decrease) in Other financial liabilities	0.00	0.00
Increase/(Decrease) in Other Current liabilities	159.36	31.57
Increase/(Decrease) in Other Non Current liabilities	0.00	(0.32)
Increase/(Decrease) in Provisions	(25.42)	0.00
<b>Changes in Working Capital</b>	<b>(533.55)</b>	<b>283.15</b>
Cash generated from operations	(674.66)	80.25
Direct Taxes Paid	-	-
<b>Net Cash from operating activities (A)</b>	<b>(674.66)</b>	<b>80.25</b>
<b>Cash flows from Investing Activities</b>		
Purchase of Fixed Assets (Including CWIP)	(29.90)	(24.41)
Intangible Assets	0.00	(148.13)
<b>Net Cash used in Investing Activities</b>	<b>(29.90)</b>	<b>(172.54)</b>
<b>Cash flows from/(used in) Financing Activities</b>		
Issue of Share Capital	900.00	--
Issue of Share Warrants	-	(248.15)
Proceeds from Long term borrowings	318.64	(44.88)
Repayment/Proceeds of/from Short-term borrowings	(367.70)	475.10
Interest paid	(154.89)	(154.02)
<b>Net Cash used in Financing Activities</b>	<b>696.05</b>	<b>28.04</b>
<b>Net Increase/(Decrease) in cash and cash equivalents</b>	<b>(8.52)</b>	<b>(64.25)</b>
Cash and Cash equivalents at the beginning of the year	22.52	86.77
<b>Cash and Cash equivalents at the ending of the year</b>	<b>14.01</b>	<b>22.52</b>

As per our report of even date  
For A M Reddy & D R Reddy  
Chartered Accountants  
FR No:009068S

Sd/-  
D Ramakrishna Reddy  
Partner  
M.No.209211

Place: Hyderabad  
Date: 30/06/2021

Sd/-  
Y Divakar Reddy  
Director  
(DIN:08574891)

Sd/-  
Akash Bhagadia  
Company Secretary

For and on behalf of Board

Sd/-  
Dr. Dhananjaya Alli  
Managing Director  
(DIN:00610909)

Sd/-  
P. Suneel  
Chief Financial Officer

## 2.10 Statement of changes in equity

Statement of changes in equity for the period ended 31.03.2021

Particulars	Equity Share Capital	Retained Earnings	General Reserve	Capital Reserve	Securities Premium	Money Received Against Share Warrants	Total Equity
Balance as at 1/4/2018	607.31	547.02	15.00	80.95	1,402.91	556.93	3,210.12
Profit for the year	-	93.93	-	-	-	-	93.93
Additions during the year	-	-	-	-	584.71	-	584.71
Issued in Current year	-	-	-	-	-	(308.68)	(308.68)
Amount transfer to general reserve	-	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-
<b>Balance as at 31/03/2019</b>	<b>607.31</b>	<b>640.95</b>	<b>15.00</b>	<b>80.95</b>	<b>1,987.62</b>	<b>248.25</b>	<b>3,580.08</b>

Particulars	Equity Share Capital	Retained Earnings	General Reserve	Capital Reserve	Securities Premium	Money Received Against Share Warrants	Total Equity
Balance as at 1/4/2019	607.31	640.95	15.00	80.95	1,987.62	248.25	3,580.08
Profit for the year	-	(367.72)	-	-	-	-	(367.72)
Additions during the year	-	-	-	-	-	-	-
Issued in Current year	-	-	-	-	-	(248.15)	(248.15)
Amount transfer to general reserve	-	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-
<b>Balance as at 31/03/2020</b>	<b>607.31</b>	<b>273.23</b>	<b>15.00</b>	<b>80.95</b>	<b>1,987.62</b>	<b>0.10</b>	<b>2,964.21</b>

Particulars	Equity Share Capital	Retained Earnings	General Reserve	Capital Reserve	Securities Premium	Money received against Share warrants	Total Equity
Balance as at 1/4/2020	607.31	273.23	15.00	80.95	1,987.62	0.10	2,964.21
Profit for the year	-	(234.75)	-	-	-	-	(234.75)
Additions During the year	-	-	-	-	771.43	-	771.43
Issued in Current year	128.57	-	-	-	-	-	128.57
Amount transfer to general reserve	-	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-
<b>Balance as at 31/03/2021</b>	<b>735.88</b>	<b>38.48</b>	<b>15.00</b>	<b>80.95</b>	<b>2,759.05</b>	<b>0.10</b>	<b>3,629.46</b>

The accompanying significant accounting policies and notes form an integral part of the Standalone financial statements.

As per our report of even date  
For A M Reddy & D R Reddy  
Chartered Accountants  
FR No:009068S

Sd/-  
D Ramakrishna Reddy  
Partner  
M.No.209211

Place: Hyderabad  
Date: 30/06/2021

Sd/-  
Y Divakar Reddy  
Director  
(DIN:08574891)

Sd/-  
Akash Bhagadia  
Company Secretary

For and on behalf of Board

Sd/-  
Dr. Dhananjaya Alli  
Managing Director  
(DIN:00610909)

Sd/-  
P. Suneel  
Chief Financial Officer



## 2.1: Property, plant and equipment

Particulars	Gross carrying value				Accumulated depreciation / impairment					Net carrying value	
	As at 1 April 2020	Additions	Disposals	As at 31 March 2021	As at 1 April 2020	For the Year	Impairment for the year	Disposals	As at 31 March 2021	As at 31 Mar 2021	As at 31 March 2020
Land	9.93	-	-	9.93	-	-	-	-	-	9.93	9.93
Buildings-Factory	597.66	-	-	597.66	74.93	23.26	-	-	98.18	499.48	522.73
Buildings-Others	56.49	-	-	56.49	5.97	1.28	-	-	7.25	49.24	50.52
Plant and Machinery	690.06	-	-	690.06	252.32	27.59	-	-	279.92	410.14	437.75
Lab Equipment	121.54	-	-	121.54	66.54	8.60	-	-	75.13	46.41	55.01
Vehicles	-	-	-	-	-	-	-	-	-	-	-
Computers	25.45	-	-	25.45	20.56	3.12	-	-	23.68	1.77	4.90
Office Equipment	1.07	-	-	1.07	0.21	0.07	-	-	0.28	0.79	0.85
Electrical Installation	55.13	-	-	55.13	48.34	3.92	-	-	52.26	2.87	6.79
Tools & Instruments	36.22	-	-	36.22	18.74	4.36	-	-	23.10	13.12	17.47
Furniture & Fixtures	23.38	-	-	23.38	18.51	0.58	-	-	19.09	4.29	4.88
<b>Total</b>	<b>1,616.93</b>	<b>-</b>	<b>-</b>	<b>1,616.93</b>	<b>506.11</b>	<b>72.773</b>	<b>-</b>	<b>-</b>	<b>578.88</b>	<b>1,038.04</b>	<b>1,110.83</b>

a. All fixed assets including Factory land and buildings located at Gopalaipalli village, Nalgonda district, have been given as a security for availing Credit facilities from banks.

## 2.2: Other Intangible assets

Particulars	Gross carrying value				Accumulated depreciation / impairment					Net carrying value	
	As at 1 April 2020	Additions	Disposals	As at 31 Dec 2020	As at 1 April 2020	For the year	Impairment for the year	Disposals	As at 31 Dec 2020	As at 31 Mar 2021	As at 31 March 2020
Expenditure Incurred on Products Under Development	955.30	-	-	955.30	-	-	-	-	-	955.30	955.30
<b>Total</b>	<b>955.30</b>	<b>-</b>	<b>-</b>	<b>955.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>955.30</b>	<b>955.30</b>

## 2.3 Investments

Particulars	2021		2020	
	Current	Non Current	Current	Non Current
<b>Investments at fair value through Profit or Loss A/c</b>				
<i>Investments in Quoted Equity Instruments</i>				
Investment in Everest Organics Limited Shares (1800 Equity Shares Face value of Rs.10/-)	0.00	4.14	0.00	1.71
<b>Aggregate amount of Quoted Investments</b>	0.00	<b>4.14</b>	0.00	<b>1.71</b>
<b>Total Investments</b>	<b>0.00</b>	<b>4.14</b>	<b>0.00</b>	<b>1.71</b>

## 2.4 Other Financial Assets

Particulars	2021		2020	
	Current	Non Current	Current	Non Current
Rental Deposits	0.00	0.42	0.00	0.42
Electricity and Other Security Deposits	0.00	9.23	0.00	9.23
<b>TOTAL</b>	0.00	<b>9.65</b>	0.00	<b>9.65</b>

## 2.5 Other Non Current Assets and Current Assets

Particulars	2021		2020	
	Current	Non Current	Current	Non Current
Prepaid Expenses	0.00	0.00	0.00	0.00
Input tax and other taxes receivables	85.49	0.00	99.80	0.00
Advance to Creditors	0	0.00	0.00	0.00
Loans and Advances	229.06	0.00	0.00	0.00
Interest Receivable on Loans and Advances	10.02	0.00	0.00	0.00
Other Non Current Assets	0	821.74	0.00	0.00
<b>TOTAL</b>	<b>324.57</b>	<b>821.74</b>	<b>99.80</b>	<b>0.00</b>

## 2.6 Inventories

Particulars	2021	2020
	Current	Current
Raw materials	199.87	199.87
Work-in-progress	482.27	482.27
Traded goods	121.62	121.62
Packing materials	164.39	164.39
<b>TOTAL</b>	<b>968.15</b>	<b>968.15</b>

The mode of valuation of Inventories has been stated in Note 10 of Significant Accounting Policies. Inventories hypothecated as primary security for availing working capital facilities and Non Fund Based limits from Vijaya Bank.

## 2.7 Trade receivables

Particulars	2021	2020
	Current	Current
<b>Trade Receivables</b>		
Unsecured, considered good	216.92	1028.04
Less: Allowances for credit losses	0.00	0.00
Less: Provision for Doubtful Receivables	0.00	0.00
<b>TOTAL</b>	<b>216.92</b>	<b>1028.04</b>

Trade Receivables hypothecated as Primary security for availing working capital facilities and Non Fund Based Limits with Vijaya Bank

## 2.8 Cash and Cash Equivalents

Particulars	2021	2020
<b>a) Cash and Cash equivalents</b>		
i) Cash on hand	5.89	14.41
ii) Balances with banks		
- Current Accounts	2.02	2.02
<b>b) Other Bank Balances (with restricted use)</b>		
(i)Margin Money Deposit Accounts (against Bank Guarantees)	6.10	6.10
(ii)Share Application Money	0.00	0.00
Interest accrued but not due on deposits	0.00	0.00
<b>Total</b>	<b>14.01</b>	<b>22.52</b>

## 2.9 Share Capital

Particulars	2021	2020
<b>Authorized Share Capital</b>		
7,50,00,000 Equity Shares of Rs.2 each	1500.00	1500.00
(Previous year :7,50,00,000 Equity Shares of Rs.2 each)		
<b>Issued Subscribed and Paid up Share Capital</b>		
3,67,93,907 Equity Shares of Rs.2 each, fully paid up	735.88	607.31
(Previous year :3,03,65,337 Equity Shares of Rs.2 each, fully paid up)		
	<b>735.88</b>	<b>607.31</b>

### 2.9.1 Reconciliation of Number of Shares:

Particulars	2021	2020
Number of Shares at the beginning of the year	303.65	303.65
Add : Shares issued during the year	64.29	0.00
Less: Reduction in shares	0.00	0.00
<b>Number of Shares at the end of the year</b>	<b>367.94</b>	<b>303.65</b>

## 2.9.2 Rights attached to equity shares

"The Company has only one class of equity shares having a face value of Rs.2 /- each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders."

The Company has made preferential allotment of shares during the year under review and shares are issued at a premium of INR 12, which is higher than the price prescribed under regulations 164 chapter V of SEBI (ICDR regulations 2018). Company has followed the procedure prescribed Under section 42 of the Act and necessary documents are filed with ROC & SEBI for the preferential allotment and hence company is in compliance with Section 62(1) (c) preferential allotment of shares, Rule 13 of Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and purpose of application of the funds so raised.

## 2.9.3 Details of Shareholders holding more than 5%:

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No of Shares	% of Holding	No of Shares	% of Holding
NAVEEN MALVAY	1,610,000	4.38	1,610,000	5.30
UMAKANTH KATTA	5,000,000	13.59	0	0.00
ANAND CHITTAJALLU	1,428,570	3.88	0	0.00
DHANANJAYA ALLI	2,830,033	7.69	2,830,033	9.32
VASANT V ALLI	1,601,478	4.35	1,601,478	5.27
VISTA PHARMACEUTICALS INC	6,579,620	17.88	6,579,620	21.67

## 2.10 Other Equity

Particulars	2021	2020
<b>General Reserve</b>		
Opening Balance	15.00	15.00
Add: Transfers during the year	0.00	0.00
	<b>15.00</b>	<b>15.00</b>
<b>Capital Reserve</b>		
Opening Balance	80.95	80.95
Add: Transfers during the year	0.00	0.00
	<b>80.95</b>	<b>80.95</b>
<b>Securities Premium</b>		
Opening Balance	1987.61	1987.61
Add: Premium received on issue of Shares	771.43	0.00
	<b>2759.04</b>	<b>1987.61</b>
<b>Money Received against Share Warrants</b>		
Opening Balance	0.11	248.25
Add: Received/Converted in Current year	0.00	(248.15)
	<b>0.11</b>	<b>0.11</b>
<b>Retained Earnings</b>		
Opening Balance	273.23	640.95
Add: Net profit / (Loss) transferred from the Statement of Profit and	(188.52)	(367.72)

Loss		
	<b>84.71</b>	<b>273.23</b>
<b>Adjustments:</b>		
Deferred Tax	391.09	-
Net change in fair value of FVTPL investments and others	-	-
	-	-
<b>Closing Balance</b>	<b>-306.38</b>	<b>273.23</b>
<b>Total</b>	<b>2548.72</b>	<b>2356.90</b>

## 2.11 Borrowings

Particulars	2021		2020	
	Current	Non Current	Current	Non Current
<b>Secured Borrowings:</b>				
Vijaya Bank Term Loan (Now Bank of Baroda)	0.00	558.10	44.61	165.40
Vijaya Bank Mortgage Loan (Now Bank of Baroda)	0.00	366.47	38.55	385.25
Working Capital Facilities ( CC Account )	87.91	0.00	831.91	0.00
Other Short term Borrowings	540.46	-60.57	81.00	0.00
<b>Total</b>	<b>628.37</b>	<b>864.00</b>	<b>996.07</b>	<b>550.65</b>

Term loan of Rs.2.00 Crores from Vijaya bank (Now Bank of Baroda) carrying floating interest rate of 11.70% repayable in twenty six equal quarterly installments at the end of each quarter commencing from 31st Nov, 2017 after a moratorium period of Six months from the date of disbursement. This loan is secured by first charge on mortgage of Entire Plant, Equipment and other assets and further secured by entire current assets of the company along with factory land and building & Personal Guarantee of Directors.

Mortgage loan of Rs. 5 crores from Vijaya bank (Now Bank of Baroda) carrying floating interest rate of 11.90% repayable in One twenty equal Monthly installments Starting from the ensuring month of first drawal i.e 30.04.2017. This loan is secured by the first charge on the land and building of the factory & Personal Guarantee of Directors.

Term loan of Rs.1.00 Crores from Vijaya bank (Now Bank of Baroda) carrying floating interest rate of 13.35% repayable in twenty eight equal quarterly installments of Rs.3.57 lakh at the end of each quarter commencing from 30th June, 2018 from the date of disbursement. This loan is secured by first charge on Hypothecation of Machinery to be Purchased and further secured by factory land and building & Personal Guarantee of Directors.

Term loan of Rs.4.00 Crores from Vijaya bank (Now Bank of Baroda) carrying floating interest rate of 8.00% repayable in 48 equal monthly installments at the end of each month commencing from 31st March, 2022 after a moratorium period of 12 months from the date of disbursement. This loan is secured by first charge on mortgage of Entire Plant, Equipment and other assets and further secured by entire current assets of the company along with factory land and building & Personal Guarantee of Directors.

Working Capital Facility and Non Fund Based Limit from Vijaya Bank (Now Bank of Baroda) is secured by way of first pari-passu charge on current assets and second pari-passu charge on fixed assets of the company & Personal Guarantee of Directors. The Working Capital is repayable on demand. The coupon rate is linked to Marginal Cost Fund based lending rates. (MCLR).

## 2.12 Deffered Tax Liabilities/Deffered Tax Assets

Particulars	2021	2020
Opening Balance of DTA/(DTL)	37.97	12.08
Add : On account of IND AS Adjustment	289.85	195.23
Less : On account of depreciation	114.57	157.26
Closing Balance	<b>175.29</b>	<b>37.97</b>

## 2.13 Trade Payables

Particulars	2021	2020
	<b>Current</b>	<b>Current</b>
Due to Micro & Small Enterprises		
<b>Dues to others</b>		
For Raw material	84.04	488.51
For Services	0.00	27.64
<b>Total</b>	<b>84.04</b>	<b>516.15</b>

## 2.14 Other financial liabilities

Particulars	2021	2020
	<b>Current</b>	<b>Current</b>
Creditors For Capital goods	5.30	5.30
<b>Total</b>	<b>5.30</b>	<b>5.30</b>

## 2.15 Provisions

Particulars	2021		2020	
	Current	Non Current	Current	Non Current
Provision for Gratuity	0.29	6.88	-	5.15
Provision for Tax	23.62	-	23.62	-
<b>Total</b>	<b>23.91</b>	<b>6.88</b>	<b>23.62</b>	<b>5.15</b>

## 2.16 Other Current Liabilities

Particulars	2021	2020
	<b>Current</b>	<b>Current</b>
Salaries and employee benefits	39.69	32.45
Withholding and other taxes payable	12.30	6.44
Audit fee Payable	2.16	1.08
Other Payables	78.82	11.08
Advance from customers	50.00	0.00
<b>Total</b>	<b>182.97</b>	<b>51.05</b>

## 2.17 Revenue from operations

Particulars	2021	2020
<b>Revenue from :</b>		
Export Sales		0.00
Domestic Sales	126.64	2275.90
Other Operating Revenue		0.00
<b>Revenue from operations</b>	<b>126.64</b>	<b>2275.90</b>

## 2.18 Other income

Particulars	2021	2020
Interest Income	10.02	0.00
Foreign Exchange Gain	9.92	15.76
Miscellaneous Income	9.48	359.01
Short Term Capital gain	2.43	0.00
<b>Total</b>	<b>31.85</b>	<b>374.77</b>

## 2.19 Cost of materials consumed

Particulars	2021	2020
Raw Material		
Purchases	73.01	2,237.26
Add: Opening Stock	485.89	538.17
	558.90	2,775.43
Less: Closing Stock	485.89	485.89
	<b>73.01</b>	<b>2289.54</b>

## 2.20 Changes in inventories

Particulars	2021	2020
Work-in-progress		
Opening	482.27	586.42
Closing	482.27	482.27
	<b>0.00</b>	<b>104.16</b>
	<b>0.00</b>	<b>104.16</b>

## 2.21 Employee benefits expense

Particulars	2021	2020
Salaries and Wages	101.47	120.64
Directors Remuneration	0.00	18.00
Contribution to provident Fund	3.22	5.13
Contribution to ESI Fund	0.72	1.15
Contribution to Gratuity and other benefits	2.05	2.50
Staff welfare	7.89	1.08
	<b>115.35</b>	<b>148.50</b>



## 2.22 Finance costs

Particulars	2021	2020
Interest Expense	149.19	136.41
Other borrowing costs	0.41	17.61
	<b>149.60</b>	<b>154.02</b>

## 2.23 Other expenses

Particulars	2021	2020
Freight Inward Charges	0.00	0.00
Power & Fuel	27.72	38.18
Machinery Maintenance	4.68	8.33
Factory Maintenance	4.14	29.11
Transportation charges	0.13	0.26
House Keeping Expenses	8.22	2.52
Advertisement	0.77	0.33
AMC Charges	1.05	7.75
Audit Fees	1.00	1.00
Hiring Charges	0.10	4.82
Vehicle Maintenance	4.35	4.42
Fees Renewals, Rates and Taxes	5.43	1.53
Duties & Taxes	0.00	0.90
Consultancy	0.00	7.46
Professional Charges	2.46	6.98
Conveyance	2.26	7.82
Demat Service Charges and Fees	1.85	1.08
AGM, EGM Expenses & Director Sitting Fee	0.15	0.00
Electricity Office Expenses	0.17	1.27
Postage, Courier & Email Charges	0.63	0.63
Office Maintenance	1.03	0.00
Insurance	4.70	3.69
Rent	4.86	5.18
Repairs and Maintenance	2.63	0.00
Printing & Stationery	8.64	2.54
Pooja Expenses	1.48	0.48
Analytical & Calibration Charges	0.68	2.09
Internet	0.00	0.80
Security Charges	10.33	9.91
Listing Fee	4.80	0.00
Pest Control	0.18	27.69
Telephone Expenses	0.24	0.00
Miscellaneous Chargers	2.53	32.48
Travelling	3.72	4.19
Property Tax	0.31	0.00
	<b>111.24</b>	<b>213.43</b>

## 1. Significant Accounting Policies & Notes annexed to and forming part of the financial Statements

### Corporate Information

Vista Pharmaceuticals Limited (“the Company”) domiciled in India and incorporated under the provisions of the Companies Act 1956. The Shares of the company are listed on Bombay Stock Exchange. The Company is engaged in manufacturing and selling of Pharmaceutical, medical and veterinary preparations. The Company also sells the products to its related companies (Common Directors) engaged in the manufacture of formulations. The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 1.1. Basis for preparation of financial statements:

##### a) Compliance with Indian Accounting Standards (Ind AS)

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013.

The same accounting policies have been applied for all the periods presented except when the company has made use of certain exceptions.

The financial statements have been prepared on the historical cost basis except for certain instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

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 the schedule III of the Act. The Company has determined its operating cycle as twelve months for the purpose of current-noncurrent classification of assets and liabilities.

The financial statements are presented in Indian Rupees which is also its functional currency. All amounts have been rounded – off to the nearest rupees, unless otherwise indicated.

##### b) Use of estimates and judgment

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of certain assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

#### Estimation of uncertainties relating to the global health pandemic from COVID-19 ("COVID-19")

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company’s financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

## 1.2. Property, Plant and Equipment & Depreciation

Items of Property, Plant and Equipment are stated at cost less accumulated depreciation.

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, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Depreciation on the fixed assets has been provided based on useful lives as prescribed under part C of the schedule II of the companies' act, 2013.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).

## 1.3 Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

## 1.4 Intangible assets

Intangible assets are amortized over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as change in accounting estimates. The amortization expense on intangible assets with finite useful lives is recognized in profit or loss.

## 1.5 Inventory

Cost of inventories have been computed to include all costs of purchases (including materials), cost of conversion and other costs incurred, as the case may be, in bringing the inventories to their present location and condition.

Stores and consumables are valued at cost arrived at on FIFO basis or net realisable value, whichever is lower.

## 1.6 Foreign currencies transactions and translations

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

The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates, in case of monetary current assets and liabilities in foreign currency, are recognised in the Statement of Profit and Loss.

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.

## 1.7 Provisions

A provision is recognised when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (other than employee benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

## 1.8 Revenue Recognition

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met as described below.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of indirect taxes, trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.

## Interest Income

Interest income from a financial asset is recognised using effective interest rate method. However, in respect of certain financial assets where it is not probable that the economic benefits associated with the transaction will flow to the entity and amount of revenue cannot be measured reliably, in such cases interest income is not recognised.

## 1.9 Dividend Income

Dividends will be recognised when the company's right to receive has been established.

## 1.10 Employee benefits

### 1.10.1 Short term employee benefits

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

### 1.10.2 Defined benefit plans

#### Gratuity

In accordance with the Payment of Gratuity Act, 1972, Company provides for gratuity, a defined retirement plan (the “Gratuity Plan”) covering the eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee salary and the tenure of employment. Liability with regard to the Gratuity Plan are determined by actuarial valuation as per the requirements of IndAS 19 as of the balance sheet date, based upon which, the Company contributes the ascertained liabilities to Insurer.

#### Provident fund

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Aggregate contributions along with interest thereon is paid at retirement, death, incapacitation or termination of employment. Both the employee and the Company make monthly contributions to the Regional Provident Fund Commissioner equal to a specified percentage of the covered employee’s salary.

#### Employee State Insurance Fund

Eligible employees are entitled to receive benefit under employee state insurance fund scheme. The employer makes contribution to the scheme at a predetermined rate of employee’s gross salary. The Company has no further obligations under the plan beyond its monthly contributions. These contributions are made to the fund administered and managed by the Government of India. contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

#### d) Leave encashment

All the employees who have completed their eligible service in the Company are eligible for leave encashment as per policy of the Company and the same is paid to the eligible employee at retirement, death, incapacitation or termination of employment. This amount, as calculated for all the eligible employees, is charged to the Statement of Profit and Loss.

## 1.11 Tax Expenses

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

#### Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are off set only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

## Deferred tax

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

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

## Minimum alternate tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

## 1.12 Leases

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

As per Ind AS 116, Variable lease payments that do not depend on an index or rate and are not in substance or fixed, such as those based on performance (i.e. percentage of sales) are not included as lease payments and these payments are recognized in the statement of profit or loss in the period in which the event that triggers the payment occurrence.

Hence, the company did not recognize any ROU as the lease agreement does not contain fixed Minimum Lease payments.

## 1.13 Borrowing costs

Borrowing costs incurred for obtaining assets which takes substantial period to get ready for their intended use are capitalized to the respective assets wherever the costs are directly attributable to such assets and in other cases by applying weighted average cost of borrowings to the expenditure on such assets. Other borrowing costs are treated as expense for the year.

Transaction costs in respect of long-term borrowings are amortized over the tenor of respective loans using effective interest method.

## 1.14 Earnings per equity share

### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owner of the company.
- By the weighted number of equity shares outstanding during the financial year



## **(ii) Diluted earnings per share**

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## **1.15 Financial Instruments**

### **i. Financial assets**

#### **A. Initial recognition and measurement**

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

##### **a) Financial assets carried at amortized cost (AC)**

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

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

A Financial asset which is not classified as AC or FVOCI are measured at FVTPL e.g. investments in mutual funds. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises.

##### **c) Financial assets at fair value through other comprehensive income (FVTOCI)**

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

#### **B. Investments in subsidiaries**

The Company has accounted for its investments in subsidiaries at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments.

### **ii. Financial Liabilities**

#### **A. Initial recognition**

All financial liabilities are recognized at fair value.

#### **B. Subsequent measurement**

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



## 1.1 Auditors Remuneration

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
a) Audit fees	0.85	0.85
b) Other charges	0.15	0.15
Taxation matters	0.15	0.15
Certification fee	0.00	0.00
c) Reimbursement of out of pocket expenses	0.00	0.00
<b>TOTAL</b>	<b>1.00</b>	<b>1.00</b>

## 1.2 Earnings per Share

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<i>Earnings</i>		
<b>Profit attributable to equity holders</b>	<b>(188.52)</b>	<b>(367.72)</b>
<i>Shares</i>		
<b>Number of shares at the beginning of the year</b>	<b>3,03,65,337.00</b>	<b>3,03,65,337.00</b>
<b>Add: Equity shares issued</b>	<b>64,28,570</b>	<b>-</b>
<b>Less: Buy back of equity shares</b>		<b>-</b>
<b>Total number of equity shares outstanding at the end of the year</b>	<b>3,67,93,907.00</b>	<b>3,03,65,337.00</b>
Weighted average number of equity shares outstanding during the year – Basic	<b>3,46,51,050.00</b>	<b>3,03,65,337.00</b>
<b>Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EPS</b>		
Weighted average number of equity shares outstanding during the year – Diluted	<b>3,46,51,050.00</b>	<b>3,03,65,337.00</b>
<b>Earnings per share of par value Rs.2/- Basic ( ` )</b>	<b>(0.54)</b>	<b>(1.21)</b>
<b>Earnings per share of par value Rs.2/- Diluted ( ` )</b>	<b>(0.54)</b>	<b>(1.21)</b>

## 1.3 Related Parties

In accordance with the provisions of Ind AS 24 “Related Party Disclosures” and the Companies Act, 2013, Company’s Directors, members of the Company’s Management Council and Company Secretary are considered as Key Management Personnel. List of related party of the Company is as below:

S.No.	Name of the Related Party	Nature of Relationship
1	Dr.Dhananjaya Alli	Managing Director
2	Stanley Prabhakar Reddy	Non Executive Director
3	M.H.Rao	Non Executive Director
4	G.Narendra	Independent Director (Non Executive)
5	Anand Chittajallu	Non Executive Director
6	Umesh Virupakah Banakar	Independent Director (Non Executive)
7	Divya Bhavani Chakravartula	Independent Director (Non Executive)
8	Akash Bhagadia	Company Secretary
9	Suneel Pachipala	Chief Financial Officer
10	Umakanth Katta	Additional Non Executive Director

## Related Party Transactions

S. No	Nature of Transaction	2020-21			2019-20		
		KMP	Relative of KMP	Others	KMP	Relative of KMP	Others
1	Remuneration	Akash Bhagadia	NA	NA	Arjun Upadhyay	NA	NA
	Remuneration	Suneel Pachipala	NA	NA	Suneel Pachipala	NA	NA
2	Issue of Shares	Anand Chittajallu	NA	NA			
		Umakanth Katta					
3	Export Sales	NA	NA	Vista Pharmaceuticals Inc	NA	NA	Vista Pharmaceuticals Inc

Particulars	For the year ended 2021	For the year ended 2020
ARJUN UPADHYAY	0.00	4.20
AKASH BHAGADIA	4.20	0.00
SUNEEL PACHIPALA	5.33	5.33
VISTA PHARMACEUTICALS INC	0.00	0.00
ANAND CHITTAJALLU	199.99	0.00
UMAKANATH	700.00	0.00
<b>TOTAL</b>	<b>909.52</b>	<b>9.53</b>

Vista Pharmaceuticals Inc holding 17.88% of Shares in Vista Pharmaceuticals Limited

## 1.4 Earnings/expenditure in foreign currency:

### *Expenditure in Foreign currency:*

Particulars	For the year ended 31st March 2021	For the year ended 31 March 2020
Purchase of Raw Materials/Packing Materials	-	-
Other expenses	0.00	1.08
<b>Total</b>	<b>0.00</b>	<b>1.08</b>

### *Earnings in Foreign currency:*

Particulars	For the year ended 31st March 2021	For the year ended 31 March 2020
FOB Value of Exports	0.00	421.33
Foreign Exchange Gain	9.92	15.76
<b>Total</b>	<b>9.92</b>	<b>437.09</b>

## 1.5 Segment Reporting

The Company concluded that there is only one operating segment i.e, Manufacturing of Pharmaceutical products. Hence, the same becomes the reportable segment for the Company. Accordingly, the Company has only one operating and reportable segment, the disclosure requirements specified in paragraphs 22 to 30 are not applicable. Accordingly, the Company shall present entity-wide disclosures enumerated in paragraphs 32, 33 and 34 of Ind AS 108.

## 1.6 Employee benefits

### *Gratuity benefits*

In accordance with applicable laws, the Company has a defined benefit plan which provides for gratuity payments (the “Gratuity Plan”) and covers certain categories of employees in India. The Gratuity Plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amount of the payment is based on the respective employee’s last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan.

The Company has covered its gratuity liability according to the IND AS. The benefits are determined and carried out at each Balance Sheet date.

### *Contribution to Provident Fund*

The employees of the Company receive benefits from a provident fund, a defined contribution plan. Both the employee and employer each make monthly contributions to a government administered fund equal to 12% of the covered employee’s qualifying salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributed Rs. 3, 21,524.00 to the provident fund plan during the years ended 31<sup>st</sup> March 2021.

## 1.7 Income Taxes

### a. Income tax expense/ (benefit) recognized in the statement of profit and loss:

Income tax expense/ (benefit) recognized in the statement of profit and loss consists of the following:

Particulars	For the Year Ended 31 <sup>st</sup> March	
	2021	2020
<i>Current taxes expense</i>		
Domestic	0.00	0.00
<i>Deferred taxes expense/(benefit)</i>		
Domestic	180.26	25.89
<b>Total income tax expense/(benefit) recognized in the statement of profit and loss</b>	<b>180.26</b>	<b>25.89</b>

### b. Deferred tax assets & liabilities:

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	For the Year Ended 31 March	
	2021	2020
<b><u>Deferred tax assets/(liabilities):</u></b>		
<b>Property, plant and equipment</b>	(114.56)	(157.26)
Others	289.85	195.23
<b>Net deferred tax assets/(liabilities)</b>	<b>175.29</b>	<b>37.97</b>

### c. Movement in deferred tax assets and liabilities during the year ended 31<sup>st</sup> March 2020& 2019:

Particulars	As at 1 April 2018	Recognized in statement of profit and loss	Recognized in equity	As at 31 March 2019
<b><u>Deferred tax assets/(liabilities)</u></b>				
<b>Property, plant and equipment</b>	(96.43)	(60.83)	-	(157.26)
Others	108.51	86.72		195.23
<b>Net deferred tax assets/(liabilities)</b>	<b>12.08</b>	<b>25.89</b>		<b>37.97</b>

[Continued from above table, first column(s) repeated]

Particulars	As at 1 April 2019	Recognized in statement of profit and loss	Recognized in equity	As at 31 March 2020
<b><u>Deferred tax assets/(liabilities)</u></b>				
<b>Property, plant and equipment</b>	(157.26)	42.70	-	(114.56)

Others	195.23	94.62		289.85
<b>Net deferred tax assets/(liabilities)</b>	<b>37.97</b>	<b>137.32</b>		<b>175.29</b>

## 1.8 Investments:

Investments consist of investments in equity shares of Everest Organics Limited measured at Fair value through Profit & Loss Account.

The details of investments as of 31<sup>st</sup> March, 2021 are as follows:

Particulars	Cost	Gain recognized directly in equity	Gain recognized directly in profit and loss account	Fair value
<i>Non-current Investments</i>				
Investment in Equity shares of Everest Organics Limited	0.05	1.66	2.43	4.14
<b>Total</b>	<b>0.05</b>	<b>1.66</b>	<b>2.43</b>	<b>4.14</b>

## 1.9 Financial Instruments:

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

Particulars	Carrying value			Fair value		
	Mar-21	Mar-20	Apr-19	Mar-21	Mar-20	Apr-19
Financial assets						
<b>Cash and cash equivalents</b>	14.01	22.52	86.77	14.01	22.52	86.77
<b>Trade receivables</b>	216.92	1028.04	834.57	216.92	1028.04	834.57
<b>Other financial assets</b>	9.65	9.65	9.65	9.65	9.65	9.65
<b>Total</b>	<b>226.57</b>	<b>1060.21</b>	<b>930.99</b>	<b>226.57</b>	<b>1060.21</b>	<b>930.99</b>
Financial liabilities						
<b>Borrowings</b>	1497.66	1546.72	1116.52	1497.37	1546.72	1116.52
<b>Trade payables</b>	84.04	516.15	525.34	84.04	516.15	525.34
<b>Other financial liabilities</b>	5.3	5.3	5.3	5.3	5.3	5.3
<b>Total</b>	<b>1587.00</b>	<b>2068.17</b>	<b>1647.15</b>	<b>1587.00</b>	<b>2068.17</b>	<b>1647.15</b>

## 2.0 Financial Risk Management:

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and Market risk. The Company's risk management assessment and policies and processes are established to identify and

analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors, risk management committee and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

## **a. Credit Risk:**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments.

### **Trade Receivables-**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses Expected Credit Loss (ECL) model for assessing the impairment loss. As Company trade receivables are realised within normal credit period adopted by the company, hence the financial assets are not impaired.

*Financial assets that are neither past due nor impaired* - None of the Company's cash equivalents, including deposits with banks, were past due or impaired as at 31 March 2021.

The Company's credit period for customers generally ranges from 60-90 days. The aging of trade receivables that are past due but not impaired is given below:

Particulars	As of 31 March	
	2021	2020
Period (in days)		
1 – 90	0.00	745.35
90 – 180	0.00	92.15
More than 180	216.92	190.54
<b>Total</b>	<b>216.92</b>	<b>1028.04</b>

## **b. Liquidity Risks:**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

As of 31 March 2021, the Company had working capital (current assets less current liabilities) of Rs.599.06 Lakhs including cash and cash equivalents of 14.01 Lakhs.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2021 (Rs in Lakhs) :

Particulars	2021	2022	2023	2024	Thereafter	Total
Trade payables	84.04	-	-	-	-	<b>84.04</b>
Long term borrowings	60.25	120.50	150.75	181.00	356.79	<b>869.29</b>

## C. Market Risks:

Market risk is the risk that changes in market prices such as foreign exchange rates which will affect the Company's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency payables.

## 2.1 CAPITAL MANAGEMENT

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through equity, borrowings and operating cash flows required.

The company's Debt Equity ratio is as follows:

Particulars	2021	2020
Total Debt	1497.66	1546.72
Total Equity	3284.60	2964.20
<b>Debt Equity Ratio</b>	<b>0.45:1</b>	<b>0.52:1</b>

## 2.2. Contingent Liabilities and Commitments:

The following are the details of contingent liabilities and commitments:

Particulars	2021	2020
<b>Contingent Liabilities</b>		
a) Claims against the company/disputed liabilities not acknowledged as debts	0.00	0.00
b) Guarantees		
Bank Guarantees & LC	0.00	0.00
	<b>0.00</b>	<b>0.00</b>