

MAKERS

Makers Laboratories Ltd.

Regd. Office : 54-D, Kandivli Indl. Estate, Kandivli (West), Mumbai - 400 067.

CIN: L24230MH1984PLC033389, website: www.makerslabs.com, e-mail: makers@makerslabs.com

THRU ONLINE FILING

July 19, 2021

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 023

Dear Sir,

Sub: Annual Report 2020-21

We are enclosing herewith copy of our Annual Report for the financial year ended 31st March, 2021 for your perusal and record.

Kindly acknowledge the receipt.

Thanking you

Yours faithfully
For Makers Laboratories Limited



Khyati Danani
Company Secretary
ACS 21844



ANNUAL REPORT 2020-21

MAKERS LABORATORIES LIMITED



Five Years' Highlights

(₹ Lacs)

	2016-17	2017-18	2018-19	2019-20	2020-21
Total Income	5983.62	5792.35	4919.67	5162.21	4482.54
Profit Before Tax	533.64	423.55	301.62	24.90	(207.41)
Profit /(Loss) After Tax	369.97	305.69	244.88	(12.38)	(161.66)
Share Capital	491.70	491.70	491.70	491.70	491.70
Reserves & Surplus	2914.67	3190.49	3678.45	3970.23	4470.40
Net Worth	3406.37	3682.19	4170.15	4461.93	4962.10
Net Block	1745.01	1672.29	2451.91	3357.33	3071.42
Earnings Per Share (₹)	7.52	6.22	4.98	(0.25)	(3.29)
Book Value Per Share (₹)	69.28	74.89	84.81	90.74	100.92

BOARD OF DIRECTORS

R. K. P. Verma	- Chairman / Independent Director	(DIN 02166789)
Vishal Jain	- Independent Director	(DIN 00137986)
Dipti Shah	- Independent Director	(DIN 07995542)
Prashant Godha	- Non-Independent Director	(DIN 00012759)
Saahil Parikh	- Wholetime Director	(DIN 00400079)
Nilesh Jain	- Wholetime Director	(DIN 05263110)

COMPANY SECRETARY

Khyati Danani (ACS 21844)

AUDITORS

Natvarlal Vepari & Co.
Chartered Accountants
Firm Regn. No. 106971W
903-904, 9th Floor, Raheja Chambers
213, Nariman Point,
Mumbai-400 021

COST AUDITORS

Kale & Associates
Cost Accountants
703, Sushila CHS,
Kaka Sohni Marg,
Off Gadkari Marg,
Thane (West) 400 602

BANKERS

Yes Bank Ltd.

REGISTERED OFFICE

54-D, Kandivli Industrial Estate,
Charkop, Kandivli (West),
Mumbai 400 067
Tel : 022 - 2868 8544 Fax : 022 - 2868 8544

REGISTRARS & SHARE TRANSFER AGENTS

Link Intime India Private Limited
C-101, 247 Park,
LBS Marg, Vikhroli (West)
Mumbai – 400 083
Tel : 022 - 4918 6000 Fax : 022 - 4918 6060

WORKS

Plot No. 29/3, Phase III,
GIDC Industrial Estate,
Naroda, Ahmedabad 382 330
Gujarat.
Tel : 079 - 2281 3057
Fax : 079 - 2282 2133

Plot No. 30/4, Phase III,
GIDC Industrial Estate,
Naroda, Ahmedabad 382 330
Gujarat.
Tel : 079 - 2281 3057
Fax : 079 - 2282 2133

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NOTICE is hereby given that the 36th ANNUAL GENERAL MEETING (AGM) of Makers Laboratories Limited (CIN L24230MH1984PLC033389) will be held on Wednesday, 18th August, 2021 at 3.30 p.m. through Video Conferencing / Other Audio Visual Means (VC/OAVM) to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the Audited Financial Statements of the Company for the financial year ended on 31st March, 2021 together with the Reports of the Board of Directors and Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2021 together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Saahil Parikh (DIN 00400079) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

“RESOLVED THAT Mr. Vishal Jain (DIN 00137986) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 4th November, 2020 under Section 152, 161 and other applicable provisions of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, but who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 (the Act) read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Vishal Jain (DIN 00137986) a non-executive director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a period of five consecutive years from 4th November, 2020 to 3rd November, 2025.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, matters, deeds and things and to take such steps as expedient or desirable to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, Mr. Prashant Godha (DIN 00012759) who was appointed as an Additional Director by the Board of Directors at their meeting held on 4th November, 2020 and who shall hold office till the conclusion of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Prashant Godha as a candidate for the office of a director of the company, be and is hereby appointed as a Director of the Company, who is liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, matters, deeds and things and to take such steps as expedient or desirable to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 148 (3) and such other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, M/s. Kale & Associates, Cost

Accountants (Firm Registration No. 001819) who have been appointed as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2021-22 be paid remuneration of ₹ 65,000/- (Rupees Sixty Five Thousand Only) plus applicable tax and reimbursement of traveling and other out of pocket expenses.”

IMPORTANT NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) setting out material facts concerning the business under Item No. 3, 4 & 5 of the accompanying Notice, is annexed hereto. The Board of Directors of the Company at its meeting held on 10th June, 2021 considered that the special business under Item No. 3, 4 & 5 being considered unavoidable, be transacted at the 36th AGM of the Company.
2. General instructions for accessing and participating in the 36th AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting
 - a. In view of the massive outbreak of the COVID-19 pandemic, social distancing norms to be followed and the restriction imposed on movement / gathering of persons at several places in the country and pursuant to General Circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) from time to time and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the 36th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 36th AGM shall be the registered office of the Company situated at Plot No. 54D, Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067.
 - b. In terms of the circulars issued by MCA since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 36th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting and for participation in the 36th AGM through VC/OAVM Facility and e-Voting.
 - c. The Members can join the AGM in the VC/OAVM mode between 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction of first come first served basis.
 - d. Since the AGM will be held through VC/OAVM Facility, the Route Map of the AGM venue, proxy form and attendance slip is not annexed in this Notice.
 - e. 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 from time to time, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting on the date of the AGM will be provided by NSDL.
 - f. In line with the circulars issued by MCA and SEBI, the Notice of the 36th AGM will be available on the website of the Company at www.makerslabs.com and on the website of BSE Limited at www.bseindia.com and also on the website of NSDL at www.evoting.nsdl.com.

- g. Attendance of the Members participating in the 36th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
 - h. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection on the website of the Company by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to investors@makerslabs.com.
 - i. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload on the VC portal / e-voting portal.
 - j. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (“ICSI”) and Regulation 44 of Listing Regulations read with circulars issued by MCA and SEBI in this regard, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 36th AGM and facility for those Members participating in the 36th AGM to cast vote through e-Voting system during the 36th AGM.
 - k. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with circulars issued by MCA and SEBI from time to time.
3. The Instructions for Members for Remote E-Voting and joining General Meeting are as under:-
- a. The remote e-voting period begins on Sunday, 15th August, 2021 at 9.00 a.m. and ends on Tuesday, 17th August, 2021 at 5.00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, 12th August, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 12th August, 2021.
 - b. Any person who is not a Member as on the cut off date should treat this notice for information purpose only. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently
 - c. How do I vote electronically using NSDL e-Voting system?
The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

- A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**
 - i. In terms of SEBI circular 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. Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ 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 options available against company name or e-Voting service provider – NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

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. Once you 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 options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at abovementioned website (s).

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

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

B. Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

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

- vi. Password details for shareholders other than Individual shareholders are given below:
 - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - How to retrieve your 'initial password'?
 - a. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you by NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - b. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
- vii. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address, etc.
 - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- viii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- ix. Now, you will have to click on "Login" button.
- x. After you click on the "Login" button, Home page of e-Voting will open.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM.

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

- i. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- ii. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
- iii. Now you are ready for e-Voting as the Voting page opens.
- iv. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- v. Upon confirmation, the message "Vote cast successfully" will be displayed.

- vi. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 - vii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
4. General Guidelines for shareholders
- a. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizer@makerslabs.com with a copy marked to evoting@nsdl.co.in.
 - b. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
 - c. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Dabke, Manager NSDL, 'A' wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013 or at evoting@nsdl.co.in
5. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:
- a. In case shares are held in physical mode please provide Folio No., name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), investors AADHAR (self attested scanned copy of Aadhar Card) by email to investors@makerslabs.com.
 - b. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@makerslabs.com. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e. [Login method for e-Voting and joining virtual meeting for individual shareholder holding securities in demat mode](#).
 - c. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
 - d. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
6. The instructions for members for e-voting on the day of the AGM are as under :
- a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
 - b. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
 - c. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
 - d. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

7. Instructions for Members for attending the AGM through VC/OAVM are as under:
 - a. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join General meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
 - b. Members are encouraged to join the Meeting through Laptops for better experience.
 - c. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - d. 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.
 - e. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@makerslabs.com. The same will be replied by the Company suitably.
8. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date of 12th August, 2021.
9. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 36th AGM by email and holds shares as on the cut-off date i.e. 12th August, 2021, may obtain the User ID and password by sending a request to the Company’s email address investors@makerslabs.com. However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com.
10. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the AGM.
11. Ms. Jigyasa N. Ved (Membership No. FCS6488 CP6018) or failing her Mr. P. N. Parikh (Membership No. FCS327 CP1228) or failing them Mr. Mitesh Dhaliwala (Membership No. FCS8331 CP9511) of M/s. Parikh & Associates, Practising Company Secretaries have been appointed as the Scrutinizer to scrutinize the remote e-Voting process (including e-Voting at the meeting) in a fair and transparent manner.
12. During the 36th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 36th AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 36th AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 36th AGM.
13. The Scrutinizer shall after the conclusion of e-Voting at the 36th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer’s report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person

authorized by him, within 48 (forty eight) hours from the conclusion of the 36th AGM, who shall then countersign and declare the result of the voting forthwith.

14. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.makerslabs.com and on the website of NSDL at www.evoting.nsdl.com immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited (BSE).
15. Pursuant to the circulars issued by MCA and SEBI from time to time, in view of the prevailing pandemic situation and owing to the difficulties involved in dispatching of physical copies of the Notice of the 36th AGM and the Annual Report for the financial year 2020-21 including therein, inter-alia, the Audited Standalone and Consolidated Financial Statements for the financial year ended 31st March, 2021, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s and who wish to receive the Notice of the 36th AGM and the Annual Report for the year 2020-21 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-
 - a. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, name, complete address, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address investors@makerslabs.com.
 - b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
16. The Notice of the 36th AGM and the Annual Report for the financial year 2020-21 including therein, inter-alia, the Audited Standalone and Consolidated Financial Statements for the financial year ended 31st March, 2021, will be available on the website of the Company at www.makerslabs.com and the website of BSE Limited at www.bseindia.com. The Notice of 36th AGM will also be available on the website of NSDL at www.evoting.nsdl.com.
17. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 13th August, 2021 to Wednesday, 18th August, 2021 (both days inclusive) for the purpose of the Annual General Meeting.
18. Members are requested to:
 - (a) intimate to the Company / their Depository Participant ("DP"), changes, if any, in their registered address at an early date;
 - (b) quote their Registered Folio No. and/or DP Identity and Client Identity number in their correspondence;
 - (c) encash the dividend warrants on their receipt as dividend amounts remaining unclaimed for seven years are required to be transferred to the 'Investor Education and Protection Fund' established by the Central Government under the provisions of the Companies Act, 2013. Pursuant to Section 124(5) of the Companies Act, 2013, all unclaimed dividend declared and paid upto dividend for the financial year 2010-11 have been transferred by the Company to the Investor Education and Protection Fund. Members who have not encashed their dividend warrants for subsequent period are requested to encash the same immediately.
 - (d) Pursuant to the provisions of Section 124 (6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred all shares in respect of which dividend has not been encashed by the shareholders for seven consecutive years or more in the name of Investor Education and Protection Fund (IEPF). The shareholders who wish to claim the said shares from the IEPF may claim the same

by filing e-form No. IEPF-5 as prescribed under the said Rules available on iepf.gov.in along with requisite fee as decided by the Authority from time to time. The Member/claimant can file only one consolidated claim in a financial year as per the IEPF Rules and amendments thereto.

- (e) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime India Pvt. Ltd. (Link Intime) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Link Intime.

The Securities and 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 participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Link Intime India Pvt. Ltd.

19. As per Regulation 40 of SEBI Listing Regulations, as amended from time to time, securities of the listed companies can be transferred only in dematerialized form with effect from 1st April, 2019 except in case of transmission or transposition or for re-lodged transfer requests. Further, SEBI vide its circular dated 2nd December, 2020 had fixed 31st March, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares re-lodged for transfer shall be issued only in demat mode. Therefore, Members holding shares in physical form are requested to consider converting their shareholding to dematerialised form to eliminate all risks associated with physical shares for ease of portfolio management as well as for ease of transfer.
20. The information required to be provided regarding the directors seeking appointment / re-appointment is furnished in the Report on Corporate Governance, which is annexed.

Registered Office:
54-D, Kandivli Industrial Estate
Kandivli (West)
Mumbai – 400 067
Tel : 022 – 28688544
E-mail: investors@makerslabs.com
Website: www.makerslabs.com
CIN: L24230MH1984PLC033389

By Order of the Board
For Makers Laboratories Limited

Khyati Danani
Company Secretary
ACS 21844

Mumbai
10th June, 2021

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 3**

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company have appointed Mr. Vishal Jain (DIN 00137986) as an Additional Director of the Company and also as an Independent Director, not liable to retire by rotation, for a term of 5 consecutive years from 4th November, 2020 upto 3rd November, 2025.

Pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company, Mr. Vishal Jain holds office of the Director up to the date of this Annual General Meeting (“AGM”) and is eligible to be appointed as a Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member, proposing his candidature for the office of Director.

Mr. Vishal Jain, aged 44 years is a graduate in commerce and has done his MBA (Executive) from SP Jain Institute of Management. He has also done short term course in finance from London Business school.

Mr. Vishal Jain is a successful entrepreneur having set-up and nurtured manufacturing units in the field of plastic household goods and ROPP closures.

He is also a Director of the following companies :

1.	Future Colours and Chemicals Pvt. Ltd.	2.	Vipra Closures Pvt. Ltd.
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He is the Chairman of the Audit Committee and Nomination & Remuneration Committee and member of the Stakeholders Relationship Committee of the Company. He is not a member of any committee of the Board of the other companies in which he is the Director.

His knowledge and experience in manufacturing and marketing sector will be of immense benefit to the Company.

He hold 6,574 equity shares of the Company.

Mr. Vishal Jain is not debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority.

The Company has received a declaration from Mr. Vishal Jain that he meets the criteria of independence as prescribed under Section 149 of the Act and under Listing Regulations.

In the opinion of the Board, Mr. Vishal Jain fulfils the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations, for his appointment as an Independent Director of the Company and is independent of the management.

In compliance with the provisions of Section 149, read with Schedule IV of the Act and Regulation 17 of SEBI Listing Regulations the appointment of Mr. Vishal Jain as an Independent Director is now being placed before the Members for their approval.

Details of the number of Board Meetings held and attended by him during his tenure as Director of the Company are given in the Corporate Governance Report.

Copy of the letter for appointment of Mr. Vishal Jain as an Independent Director setting out the terms and conditions of his appointment would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (11.00 am to 1:00 pm) on any working day except Saturday. The same is also available on the Company’s website www.makerslabs.com.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Vishal Jain as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Vishal Jain as Director / Independent Director for the approval by the shareholders of the Company.

Except Mr. Vishal Jain being an appointee himself and his relatives none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.3.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of The Institute of Company Secretaries of India (ICSI).

Item No. 4

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr. Prashant Godha (DIN 00012759) as an Additional Director of the Company with effect from 4th November, 2020, liable to retire by rotation.

Pursuant to the provisions of Section 161 of the Act and Articles of Association of the Company, Mr. Prashant Godha holds office of the Director up to the date of this Annual General Meeting (“AGM”) and is eligible to be appointed as a Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member, proposing his candidature for the office of Director.

Mr. Prashant Godha, aged 46 years is a graduate in Commerce and has done his Post Graduate Diploma in Business Management. He has experience of nearly 20 years in the pharmaceuticals industry. He belongs to the promoters / promoter group shareholders of the Company.

He is also a Director of the following companies :

1	Mexin Medicaments Private Ltd.	2	Paschim Chemicals Pvt. Ltd.
3	Kaygee Laboratories Pvt. Ltd.	4	Paranthapa Investments & Traders Pvt. Ltd.
5	Gudakesh Investment & Traders Pvt. Ltd.	6	Kaygee Investments Private Ltd.
7	Ipca Laboratories Ltd.	8	Resonance Specialties Ltd.
9	Capri Coating Solutions Pvt. Ltd.	10	Ipca Foundation

He is a member of Nomination & Remuneration Committee and Corporate Social Responsibility Committee of the Board of Directors of M/s. Resonance Specialties Ltd. He is also a member of the Audit Committee, Corporate Social Responsibility Committee and Risk Management Committee of the Board of Directors of M/s. Ipca Laboratories Ltd.

His knowledge and experience in pharmaceutical industry will be of immense benefit to the Company.

He hold 94,375 equity shares of the Company.

Mr. Prashant Godha is not debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority.

In compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, the appointment of Mr. Prashant Godha as a Director is now being placed before the Members for their approval.

Details of the number of Board Meetings held and attended by him during his tenure as Director of the Company are given in the Corporate Governance Report.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Prashant Godha as a Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Prashant Godha as Director for the approval by the shareholders of the Company.

Except Mr. Prashant Godha being an appointee himself and his relatives none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.4.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of The Institute of Company Secretaries of India (ICSI).

Item No. 5

The Board of Directors on the recommendation of the Audit Committee has appointed M/s Kale & Associates, Cost Accountants (Firm Registration No. 001819), as the Cost Auditors of the Company for the financial year 2021-22. A Certificate issued by the firm regarding their eligibility for appointment as Cost Auditors is available for inspection electronically by the members without payment of fee from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect this certificate can send an email to Company's e-mail ID investors@makerslabs.com.

As per Rule 14 of the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the shareholders. The Board has decided the remuneration payable to M/s. Kale & Associates as Cost Auditors as mentioned in the resolution on the recommendation of the Audit Committee. Hence this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution set out at Item No. 5.

The Board of Directors accordingly recommend the resolution set out at Item No. 5 of the accompanying Notice for the approval of the members.

Registered Office:
54-D, Kandivli Industrial Estate
Kandivli (West), Mumbai – 400 067
Tel : 022 – 2868 8544
E-mail: investors@makerslabs.com
Website: www.makerslabs.com
CIN: L24230MH1984PLC033389

By Order of the Board
For Makers Laboratories Limited

Khyati Danani
Company Secretary
ACS 21844

Mumbai
10th June, 2021

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the 36th Annual Report and Financial Statements for the year ended 31st March, 2021.

STANDALONE AND CONSOLIDATED FINANCIAL RESULTS

	STANDALONE		CONSOLIDATED
	For the year ended 31.3.2021 (₹Lacs)	For the year ended 31.3.2020 (₹Lacs)	For the year ended 31.3.2021 (₹Lacs)
Total Income	4482.54	5162.21	6959.73
Profit before finance cost, depreciation and taxation	371.07	293.96	906.64
Less : Finance Cost	158.90	70.31	175.10
Depreciation & Amortisation	419.58	198.75	461.07
Profit before tax	(207.41)	24.90	270.47
Provision for taxation	(45.75)	37.28	135.61
Net Profit / (Loss) after Tax	(161.66)	(12.38)	134.86

TRANSFER TO RESERVES

The Company does not propose to transfer any amount to the general reserve.

FINANCIAL STATEMENTS

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

During the year under report on 30th September, 2020, the Company acquired 52,50,000 Equity shares of ₹ 10/- each of Resonance Specialties Limited (Resonance) representing 45.48% of its voting rights. The open offer process under SEBI (SAST) Regulations was completed on 10th December, 2020. Your Company now has de-facto control over Resonance in accordance with Ind AS 110 - Consolidated Financial Statements under the Companies (Indian Accounting Standards) Rules, 2015. Accordingly, the Company has consolidated the financials of Resonance with itself from 11th December, 2020, as a subsidiary.

RESONANCE SPECIALTIES LTD.

During the year under report. Your Company acquired 52,50,000 equity shares of ₹ 10/- each representing 45.48% of the paid-up equity share capital of M/s. Resonance Specialties Ltd. (Resonance), a listed entity. Post completion of the open offer formalities as required under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, your Company now is a major promoter shareholder with defacto control over the affairs of the said company.

Resonance is engaged in the manufacturing and marketing of Active Pharmaceutical Ingredients (APIs) and Specialty Chemicals used in the agro-chemicals and pharmaceuticals industry. The acquisition of controlling shareholding in the said company will enable your Company to enter into lucrative specialty chemicals and APIs business which will complement your Company's existing generic formulations business.

CREDIT RATING

CARE Ratings has assigned the following ratings to the Company's long term bank facilities of ₹ 12.00 crores - CARE BBB+; Stable (Triple B Plus; Outlook: Stable).

COVID –19 PANDEMIC

During the financial year 2020-21, the covid-19 continued as a global pandemic resulting in many governments declaring repetitive lockdowns forcing citizens to stay indoors and disruption of economic activities globally.

Being manufacturers and marketers of generic pharmaceuticals and hence provider of essential services and exempted from lockdown, the manufacturing and marketing activities of your Company continued with initial challenges such as shortage of manpower, availability of raw materials, packing materials and disruptions in the logistics and supply chain.

Your Company is continuously monitoring the situation closely and has taken/continue to take all the measures to comply with the guidelines issued by the local authorities, from time to time, to ensure the safety of its workforce at manufacturing plants and offices.

However, the extent to which the Covid-19 pandemic may impact the Company, its operations and financials will depend on future developments in this regard which as on date are uncertain.

MANAGEMENT DISCUSSION AND ANALYSIS**(a) Financial Performance and Operations Review**

Sales and other income for the financial year under report amounted to ₹ 4482.54 lacs as compared with ₹ 5162.21 lacs for the previous year, a de-growth of 13.17%.

Though the Profit before Interest, Depreciation and Taxation increased by 26.23% to ₹ 371.07 lacs as compared to ₹ 293.96 lacs in the previous year, the operations of the Company have resulted in a net loss of ₹ 161.66 lacs as compared to a net loss of ₹ 12.38 lacs in the previous financial year, due to higher depreciation and finance cost relating to new ophthalmic / eye drops manufacturing facility at GIDC, Naroda, Ahmedabad in the State of Gujarat which was commercialised in the financial year under report.

On a consolidated basis, sales and other income for the financial year under report amounted to ₹ 6959.73 lacs and Profit after tax amounted to ₹ 134.86 lacs.

Your Company markets generic formulations which are mainly used by the dispensing doctors, nursing homes and hospitals. Due to repetitive lockdowns and other restrictions on movement of people imposed by several states as well as due to fear of getting infected with virus and conversion of several hospitals as dedicated covid-19 hospitals, the non-covid patient footfall reduced considerably at dispensaries, nursing homes and hospitals. Since medicines dispensed at these places is the main source of business for the Company's generics formulations, the reduced non-covid patient footfall at these places impacted the business of the Company throughout the financial year.

Apart from this, there was also a substantial increase in the prices of several key active pharmaceutical ingredients used in the Company's major selling generic formulations such as Paracetamol. Due to the price control regime, the increased raw material cost could not be passed on by the Company to its customers for several of its formulations. This also contributed in the reduction of margins in several products during the financial year under report.

During the year, the Company added few generic formulations in the market place as well as increased its geographical coverage through appointment of new distributors.

The Company's new ophthalmic / eye drops manufacturing facility at GIDC, Naroda, Ahmedabad in the State of Gujarat, set up at a capital outlay of about ₹15 crores, dispatched its first commercial consignment in the month of February 2021 after completing all the necessary qualifications and validations of the manufacturing facility and the product(s). The commercialisation of this new manufacturing facility during year also substantially increased the Company's depreciation charges as well as finance cost on the borrowings made to finance this manufacturing facility.

During the year under report, the Company has started commercially manufacturing only few ophthalmic eye drops from this new manufacturing facility and that few other ophthalmic formulations are currently in the development stage.

Key Financial Ratios

		31 st March, 2021	31 st March, 2020
1.	Debtors Turnover Ratio	6.16	6.80
2.	Inventory Turnover Ratio	4.16	4.74
3.	Interest Coverage Ratio	2.34	4.18
4.	Current Ratio	1.09	1.23
5.	Debt Equity Ratio	0.16	0.18
6.	Operating Profit Margin (%)	-2.26%	1.32%
7.	Net Profit Margin (%)	-3.61%	-0.24%
8.	Return on Net Worth	-3.26%	-0.28%

However, for the reasons stated hereinabove, during the financial year, there was impact on the overall business volume and sales as well as margins which resulted into net loss and deterioration in the most of the above key financial ratios.

(b) Opportunities, Threats, Risk and Concerns

The Indian generic formulations market is currently in the growth phase. It is expected that use of generic formulations will gradually increase in India. However, cut throat competition, quality issues of generics manufactured in the country and non existence of organised generic formulations distribution and retailing system are the few causes of concern that is hampering the growth of generic formulations market in the country.

During the year under report, there was no change in the nature of Company's business.

(c) Internal Control Systems

The Company has an adequate internal control system including suitable monitoring procedures commensurate with its size and the nature of the business. The internal control systems provide for all documented policies, guidelines, authorisation and approval procedures. The statutory auditors while conducting the statutory audit, review and evaluate the internal controls and their observations are discussed with the Audit Committee of the Board.

(d) Human Resources

Your Company continued to have cordial and harmonious relations with its employees at all levels.

Your Company has adopted quality culture across the organisation in all line and staff functions at all the locations. The quality culture has helped your Company in achieving productivity improvement, cost reduction and waste elimination through employee involvement at all levels.

Your Company had 134 permanent employees as at 31st March, 2021.

(e) Cautionary Statement

Certain statements in the Management Discussion and Analysis may be forward looking within the meaning of applicable securities laws and regulations and actual results may differ materially from those expressed or implied. Factors that would make differences to Company's operations include competition, price realisation, changes in government policies and regulations, tax regimes and economic development within India.

MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE FINANCIAL YEAR

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year to which financial statements in this report relate and the date of this report.

SHARE CAPITAL

The paid-up equity share capital of the Company as at 31st March, 2021 is ₹ 491.70 lacs. The Company currently has no outstanding shares issued with differential rights, sweat equity or ESOS.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

During the year under report, your Company acquired 52,50,000 equity shares of ₹ 10/- each representing 45.48% of the paid-up equity share capital of M/s. Resonance Specialties Ltd. (Resonance), a listed entity. Post completion of the open offer formalities as required under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, your Company has become a major promoter shareholder having defacto control over the affairs of the said company.

RESEARCH & DEVELOPMENT

During the year under report, the Company has spent an amount of ₹ 34.02 lacs as R&D expenditure (0.75% of the turnover) as against ₹ 43.78 lacs spent in the previous financial year (0.85% of the turnover).

DIVIDEND

In view of the losses incurred, the Board of Directors do not recommend dividend for the financial year under report.

INVESTORS EDUCATION AND PROTECTION FUND (IEPF)

During the year under report, the Company has transferred to the Investors Education and Protection Fund (IEPF) all the unpaid dividend amount required to be so transferred on or before the due date for such transfer. The Company has also transferred to IEPF, such of the Company's equity shares in respect of which the dividend declared has not been paid or claimed for seven consecutive years.

The details of the unpaid / unclaimed dividend for the last seven financial years are available on the website of the Company (www.makerslabs.com).

The Company has appointed the Company Secretary as its nodal officer under the provisions of IEPF.

DIRECTORS

Mr. Saahil Parikh retires as a director by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

Mr. P. M. Kathariya, Independent Director has resigned from the Board of Directors of the Company with effect from 24th September, 2020 due to his professional pre-occupation as well as personal reasons.

The Board places on record its appreciation for the services rendered by Mr. Kathariya during his tenure as an Independent Director of the Company.

At the meeting of the Board of Directors of the Company held on 4th November, 2020, Mr. Vishal Jain was appointed as an Additional / Independent Director of the Company. He holds the office of directorship till the conclusion of the ensuing Annual General Meeting. Being eligible, he has offered himself for appointment as a Director / Independent Director of the Company for a period of consecutive 5 years with effect from 4th November, 2020. Necessary approval of the shareholders for his appointment as an Independent Director is being sought at the ensuing Annual General Meeting of the Company.

At the meeting of the Board of Directors of the Company held on 4th November, 2020, Mr. Prashant Godha was appointed as an Additional, Non-Executive, Non-Independent Director of the Company liable to retire by rotation. He holds the office of directorship till the conclusion of the ensuing Annual General Meeting. Necessary approval of the shareholders for his appointment as a Director is being sought at the ensuing Annual General Meeting of the Company.

Mr. R. K. P. Verma, Ms. Dipti Shah and Mr. Vishal Jain who are independent directors have submitted declaration that each of them meets the criteria of independence as provided in Section 149(6) of the

Companies Act, 2013 and SEBI (LODR) Regulations and there has been no change in the circumstances which may affect their status as independent directors during the year.

None of the directors of the Company are debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority.

In the opinion of the Board, the independent directors possess appropriate balance of skills, experience and knowledge, as required.

A brief note on Directors retiring by rotation and eligible for re-appointment as well as being appointed is furnished in the Report on Corporate Governance, annexed herewith.

KEY MANAGERIAL PERSONNEL (KMP)

During the financial year under report, the following persons are the Key Managerial Personnel:

Mr. Saahil Parikh	- Wholetime Director / CEO
Mr. Nilesh Jain	- Wholetime Director
Mr. Sandeep Kadam	- Sr. Manager – Accounts / CFO
Ms. Khyati Danani	- Company Secretary

There was no change in the KMP during the financial year under report.

POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION AND OTHER DETAILS

The Nomination and Remuneration Committee has laid down the criteria for Directors' appointment and remuneration including criteria for determining qualifications, positive attributes and independence of a Director. The following attributes/criteria for selection have been laid by the Board on the recommendation of the Committee:

- the candidate should possess the positive attributes such as leadership, entrepreneurship, industrialist, business advisor or such other attributes which in the opinion of the Committee the candidate possess and are in the interest of the Company;
- the candidate should be free from any disqualifications as provided under Sections 164 and 167 of the Companies Act, 2013;
- the candidate should meet the conditions of being independent as stipulated under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 in case of appointment as an independent director; and
- the candidate should possess appropriate educational qualification, skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, infrastructure, medical, social service, professional teaching or such other areas or disciplines which are relevant for the Company's business.

BOARD EVALUATION

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of independent directors, Board of Directors and Committees of the Board. The criteria for performance evaluation is based on the various parameters like attendance and participation at meetings of the Board and Committees thereof, contribution to strategic decision making, review of risk assessment and risk mitigation, review of financial statements, business performance and contribution to the enhancement of brand image of the Company.

The Board has carried out evaluation of its own performance as well as that of the Committees of the Board and all the Directors.

PROFICIENCY OF DIRECTORS

All the Independent Directors of the Company have registered their names in the database maintained by the Indian Institute of Corporate Affairs, Manesar. Those Independent Directors who are not otherwise exempted shall appear for the common proficiency test conducted by the said institute within the prescribed time.

REMUNERATION POLICY

The objective and broad framework of the Company's Remuneration Policy is to consider and determine the remuneration, based on the fundamental principles of payment for performance, potential and growth. The Remuneration Policy reflects on certain guiding principles of the Company such as aligning remuneration with the longer term interests of the Company and its shareholders, promoting a culture of meritocracy and creating a linkage to corporate and individual performance and emphasising on line expertise and market competitiveness so as to attract the talent. The Nomination and Remuneration Committee recommends the remuneration of Directors and Key Managerial Personnel, which is approved by the Board of Directors, subject to the approval of shareholders, where necessary. The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate the directors, key managerial personnel and other employees of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration to directors, key managerial personnel and senior management personnel should also involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The Remuneration Policy is placed on the Company's website www.makerslabs.com.

Information about elements of remuneration package of individual directors is provided in the Annual Return as provided under Section 92(3) of the Companies Act, 2013 which is placed on the website of the Company.

FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

Details of the familiarisation program of independent directors are disclosed on the website of the Company www.makerslabs.com.

MEETINGS OF THE BOARD AND COMMITTEES THEREOF

This information has been furnished under Report on Corporate Governance, which is annexed.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- ii) that your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2021 and of the loss of the Company for the financial year;
- iii) that your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that your Directors have prepared the annual accounts on a going concern basis;
- v) that your Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) that your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

As per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with the requirements of Corporate Governance in all material aspects.

A report on Corporate Governance (Annexure 1) together with a certificate of its compliance from the Practising Company Secretary, forms part of this report.

FIXED DEPOSITS

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

AUDIT COMMITTEE

Details of the Audit Committee along with its constitution and other details are provided in the Report on Corporate Governance.

AUDITORS, AUDIT REPORT AND AUDITED ACCOUNTS

M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No. 106971W) were appointed as the Statutory Auditors at the 32nd Annual General Meeting (AGM) of the Company for a term of 5 (Five) years i.e. till the conclusion of 37th AGM and this appointment was ratified by the shareholders of the Company at the 33rd Annual General Meeting of the Company held on 2nd August, 2018.

The Auditors' Report read with the notes to the accounts referred to therein are self-explanatory and therefore, do not call for any further comments. There are no qualifications, reservations or adverse remarks made by the Auditors.

COST AUDIT

Pursuant to the provisions of Section 148 of the Companies Act, 2013, M/s. Kale & Associates, Cost Accountants (Firm Registration. No. 001819) were appointed as the Cost Auditors to conduct audit of cost records of the Company for the financial year 2020-21.

The Cost Audit Report for the financial year 2019-20, which was due to be filed with the Ministry of Corporate Affairs by 23rd October, 2020 was filed on the due date.

The Company has maintained the cost accounts and cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Parikh & Associates, Practising Company Secretaries were appointed as the Secretarial Auditors for auditing the secretarial records of the Company for the financial year 2020-21.

The Secretarial Auditors' Report is annexed hereto. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditors.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility (CSR) is not applicable to the Company.

SAFETY, ENVIRONMENT AND HEALTH

The Company considers safety, environment and health as the management responsibility. Regular employee training programmes are carried out in the manufacturing facility on safety and environment.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any loans or guarantees or made investments in contravention of the provisions of the Section 186 of the Companies Act, 2013. The details of the loans and guarantees given and investments made by the Company are provided in the notes to the financial statements.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of Company's business.

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company https://makerslabs.com/pdf/Corporate_Policy/Related_Party_Transactions.pdf.

All the related party transactions are placed before the Audit Committee as well as the Board for approval on a quarterly basis. Omnibus approval was also obtained from the Audit Committee on an annual basis for repetitive transactions. Approval of the shareholders is also obtained, wherever necessary, in this regard.

Related party transactions are disclosed in the notes to the financial statements. Prescribed Form No. AOC-2 pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is furnished as Annexure 2 to this report.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration and other details as set out in the said rules are provided as an Annexure 3 in this annual report. The Company had no employee drawing remuneration in excess of the amount as mentioned under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The necessary information in respect of top 10 employees of the Company in terms of remuneration drawn is furnished in Annexure.

However, having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information under Explanation (2) to the above Rule is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours excluding Saturdays and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The full Annual Report including the aforesaid information is available on the Company's website www.makerslabs.com.

CODE OF CONDUCT

The Board has laid down a code of conduct for Board members and senior management personnel of the Company. The code also incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website www.makerslabs.com. The Board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration signed by the Wholetime Director / CEO is given at the end of this Report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

There is a Whistle Blower Policy in the Company and no personnel has been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism. The Whistle Blowing Policy is posted on the website of the Company www.makerslabs.com.

PREVENTION OF INSIDER TRADING

The Board has adopted a Code of Prevention of Insider Trading based on the SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been placed on the website of the Company www.makerslabs.com.

All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.

CONSTITUTION OF COMMITTEE UNDER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted a policy in line with the requirements of Prevention of Sexual Harassment of Women at the Workplace and a Committee has been set-up to redress sexual harassment complaints received, if any.

BUSINESS RISK MANAGEMENT

Pursuant to the provisions of Section 134 of the Companies Act, 2013, the Company has constituted a Risk Management Committee. The details of the Committee and its terms of reference are provided in the Report on Corporate Governance, which is annexed.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant or material orders passed by any regulator, tribunal or court that would impact the going concern status of the Company and its future operations.

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

In accordance with the requirements of Section 134 of the Companies Act, 2013, statement showing particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is furnished as Annexure 4 to this report.

ANNUAL RETURN

In accordance with the requirements of Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, copy of Annual Return in Form MGT-7 is placed on the website of the Company.

SECRETARIAL STANDARDS

The Company has complied with all the applicable Secretarial Standards.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the co-operation and support extended to the Company by its bankers. Your Directors also place on record their appreciation of the continued hard work put in by employees at all levels.

Mumbai
10th June, 2021

For and on behalf of the Board
R. K. P. Verma
Chairman

ANNEXURE 1

REPORT ON CORPORATE GOVERNANCE

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, given below is a report on the Corporate Governance in the Company:

1. Company's philosophy on Code of Corporate Governance is to ensure :

- i) that the Board and top management of the Company are fully apprised of the affairs of the Company that is aimed at assisting them in the efficient conduct of the Company's business so as to meet Company's obligation to the stakeholders.
- ii) that the Board exercises its fiduciary responsibilities towards shareholders and creditors so as to ensure high accountability.
- iii) that all disclosure of information to present and potential investors are maximised.
- iv) that the decision making process in the organisation is transparent and are backed by documentary evidences.
- v) The Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations with regard to Corporate Governance.

2. Board of Directors

a) Composition and Category of directors

The present strength of the Board of Directors of the Company is 6 directors of which 2 are professional Non-Promoter Wholetime Directors, 1 Non-Executive, Non-Independent, Promoter Director and 3 Directors who are Non-Executive Independent Directors (including one woman director) comprising of at least one half of the total strength of the Board with independent judgement in the deliberation and decisions of the Board. The Chairman of the Board is an Independent Director.

b) Details of attendance of each director at the meeting of the board of directors and the last annual general meeting and shareholding held by them in the Company

Name of the Director	Category	No. of board meetings		Attendance at last AGM (10.09.2020)	No. of Equity shares held in the Company **
		Held	Attended		
Mr. R. K. P. Verma (DIN 02166789)	Chairman, Non-Executive Independent Director	6	6	Yes	Nil
Ms. Dipti Shah (DIN 07995542)	Non-Executive Independent Director	6	6	Yes	Nil
Mr. Vishal Jain (DIN 00137986) (Appointed w.e.f. 04.11.2020)	Non-Executive Independent Director	6	2	Not Applicable	6574
Mr. Prashant Godha (DIN 00012759) (Appointed w.e.f. 04.11.2020)	Non-Executive, Non-Independent Director	6	2	Not Applicable	94375
Mr. Saahil Parikh (DIN 00400079)	Executive, Non Independent Director	6	6	Yes	16842

Name of the Director	Category	No. of board meetings		Attendance at last AGM (10.09.2020)	No. of Equity shares held in the Company **
		Held	Attended		
Mr. Nilesh Jain (DIN 05263110)	Executive, Non Independent Director	6	6	Yes	Nil
Mr. P. M. Kathariya (DIN 00281395) (Resigned w.e.f. 24.09.2020)	Non-Executive Independent Director	6	3	Yes	Nil

**The above shareholding as at 31st March, 2021 is in respect of shares which are held by Directors as a first holder and in which shares they have beneficial interest.

c) Number of other companies or committees in which the Director is Member or Chairperson

Name of Director	No. of other companies in which Director (including private companies)	No. of committees in which Member (other than Makers)	No. of committees of which he/she is Chairman (other than Makers)
Mr. R. K. P. Verma	3	1	1
Ms. Dipti Shah	None	None	None
Mr. Vishal Jain (Appointed w.e.f. 04.11.2020)	2	None	None
Mr. Prashant Godha (Appointed w.e.f. 04.11.2020)	10	1	None
Mr. Saahil Parikh	None	None	None
Mr. Nilesh Jain	None	None	None
Mr. P. M. Kathariya (Resigned w.e.f. 24.09.2020)	3	2	None

Note: Directorship held by Directors mentioned above does not include Directorship of foreign companies.

Chairmanship and Membership of Audit Committee and Stakeholders Relationship Committee are only considered.

Mr. R. K. P. Verma is an Independent Director on the Board of Directors of M/s. Krebs Biochemicals and Industries Limited and M/s. Resonance Specialties Ltd., listed entities. He is the Chairman of the Nomination & Remuneration Committee and Stakeholders Relationship Committee of the Board of Directors of M/s. Resonance Specialties Ltd. He is also a member of the Audit Committee and CSR Committee of the said Company.

Mr. P. M. Kathariya is an Independent Director on the Board of Directors of M/s. Ravi Kumar Distilleries Limited, a listed entity. He is also a member of the Audit Committee of the said company. He is also a Director on the Board of Directors of M/s. Avik Pharmaceutical Limited, an unlisted public company. He is also a member of the Audit Committee of the said company. He has resigned as the Director of the Company w.e.f 24th September, 2020.

Mr. Prashant Godha is a Director on the Board of M/s. Ipca Laboratories Ltd. and M/s. Resonance Specialties Ltd., listed companies. He is the member of the Nomination & Remuneration Committee and Corporate Social Responsibility Committee of the Board of Directors of M/s. Resonance

Specialties Ltd. He is also a Member of Audit Committee, Corporate Social Responsibility Committee and Risk Management Committee of the Board of Directors of M/s. Ipca Laboratories Ltd.

None of the other Directors of the Company are on the Board of Directors of any listed company.

Every Director informs the Company about the Committee positions he or she occupies in the other listed entities and any changes in them as and when they take place, if any.

d) Number of meetings of the board of directors held during the financial year 2020-21 and dates on which held

6 (Six) board meetings were held during the financial year 2020-21. The dates on which the said meetings were held are as follows:

15 th June, 2020	12 th August, 2020	24 th September, 2020
29 th September, 2020	4 th November, 2020	10 th February, 2021

The last Annual General Meeting of the Company was held on 10th September, 2020.

e) Disclosure of relationships between directors inter-se

None of the Directors are related to each other.

f) Number of shares and convertible instruments held by Non-Executive Directors

This information about number of shares held by Non-Executive Directors in the Company is given in table above. None of the Directors hold any convertible instruments of the Company.

g) Web link where details of familiarisation programmes imparted to independent directors is disclosed

The Company has conducted familiarisation programs for the Independent Directors with regards to their role, rights and responsibilities as Independent Directors. The Independent Directors are also regularly briefed on the nature of the pharmaceuticals industry and the Company's business model. The familiarisation programs have been uploaded on the website of the Company at <http://www.makerslabs.com/pdf/appointment/Familiarisation-Programs-for-2020-21.pdf>.

h) A chart or a matrix setting out the skills / expertise / competence of the board of directors

The Board considers that the following core skills / expertise / competence of the Board of Directors are required in the context of its business and its sector for it to function effectively:

Research & development, technical, manufacturing, marketing, commercial, regulatory, finance, legal and general management.

In the opinion of the Board, these skills / expertise / competence are actually available with its Board of Directors.

Skills / Expertise / Competence of the Board of Directors that are required in the context of business of the Company	Names of the Directors who have such skills / expertise / competence
Research & Development	Mr. Saahil Parikh
Technical	Mr. Saahil Parikh
Manufacturing & Marketing	Mr. Saahil Parikh Mr. Nilesh Jain Mr. R. K. P. Verma Mr. Vishal Jain Mr. Prashant Godha

Commercial	Mr. Saahil Parikh Mr. Nilesh Jain Mr. R. K. P. Verma Mr. Vishal Jain
Regulatory	Mr. Saahil Parikh
Finance	Mr. Saahil Parikh Mr. Nilesh Jain Mr. R. K. P. Verma Ms. Dipti Shah Mr. Vishal Jain Mr. Prashant Godha
Legal And General Management	Mr. Saahil Parikh Mr. Nilesh Jain Mr. R. K. P. Verma Mr. Prashant Godha Ms. Dipti Shah Mr. Vishal Jain

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

It is confirmed that in the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

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

During the financial year under report, Mr. P. M. Kathariya, Independent Director has resigned from the Board of Directors of the Company due to his professional pre-occupation as well as personal reasons. He has informed to the Company that there are no other material reasons for his resignation as Independent Director other than above reasons provided in his resignation letter.

3. Audit Committee

a) Brief description of terms of reference

The terms of reference to this Committee, inter-alia, covers all the matters specified under Section 177 of the Companies Act, 2013 and also all the matters listed under Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 such as oversight of the Company's financial reporting process; recommending the appointment/re-appointment, remuneration and terms of appointment of statutory auditors; review and monitor the Auditors independence and performance and effectiveness of audit process; approval of transactions with related parties; sanctioning of loans and investments; evaluation of internal financial control and risk management system; reviewing with the management annual financial statements and Auditors report thereon; quarterly financial statements and other matters as covered under role of Audit Committee in Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee has powers, inter-alia, to investigate any activity within its terms of reference and to seek information from any employee of the Company as well as seek outside legal and professional advice.

The Audit committee reviews all the information that is required to be mandatorily reviewed by it under the corporate governance.

b) Composition, name of members and chairperson

The Audit Committee of the Company currently comprises of Mr. Vishal Jain, Chairman of the Committee, Mr. R. K. P. Verma and Ms. Dipti Shah, all being Independent Directors with independent judgment in the deliberation and decisions of the Board as well as Audit Committee and Mr. Nilesh Jain, Wholetime Director. All members of the Audit Committee have knowledge on financial matters and ability to read and understand financial statements. The Chairman of the Audit Committee is a successful entrepreneur having set-up and nurtured manufacturing units in the field of plastic household goods and ROPP closures. Mr. Saahil Parikh, Wholetime Director / CEO and Mr. Sandeep Kadam, Sr. Manager – Accounts / CFO who is in-charge of Finance function of the Company along with Statutory Auditors, Internal Auditors and Cost Auditors are invitees to the meetings of the Audit Committee.

Ms. Khyati Danani, Company Secretary is the Secretary of this Committee.

M/s. Agarwal & Mangal, Chartered Accountants are appointed as the Internal Auditors of the Company under the provisions of Section 138 of the Companies Act, 2013.

c) Audit Committee meetings and the attendance during the financial year 2020-21

There were 6 (Six) meetings of the Audit Committee during the Financial Year 2020-21. The dates on which the said meetings were held are as follows:

15 th June, 2020	12 th August, 2020	24 th September, 2020
29 th September, 2020	4 th November, 2020	10 th February, 2021

The attendance of each member of the Audit Committee in the committee meetings is given below:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. P. M. Kathariya (Resigned w.e.f 24.09.2020)	6	3
Mr. Vishal Jain (Appointed w.e.f. 04.11.2020)	6	1
Mr. R. K. P. Verma	6	6
Ms. Dipti Shah	6	6
Mr. Nilesh Jain	6	6

The previous annual general meeting of the Company was held on 10th September, 2020 and was attended by Mr. P. M. Kathariya, the then Chairman of the Audit committee.

4. Nomination and Remuneration Committee

a) Brief description of terms of reference

- i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iii. devising a policy on diversity of board of directors;
- iv. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment, remuneration and removal; and
- v. whether to extend or continue the term of appointment of the independent directors on the basis of the report of performance evaluation of independent directors.

b) Composition, name of members and chairperson

The Company has a Nomination and Remuneration Committee of the Board which currently comprises of Mr. Vishal Jain, Chairman of the Committee, Mr. R. K. P. Verma and Ms. Dipti Shah, all independent directors to function in the manner and to deal with the matters specified in Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also to review the overall compensation structure and policies of the Company to attract, motivate and retain employees.

The Nomination and Remuneration Committee has adopted the following policies which are displayed on the website of the Company:

- i. Formulation of the criteria to recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel, senior management personnel and other employees (http://www.makerslabs.com/pdf/Corporate_Policy/Remuneration_Policy.pdf).
- ii. Formulation of criteria for evaluation of Independent Directors and the Board (https://makerslabs.com/pdf/Corporate_Policy/Evaluation_of_Directors.pdf).
- iii. Devising a policy on Board diversity (http://www.makerslabs.com/pdf/Corporate_Policy/Policy_on_Board_Diversity_of_the_Company.pdf).
- iv. Oversee the familiarization programmes for directors (http://www.makerslabs.com/pdf/appointment/Familiarisation_Programme_for_Independent_Directors.pdf).
- v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal (https://makerslabs.com/pdf/Corporate_Policy/Criteria_for_selection_of_Candidates_for_Senior_Management_and_Members_on_the_Board.pdf).

c) Meeting and attendance during the financial year 2020-21

There were 3 (Three) meetings of this Committee during the Financial Year 2020-21. The dates on which the said meetings were held are as follows:

15 th June, 2020	4 th November, 2020
10 th February, 2021	

The attendance of each member of the Nomination and Remuneration Committee in the committee meetings is given below:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. P. M. Kathariya (Resigned w.e.f 24.09.2020)	3	1
Mr. Vishal Jain (Appointed w.e.f. 04.11.2020)	3	1
Mr. R. K. P. Verma	3	3
Ms. Dipti Shah	3	3

d) Performance evaluation criteria for Independent Directors

Performance criteria for evaluation of Independent Directors and the Board is displayed on the Company's website (weblink https://makerslabs.com/pdf/Corporate_Policy/Evaluation_of_Directors.pdf).

5. Remuneration of Directors

a) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity shall be disclosed in the annual report

During the financial year under report, the non-executive Directors had no pecuniary relationship

or transactions with the Company.

b) Criteria of making payments to non-executive directors

The non-executive Directors are paid only sitting fees and re-imburement of out of pocket expenses incurred for attending the meetings of the Board of Directors and Committees thereof.

Details of payments made to Non-Executive Directors in the Financial Year 2020-21 are as under:

Name of the Director	Sitting fees Paid (₹)	Commission paid (₹)
Mr. R. K. P. Verma	2,00,000	Nil
Mr. P. M. Kathariya (Resigned w.e.f 24.09.2020)	95,000	Nil
Ms. Dipti Shah	1,90,000	Nil
Mr. Vishal Jain (Appointed w.e.f. 4.11.2020)	60,000	Nil
Mr. Prashant Godha (Appointed w.e.f. 4.11.2020)	30,000	Nil

None of the Independent Directors have received any remuneration or commission from Company's holding or subsidiary companies except Mr. R. K. P. Verma who is a Independent Director on the Board of Company's subsidiary M/s. Resonance Specialties Ltd. and has received sitting fees from the said company for attending its Board and Committee Meetings.

c) Disclosures with respect to remuneration paid / payable to Wholetime Directors for the financial year 2020-21

i. The details of the remuneration paid/payable to Wholetime Directors for the Financial Year 2020-21 are given below

Name of Directors	Salary*	Benefits / Perquisites / Pension etc. *	Commission (performance linked)	Stock Options	Total (₹)
Mr. Saahil Parikh (Wholetime Director/CEO)	30,24,667	19,99,519	-	-	50,24,186
Mr. Nilesh Jain (Wholetime Director)	18,24,000	9,92,182	-	-	28,16,182

* Fixed Component

ii. Details of fixed component and performance linked incentives, along with the performance criteria

The required details are given in the table above.

iii. Service contracts, notice period, severance fees

The appointment of Whole-time Directors is contractual and is generally for a period of 3 years. The Company has entered into agreement with Mr. Saahil Parikh on 15th June, 2020 which is valid upto 10th August, 2023 and with Mr. Nilesh Jain on 13th February, 2019 which is valid upto 12th February, 2022. Either party is entitled to terminate the agreement by giving not less than 60 days notice in writing to the other party. There is no separate provision for payment of severance fee in the agreements signed by the Company with them.

iv. Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable

The Company currently has no outstanding stock options or other convertible instruments.

6. Stakeholders Relationship Committee

a) Name of Non-Executive Director heading the committee

The Stakeholders Relationship Committee currently comprises of Mr. R. K. P. Verma, Non-Executive / Independent Director, Chairman of the Committee, Mr. Vishal Jain, Non-Executive Independent Director and Mr. Saahil Parikh, Wholetime Director/CEO. This Committee functions in the manner and deals with the matters specified in Part D of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The committee monitors share transfers, transmissions and other shareholders related activities including redressal of investor grievances.

Meetings held and attendance during the financial year 2020-21

There was 1 (One) meeting of this committee during the financial year 2020-21. The date on which the said meeting was held is as follows:

15 th June, 2020

The attendance of each member of the Stakeholders Relationship Committee in the committee meeting is given below:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. R. K. P. Verma	1	1
Mr. P. M. Kathariya (Resigned w.e.f 24.09.2020)	1	1
Mr. Vishal Jain (Appointed w.e.f. 4.11.2020)	1	None
Mr. Saahil Parikh	1	1

Mr. R. K. P. Verma, the Chairman of the Committee attended the last Annual General Meeting of the Company held on 10th September, 2020.

b) Name and designation of Compliance officer

Ms. Khyati Danani, Company Secretary is the Compliance Officer of the Company.

c) Number of shareholders' complaints received

During the year, the Company received no complaints from the shareholders.

d) Number not solved to the satisfaction of shareholders

The Company had no unattended request pending for transfer of its equity shares or any unattended complaints at the close of the financial year.

e) Number of pending complaints

Nil

7. General Body Meetings

- a) Details of the location and time where the last three Annual General Meeting (AGM) and Extraordinary General Meeting (EGM) were held

AGM for the financial year ended	Day, Date & Time of AGM	Place of AGM	Special Resolutions Passed
31-3-2020	Thursday, 10 th September, 2020 at 3.30 p.m.	Through Audio-Visual Means	None

AGM for the financial year ended	Day, Date & Time of AGM	Place of AGM	Special Resolutions Passed
31-3-2019	Thursday, 8 th August, 2019 at 11.00 a.m.	Anand Mangal Hall, Plot No. 150, Govt. Industrial Estate, Charkop, Kandivli (West), Mumbai- 400 067	None
31-3-2018	Thursday, 2 nd August, 2018 at 11.00 a.m.	Anand Mangal Hall, Plot No. 150, Govt. Industrial Estate, Charkop, Kandivli (West), Mumbai- 400 067	None

All the resolutions as set out in the respective notices calling the AGM were passed by the shareholders.

There is no proposal to pass any special resolution through postal ballot at the ensuing Annual General Meeting.

b) Whether any special resolutions passed in the previous three annual general meetings

No special resolutions were passed in the previous three annual general meetings.

c) Whether any special resolution passed last year through postal ballot

No special resolution was passed in the last financial year using postal ballot.

d) Person who conducted the postal ballot exercise

Not Applicable

e) Whether any special resolution is proposed to be conducted through postal ballot

No special resolution is currently proposed to be conducted through postal ballot.

f) Procedure for postal ballot

Not applicable since no resolution is currently proposed to be passed through postal ballot.

8. Means of communication

- a) Quarterly / Annual Results : The results of the Company are submitted to the stock exchange where the shares of the Company are listed and published in the newspapers after the approval of the Board.
- b) Newspapers wherein results normally published : The Financial Express, Free Press Journal and Nav Shakti.
- c) Website, where displayed : www.makerslabs.com
- d) Whether website also displays official news releases : Yes
- e) Presentation made to institutional investors or to the analysts : Presentations were not made to institutional investors or analysts during the financial year 2020-21.

9. General Shareholders Information

- a) AGM : Date, Time and Venue : Wednesday, 18th August, 2021 at 3.30 p.m through video conferencing / other audio visual means (VC/OAVM). Plot No. 54D, Kandivli Industrial Estate, Kandivli (West), Mumbai shall deemed to be the venue of the AGM.
- b) Financial Year : 1st April –31st March
First quarter results : first week of August*
Second quarter results : first week of November*
Third quarter results : first week of February*
Annual results : last week of May*
* tentative
- c) Dividend Payment dates : The Company has not declared any dividend for the financial year ended 31st March, 2021.
- d) Date of Book closure : Friday, 13th August, 2021 to Wednesday, 18th August, 2021 (both days inclusive) for the purpose of Annual General Meeting.
- e) The name and address of each stock exchange(s) at which the Company's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s) : BSE Ltd. (BSE)
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 023
Listing fee has been paid to BSE for the financial year 2021-22 in April, 2021. The fees of the depositories for the financial year 2021-22 were also paid in May 2021 on receipt of their invoices.
- f) Stock code – Physical and ISIN : 506919 on BSE
Number for NSDL and CDSL : INE 987A01010
Corporate Identity Number allotted by Ministry of Corporate Affairs : L24230MH1984PLC033389
- g) Market price data: high, low during each month in last financial year : Please see Annexure 'A'
- h) Stock performance in comparison to BSE Sensex : Please see Annexure 'B'
- i) In case the securities are suspended from trading, the directors report shall explain the reason thereof : The securities of the Company are not suspended from trading by the Stock Exchange.
- j) Registrars and share transfer agents : Link Intime India Private Limited
C-101, 247 Park,
LBS Marg, Vikhroli (West)
Mumbai – 400 083
Tel. No. (022) 4918 6000
Fax. No.(022) 4918 6060
E-mail: rnt.helpdesk@linkintime.co.in

- k) Share transfer system : All share transfer, request for transmission / transposition, etc. subject to correctness and completion of all documents would normally be registered and returned within fifteen days from the date of receipt. As per Regulation 40 of SEBI Listing Regulations, as amended from time to time, securities of the listed companies can be transferred only in dematerialized form with effect from 1st April, 2019 except in case of transmission or transposition or for re-lodged transfer requests. Further, SEBI vide its circular dated 2nd December, 2020 had fixed 31st March, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares re-lodged for transfer shall be issued only in demat mode.
- l) Distribution of shareholding/ shareholding pattern as on 31.3.2021 : Please see Annexure 'C'
- m) Dematerialisation of shares and liquidity : 97.02% of the paid-up share capital has been dematerialised as on 31st March, 2021.
- n) Outstanding GDRs/ADRs/warrants/ convertible instruments, conversion date and likely impact on equity : Not applicable since none of the said instruments are ever issued.
- o) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities : The Company is not materially exposed to commodity price / foreign exchange risk. The Company also does not carry out any commodity or currency hedging activities.
- p) Plant Location : 1. Plot No. 29/3, Phase III
GIDC Industrial Estate
Naroda, Ahmedabad – 382 330
Gujarat
2. Plot No. 30/4, Phase III
GIDC Industrial Estate
Naroda, Ahmedabad – 382 330
Gujarat
- q) Address for Correspondence : Ms. Khyati Danani
Company Secretary
Makers Laboratories Limited
54D, Kandivli Industrial Estate
Kandivli (W), Mumbai 400 067
E-mail: investors@makerslabs.com
Tel: (022) 2868 8544
Fax: (022) 2868 8544

- r) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad
- CARE Ratings has assigned the following ratings to the Company's long term bank facilities of ₹ 12.00 crores - CARE BBB+; Stable (Triple B Plus; Outlook: Stable) (Re-affirmed)
- s) Share transfer and other communications may be addressed to the Registrars : Link Intime India Private Limited
C-101, 247 Park,
LBS Marg, Vikhroli (West)
Mumbai – 400 083
Tel. No. (022) 4918 6000
Fax. No.(022) 4918 6060
E-mail: rnt.helpdesk@linkintime.co.in

10. Other Disclosures

a) Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company (Weblink https://makerslabs.com/pdf/Corporate_Policy/Related_Party_Transactions.pdf). There were no materially significant related party transactions during the year that may have potential conflict with the interest of the Company.

The Register of Contracts containing the related party transactions is placed before the Board and Audit Committee regularly for its approval. Disclosures from directors and senior management staff have been obtained to the effect that they have not entered into any material, financial and commercial transactions where they have personal interest that may have potential conflict with the interest of the Company at large.

Transactions with the related parties are disclosed in the notes to the accounts forming part of this Annual Report.

b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the board or any other statutory authorities on any matter related to capital market during the last 3 financial years

None

c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee

There is a Whistle Blower Policy in the Company and that no personnel has been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism. The Whistle Blowing Policy is posted on the website of the Company www.makerslabs.com.

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;

The Company has complied with all the applicable mandatory requirements of corporate governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details about adoption of non-mandatory requirements are given in the table below.

e) Web link where policy for determining ‘material’ subsidiaries is disclosed

The Board has approved a policy for determining ‘material’ subsidiaries which has been uploaded on the website of the Company. (Weblink https://makerslabs.com/pdf/Corporate_Policy/Policy_on_Material_Subsiaries.pdf).

f) Web link where policy on dealing with related party transactions is disclosed

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company (Weblink https://makerslabs.com/pdf/Corporate_Policy/Related_Party_Transactions.pdf).

g) Disclosure of commodity price risks and commodity hedging activities

The Company is engaged in the manufacturing and marketing of pharmaceuticals. Since the Company does not consume large quantities of commodities in its manufacturing activities, the Company is not materially exposed to commodity price risks nor does the Company do any commodity hedging.

h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

The Company has not raised any funds through preferential allotment or through qualified institutional placement of its shares during the year.

i) A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority

The Company has obtained a certificate in this regard from a Company Secretary in practice.

j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof

The Board has accepted and acted on all the mandatory recommendations of its committees during the financial year under report.

k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

The fees paid by the Company to its Statutory Auditors are stated in the appended Audited Financial Statements of the Company. The Company's deemed subsidiary has not made any payment to Company's Statutory Auditors.

l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the calendar year 2020	:	None
Number of complaints disposed of during the calendar year 2020	:	None
Number of complaints pending as on end of the calendar year 2020	:	None

11. Non-Compliance of any requirement of Corporate Governance Report with reasons thereof

None

12. Adoption of Discretionary Requirements

A. The Board	The Company currently has a Non-Executive Chairman of the Board of Directors. However, the Company has not maintained any office for him.
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B. Shareholders Rights	At present, the Company does not send the statement of half yearly financial performance to the household of each shareholder.
C. Modified opinion(s) in audit report	The Company's financial statements are with unmodified audit opinion.
D. Reporting of internal auditor	The firm of Internal Auditors reports to the Wholetime Director / CEO as well as to the Audit Committee.

13. The disclosures of the compliance with corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46

a) The Company has a process to provide, inter-alia, the information to the Board as specified in Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Corporate Governance. The Board also periodically reviews the compliances by the Company of all applicable laws.

b) The Board of Directors in their meeting regularly discuss and are satisfied that the Company has plans in place for orderly succession for appointment to the Board of Directors and Senior Management.

c) Code of Conduct for Board and Senior Managerial Personnel

The Board has laid down a code of conduct for Board members and senior management personnel of the Company. The code also incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website www.makerslabs.com.

The Board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration in this regard signed by the Wholetime Director / CEO is given at the end of this Report.

The Company has adopted a code of conduct for prevention of insider trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been placed on the website of the Company www.makerslabs.com. All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.

d) The Company complies with the requirement of placing minimum information before the Board of Directors as contained in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e) The CEO/CFO compliance certification under Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 forms part of this Annual Report.

f) The Company has a Risk Management Committee which monitors and reviews risk management plan. The Board of Directors also periodically review and monitor the risk management plan of the Company.

g) The Board on an annual basis evaluates the performance of Independent Directors. The Independent Directors have also given declarations that they fulfill the criteria of independence as specified in SEBI (LODR) Regulations, 2015 and that they are independent of the Company's management.

h) Risk Management Committee

The Risk Management Committee was re-constituted by the Board of Directors at its meeting held on 13th February, 2019 and consists of the following members:

Mr. Saahil Parikh, Wholetime Director/CEO, Mr. Nilesh Jain, Wholetime Director and Mr. Sandeep Kadam, Sr. Manager Accounts/CFO.

The roles and responsibilities of the Risk Management Committee are as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes monitoring and review of risk management plan and reporting the same to the Board of Directors periodically as it may deem fit, in addition to any other terms as may be referred to them by the Board of Directors, from time to time.

The risk management policy is displayed on the Company's website (weblink <https://www.makerslabs.com/pdf/Corporate Policy/Risk Management Policy.pdf>).

There was one (1) meeting of the Risk Management Committee held during the financial year 2020-21. The date on which the said meeting was held is as follows:

10 th February, 2021

The attendance of each member of the Risk Management Committee in the committee meeting is given below:

Name of the Director/Executive	No. of meeting held	No. of meeting attended
Mr. Saahil Parikh	1	1
Mr. Nilesh Jain	1	1
Mr. Sandeep Kadam (Sr. Manager Accounts / CFO)	1	1

- i) The Company has formulated a policy on materiality of related party transactions and dealing with related party transactions including clear threshold limits approved by the Board which is available on the website of the Company (weblink <https://www.makerslabs.com/pdf/Corporate Policy/Policy for Determination of Materiality of Event.pdf>).
- j) All related party transactions entered into by the Company with related parties are at an arms length basis and in the ordinary course of Company's business. Transactions with related parties are disclosed under notes forming part of the accounts. The Board and the Audit Committee periodically reviews the details of the related party transactions entered into by the Company. Omnibus approval from the Audit Committee is also obtained before entering into related party transactions. The necessary shareholders resolution is also obtained wherever necessary.
- k) No employee including Key Managerial Personnel or Director or Promoter of the Company has entered into any agreement for himself or on behalf of other person with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.
- l) **Subsidiary Companies**
The Company has defacto control over the affairs of M/s. Resonance Specialties Ltd., a listed entity with 45.48% shareholding in the said company. Therefore, the Company treats Resonance Specialties Ltd. as its subsidiary.
- m) None of the Director of the Company is a director or act as independent director in more than seven listed entities and none of the Wholetime Director serve as an Independent Director in more than 3 listed entities.

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees across all the companies in which they are Directors. All directors have disclosed their committee positions to the Company. For determining this limit, Chairpersonship and Membership of Audit Committee and Stakeholders Relationship Committee only are considered.

The shareholders have approved the appointment of Ms. Dipti Shah as Independent director for a term of five years w.e.f 29th January, 2018 and also of Mr. R. K. P. Verma as Independent Director of the Company for a period of 5 years w.e.f 13th February, 2019. Terms and conditions of their appointment as Independent Directors have been disclosed on the website of the Company www.makerslabs.com.

Mr. Prashant Godha is appointed as Additional, Non-Executive, Non-Independent Director of the Company liable to retire by rotation with effect from 4th November, 2020. Necessary approval of the shareholders for his appointment as Director is being sought at the ensuing Annual General Meeting of the Company.

Mr. Vishal Jain is appointed as Additional / Independent Director of the Company for a period of 5 years with effect from 4th November, 2020 till 3rd November, 2025. Terms and conditions of his appointment as Independent Director are posted on the Company's website. Necessary approval of the shareholders for his appointment as Independent Director is being sought at the ensuing Annual General Meeting of the Company.

Mr. P. M. Kathariya, Independent Director had informed the Company of his inability to continue as a member of the Board of Directors and his intention to resign as the Independent Director / Member of the Committees of the Board of the Company due to his professional pre-occupation as well as personal reasons. Accordingly, the Board of Directors accepted his resignation as an Independent Director of the Company and he ceased to be the Director of the Company as well as the Member of the Committees of Board with effect from 24th September, 2020.

In accordance with requirements of Section 149(6) and (7) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, all the independent directors have given declaration of independence in the first board meeting of the current financial year held on 10th June, 2021.

n) Independent Directors Meeting

During the financial year under review, the Independent Directors met on 10th February, 2021 without the attendance of non-independent directors and members of the management, inter-alia, to discuss:

- i. Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- ii. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors; and
- iii. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the said meeting.

o) The Company maintains a functional website (www.makerslabs.com) containing the basic information about the Company. The Company has disseminated all the required information on its website as required under Regulation 46 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

p) Information on Directors retiring by rotation and seeking appointment / re-appointment

Mr. Saahil Parikh (DIN 00400079)

Mr. Saahil Parikh aged 46 years has done his Bio-Chemistry from Gujarat University. He has also done his Diploma in Management Studies from Ahmedabad Management Association. He has about 24 years of experience in pharma production, quality control, projects and general management.

He holds 16842 equity shares of the Company.

He does not hold Directorship in any other Company.

He is not related to any Director or Key Managerial Personnel of the Company.

Number of Board Meetings held and attended by him during his tenure as Director of the Company are given in the Corporate Governance Report of the respective financial year annexed with the Company's Annual Reports which are available on the Company's website www.makerslabs.com.

Mr. Prashant Godha (DIN 00012759)

Mr. Prashant Godha, aged 46 years is a graduate in Commerce and has done Post Graduate Diploma in Business Management and has experience of over 20 years in pharmaceuticals marketing and general management.

He holds 94,375 equity shares in the Company.

He is also a Director of the following companies:

1	Mexin Medicaments Private Ltd.	2	Paschim Chemicals Pvt. Ltd.
3	Kaygee Laboratories Pvt. Ltd.	4	Paranthapa Investments & Traders Pvt. Ltd.
5	Gudakesh Investment & Traders Pvt. Ltd.	6	Kaygee Investments Private Ltd.
7	Ipca Laboratories Ltd.	8	Resonance Specialties Ltd.
9	Capri Coating Solutions Pvt. Ltd.	10	Ipca Foundation

He is a member of Nomination & Remuneration Committee and Corporate Social Responsibility Committee of the Board of Directors of M/s. Resonance Specialties Ltd. He is also a member of the Audit Committee, Corporate Social Responsibility Committee and Risk Management Committee of the Board of Directors of M/s. Ipca Laboratories Ltd.

Number of Board Meetings held and attended by him during his tenure as Director of the Company are given in this Report on Corporate Governance.

Mr. Vishal Jain (DIN 00137986)

Mr. Vishal Jain, aged 44 years is a graduate in commerce and has done his MBA (Executive) from SP Jain Institute of Management. He has also done short term course in finance from London Business school. Mr. Vishal Jain is a successful entrepreneur having set-up and nurtured manufacturing units in the field of plastic household goods and ROPP closures.

He holds 6,574 equity shares of the Company.

He is also a Director of the following companies:

1	Future Colours and Chemicals Private Ltd.	2	Vipra Closures Private Ltd.
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He is not a member of any Committees of Board in the companies in which he is a Director.

He is not related to any Director or Key Managerial Personnel of the Company.

Number of Board Meetings held and attended by him during his tenure as Director of the Company are given in this Corporate Governance Report.

q) Reconciliation of Share Capital Audit:

A qualified Practicing Company Secretary carries out a share capital audit to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued and listed equity share capital of the Company. The audit report confirms that the total issued/ paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

r) Dividend Distribution Policy

In terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, the Company has formulated a Dividend Distribution Policy which has been uploaded on the website of the Company (https://www.makerslabs.com/Corporate_Policy.html).

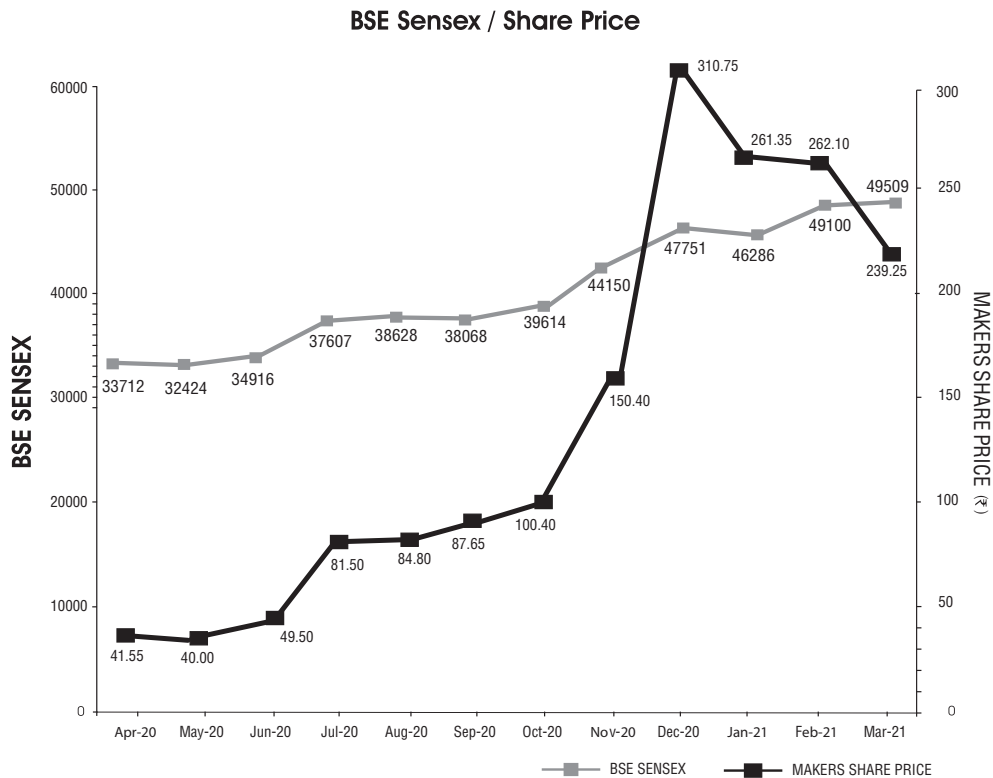
Annexure A

High/Low of Market price of the Company's shares traded on BSE Ltd. (BSE) during the financial year 2020-21 is furnished below:

Year	Month	Highest (₹)	Lowest (₹)	
2020	April	49.50	28.00	
	May	44.90	36.55	
	June	53.00	39.20	
	July	81.65	47.55	
	August	97.95	70.00	
	September	91.00	72.60	
	October	112.65	91.80	
	November	150.40	96.20	
	December	311.75	157.90	
	2021	January	325.00	248.10
		February	344.80	251.20
		March	290.00	221.00

Annexure B

Graph of Share Price/ BSE Sensex



Annexure C

The distribution of shareholding as on 31 st March, 2021 is as follows :						
No. of equity shares held			No. of shareholders	%	No. of shares	%
Upto		500	3428	86.00	459812	9.35
501	to	1000	275	6.90	213522	4.34
1001	to	2000	132	3.31	202149	4.11
2001	to	3000	33	0.83	82184	1.67
3001	to	4000	26	0.65	91955	1.87
4001	to	5000	19	0.48	87488	1.78
5001	to	10000	32	0.80	225076	4.58
10001	&	above	41	1.03	3554794	72.30
Grand Total			3986	100.00	4916980	100.00
No. of shareholders in Physical Mode			798	20.02	146487	2.98
No. of shareholders in Electronic Mode			3188	79.98	4770493	97.02

Shareholding pattern as on 31 st March, 2021 is as follows :			
Category	No. of shareholders	No. of shares	% holding
Indian Promoters	12	2869947	58.37
Banks and Insurance Companies	1	100	0.00
FIs and Mutual Funds	0	0	0.00
NRI	68	62480	1.27
Domestic Companies	39	199847	4.06
Resident Individuals / Others	3866	1784606	36.30
Total	3986	4916980	100.00

CEO CERTIFICATION10th June, 2021

To,
All the Members of
Makers Laboratories Ltd.

It is hereby certified and confirmed that as provided in terms of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2021.

For Makers Laboratories Limited
Saahil Parikh
Wholetime Director / CEO

CEO/CFO CERTIFICATION10th June, 2021

The Board of Directors
Makers Laboratories Limited
54-D, Kandivli Industrial Estate,
Kandivli (West)
Mumbai – 400 067

We hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2021 and that to the best of our knowledge and belief;
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) No transaction is entered into by the Company during the year which is fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Makers Laboratories Ltd.
Saahil Parikh
Wholetime Director / CEO

For Makers Laboratories Ltd.
Sandeep Kadam
Sr. Manager (Accounts) / Chief Financial Officer

**PRACTISING COMPANY SECRETARIES' CERTIFICATE ON
CORPORATE GOVERNANCE**

TO THE MEMBERS OF
MAKERS LABORATORIES LIMITED

We have examined the compliance of the conditions of Corporate Governance by Makers Laboratories Limited ('the Company') for the year ended on March 31, 2021, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2021.

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

For Parikh & Associates
Practising Company Secretaries
Jigyasa N. Ved
Partner
FCS: 6488 CP: 6018
UDIN: F006488C000440339
Mumbai, 10.06.2021

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

a)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	No. of shares – 2400 No. of shareholders - 27
b)	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	0
c)	Number of shareholders to whom shares were transferred from suspense account during the year	0
d)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	No. of shares – 2400 No. of shareholders - 27
e)	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares

ANNEXURE 2**Form No. AOC-2**

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

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

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

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts / arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable
- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

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

- (a) Name(s) of the related party and nature of relationship: M/s. Ipca Laboratories Ltd., companies promoted by same promoters.
- (b) Nature of contracts/arrangements/transactions:
 - i. Purchase/ sale of materials, capital goods, plant & machineries, packing materials, etc. at a market determined price that would be generally agreed by the trade / industry for similar nature of transaction.
 - ii. Availing of/rendering of manufacturing and other services at a price that would be generally charged in the trade / industry for that particular type of service.
 - iii. Provision of common services at proportionate cost.
- (c) Duration of the contracts / arrangements/transactions: Continuous transactions on an ongoing basis.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Purchase/ sale of materials, capital goods, plant & machineries, packing materials, manufacturing on loan license basis, etc. on arm's length basis. Please see attached notes to Accounts for details.
- (e) Date(s) of approval by the Board, if any: 22nd May, 2019
- (f) Date of approval of shareholders: 8th August, 2019
- (g) Amount paid as advances, if any: None

Note: All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of Company's business. Details of the related party transactions are given in the notes to the Accounts attached herewith.

Mumbai,
10th June, 2021

For and on behalf of the Board
R. K. P. Verma
Chairman

ANNEXURE 3

DETAILS OF REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 is as under:

Sr. No.	Name of the Director / Key Managerial Personnel and Designation	Remuneration of Director / KMP for the financial year 2020-21 (₹)	% increase/ (decrease) in remuneration in the financial year 2020-21	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. R. K. P. Verma (Chairman)	2,00,000	25%	0.71
2.	Ms. Dipti Shah (Director)	1,90,000	31.03%	0.68
3.	Mr. Vishal Jain (Director) (Appointed w.e.f 04.11.2020)	60,000	Not applicable	0.21
4.	Mr. Prashant Godha (Director) (Appointed w.e.f 04.11.2020)	30,000	Not applicable	0.11
5.	Mr. Saahil Parikh (Whole Time Director/CEO)	50,24,186	9.65%	17.94
6.	Mr. Nilesh Jain (Whole Time Director)	28,16,182	12.41%	10.06
7.	Mr. P. M. Kathariya (Director) (Resigned w.e.f. 24.09.2020)	95,000	(40.63%)	0.33
8.	Mr. Sandeep Kadam (Sr. Manager Accounts / CFO)	10,00,392	7.01%	3.57
9.	Ms. Khyati Danani (Company Secretary)	13,10,964	6.01%	4.68

- ii. The median remuneration of the employees of the Company during the financial year was ₹ 2,80,020/-.
- iii. In the financial year, there was an increase of 8.35% in the median remuneration of employees.
- iv. There were 134 permanent employees on the rolls of Company as on 31st March, 2021.
- v. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year was 9.35% whereas the increase in the managerial remuneration for the financial year was 11.43%.
- vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Mumbai,
10th June, 2021

For and on behalf of the Board
R. K. P. Verma
Chairman

ANNEXURE 4**1. CONSERVATION OF ENERGY**

(i) The steps taken or impact on conservation of energy :

During the year under review all possible efforts were made to ensure optimum conservation of electricity and fuel at the manufacturing plants of the Company.

(ii) The steps taken by the Company for utilizing alternate sources of energy :

Presently none.

(iii) The capital investment on energy conservation equipments :

The Company has not spent any material capital investment on energy conservation equipments except some investment on energy conservation consumables.

2. TECHNOLOGY ABSORPTION

Research & Development

(A) Specific areas in which R&D work was carried out by the Company:

The Company has started R&D activities at its Ahmedabad manufacturing unit. The Company is currently in the process of developing ophthalmic range of formulations.

(B) Benefits derived as a result of the above R&D:

The benefits of R&D activities will come in future years.

(C) Future Plan of Action :

Development of more range of ophthalmic range of formulations initially for the domestic market.

(D) Expenditure incurred on R&D:

	2020-21 (₹ lacs)	2019-20 (₹ lacs)
a) Capital	–	25.95
b) Revenue	34.02	17.83
c) Total	34.02	43.78
d) R & D expenditure as a percentage of turnover	0.75%	0.85%

(E) Imported technology (imported during last 5 years):

The Company has not imported any technology during the last 5 years.

Foreign Exchange Earnings – Nil.

Foreign Exchange Expenditure – ₹ 49.28 lacs (including ₹ 42.73 lacs being CIF value of capital goods import).

Mumbai,
10th June, 2021

For and on behalf of the Board
R. K. P. Verma
Chairman

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

Makers Laboratories Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, 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 and amendments from time to time;
 - (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; (Not applicable to the Company during the audit period)
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period).
- (vi) Other laws applicable specifically to the Company namely:
- (1) Pharmacy Act, 1948,
 - (2) Drugs and Cosmetics Act, 1940,
 - (3) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954,
 - (4) Narcotic Drugs and Psychotropic Substances Act, 1985,
 - (5) Drug Pricing Control Order, 2013.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that:

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

Adequate notice was 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.

Decisions at the Board Meetings were taken unanimously.

We 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.

We further report that during the audit period the following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc:

During the year under report, the Company acquired 52,50,000 (45.48%) equity shares of Rs. 10/- each of M/s Resonance Specialties Limited through a combination of Block Deal/ Off market deal pursuant to the Share Purchase Agreement signed on 29.09.2020 with the seller shareholders who were part of promoter group shareholders of M/s Resonance Specialties Limited (Scrip code: 524218). Subsequent to this acquisition, the required open offer was also made to the public shareholders of that company pursuant to SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date: 10.06.2021

Signature:
Jigyasa N. Ved
Partner
FCS No: 6488 CP No: 6018
UDIN: F006488C000440306

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

Makers Laboratories Limited

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

For Parikh & Associates

Company Secretaries

Place: Mumbai

Date: 10.06.2021

Signature:

Jigyasa N. Ved

Partner

FCS No: 6488 CP No: 6018

UDIN: F006488C000440306

INDEPENDENT AUDITOR'S REPORT

To

**The Members of
Makers Laboratories Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of Makers Laboratories Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of Significant Accounting Policies and other explanatory information. (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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, we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated 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 information included in the Board's report including the Directors Report, Chairman's Statement, Management Discussions and Analysis, Summarized Financial Information, Corporate Governance and Shareholder's Information but does not include the Standalone Financial Statements and our Independent Auditors' Report thereon. Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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 Companies Act, 2013 ("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 statements 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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.

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

1. Identify and assess the risks of material misstatement of the standalone 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.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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.

5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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, make 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.

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 Companies Act, 2013, we give in the attached Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity 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 March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V to the Companies Act 2013..

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 37 to the standalone financial statements,
- ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses,
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No- 106971W

N Jayendran
Partner

M. No. – 40441
UDIN: 21040441AAAABM2117

Mumbai,
Dated: June 10, 2021

ANNEXURE A

To the Independent Auditors' Report on the Financial Statements of Makers Laboratories Limited

- (i) a. The Company has generally maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipments.
 - b. Property, Plant and Equipments have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - b. We have verified the title deeds of immovable properties forming part of Property, Plant and Equipments produced before us by the management and based on such verification we confirm that the same are held in the name of the company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year. The discrepancies noticed between the book stock and the physical stocks were not material and they have been properly dealt with in the books of accounts.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained u/s 189 of the Companies Act, 2013 and hence the sub clauses (a), (b) and (c) of clause 3(iii) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to investment made during the year. The Company has not given any loans, guarantees or security during the year.
- (v) The Company has not accepted deposits from the public pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there

is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal in respect of the said sections.

- (vi) As informed to us, the maintenance of the cost records under the sub-section (1) of section 148 of the Companies Act, 2013 has been prescribed and we are of the opinion that prima facie, the prescribed accounts and records have been so made and maintained. We have not, however, carried out a detailed examination of the records to ascertain whether they are accurate or complete.
- (vii) a. The Company has been generally regular in depositing undisputed statutory dues including Provident fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Goods and Services Tax, cess and other statutory dues to the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2021 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there are no dues of Income tax or Sales Tax or duty of customs or duty of excise or Value Added Tax which have not been deposited on account of any dispute except as given below:

Name of statute	Nature of dues	Amount (Rs in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax	Order under section 143(3) r/w section 147	11.64	AY 2010-11	CIT (Appeals)
Income Tax	Order under section 143(3) r/w section 147	57.46	AY 2011-12	CIT (Appeals)
Income Tax	Order under section 143(3) r/w section 147	11.17	AY 2013-14	CIT (Appeals)
Income Tax	Order under section 143(3) r/w section 147	12.02	AY 2014-15	CIT (Appeals)
Income Tax	Order under section 143(3) r/w section 147	21.64	AY 2015-16	CIT (Appeals)
	Total	113.93		

- (viii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, Government or bank. Further, the company has not obtained any borrowings by way of debentures.
- (ix) The company has not raised any money by way of initial public offer / further public offer (including debt instruments) during the year. On the basis of the documents submitted to the bankers and the other records perused by us, we have to state that the term loan taken during the year have been applied for the purpose for which the loan was obtained.
- (x) According to the information and explanations given to us and to the best of our knowledge and belief no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company. Hence clause 3(xii) of Companies (Auditors Report) Order 2016 is not applicable to the Company.

- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Audit Committee and Board of Directors are concerned. The details of related party transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- (xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and hence the clause 3(xiv) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him and hence the clause 3(xv) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.
- (xvi) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No- 106971W

N Jayendran
Partner

Mumbai,
Dated: June 10, 2021

M. No. – 40441
UDIN: 21040441AAAABM2117

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls with reference to Financial Statements 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 Financial Statements of Makers Laboratories Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statement 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 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’). 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 Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to

obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements.

Because of the inherent limitations of financial controls with reference to 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 Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No- 106971W

N Jayendran
Partner
M. No. – 40441
UDIN: 21040441AAAABM2117

Mumbai,
Dated: June 10, 2021

Standalone Balance Sheet as at March 31, 2021

Particulars	Note	As at Mar 31, 2021 ₹ in lacs	As at Mar 31, 2020 ₹ in lacs
ASSETS			
(1) Non-current Assets			
(a) Property, Plant & Equipment	3	2,844.86	3,055.85
(b) Capital Work-in-Progress	3C	12.42	66.60
(c) Right Of Use Asset	3B	206.34	225.89
(d) Other Intangible Assets	3A	7.80	6.92
(e) Intangible Assets Under Development	3C	-	2.07
(f) Financial Assets			
(i) Investments	4	2,365.87	1,503.65
(ii) Loans	5	61.11	66.90
(iii) Others	6	1.20	1.13
(g) Other Non-current Assets	7	92.16	81.62
		5,591.76	5,010.63
(2) Current Assets			
(a) Inventories	8	1,088.73	1,068.54
(b) Financial Assets			
(i) Investments	4	-	-
(ii) Trade receivables	9	718.74	755.33
(iii) Cash and Cash Equivalents	10	25.55	86.66
(iv) Bank Balances other than (iii) above	11	8.86	9.54
(v) Loans	5	0.02	0.72
(vi) Others	6	178.74	109.47
(c) Current Tax Assets (Net)		-	-
(d) Other Current Assets	7	299.19	346.60
		2,319.83	2,376.86
TOTAL ASSETS		7,911.59	7,387.49
EQUITY & LIABILITIES			
EQUITY			
(a) Equity Share Capital	12	491.70	491.70
(b) Other Equity	13	4,470.40	3,970.23
Total Equity		4,962.10	4,461.93
LIABILITIES			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	552.84	598.12
(ii) Other Financial Liabilities	15	-	-
(iii) Lease Liability	33	197.20	204.66
(b) Provisions	16	21.96	19.01
(c) Deferred Tax Liabilities (Net)	17	47.73	167.75
(d) Other Non-current Liabilities	18	-	-
		819.73	989.54
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	571.42	253.02
(ii) Trade Payables	20		
- Due to Micro, Small and Medium enterprises		105.25	137.46
- Due to Others		519.24	595.91
(iii) Other Financial Liabilities	15	706.27	719.06
(iv) Lease Liability	33	31.85	31.20
(b) Other Current Liabilities	18	20.18	30.07
(c) Provisions	16	169.63	169.30
(d) Current Tax Liabilities (Net)		5.92	-
		2,129.76	1,936.02
TOTAL EQUITY AND LIABILITIES		7,911.59	7,387.49

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss

As per our report of even date attached
For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. 106971W

N. Jayendran
Partner
M.No. 40441
Mumbai June 10, 2021

For and on behalf of the Board of Directors

Saahil Parikh
(DIN 00400079)
Wholetime Director

June 10, 2021

Nilesh Jain
(DIN 05263110)
Wholetime Director

Khyati Danani
(ACS 21844)
Company Secretary

Prashant Godha
(DIN 00012759)
Additional Director

Sandeep Kadam
CFO

Standalone Statement of Profit and Loss for the year ended March 31, 2021

Particulars	Note	2020-21 ₹ in lacs	2019-20 ₹ in lacs
I Revenue from Operations	21	4,441.14	5,139.66
II Other Income	22	41.40	22.55
III Total Income (I + II)		4,482.54	5,162.21
IV Expenses:			
Cost of Materials Consumed	23	621.98	782.33
Purchase of Stock in trade	24	1,644.82	2,098.46
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	(20.55)	70.14
Employee Benefit Expenses	26	763.02	783.88
Finance Cost	27	158.90	70.31
Depreciation & Amortisation	28	419.58	198.75
Other Expenses	29	1,102.20	1,133.44
Total Expenses (IV)		4,689.95	5,137.31
V Profit/ (Loss) Before exceptional items and Tax (III-IV)		(207.41)	24.90
VI Exceptional Items		-	-
VII Profit/ (Loss) Before Tax (V+VI)		(207.41)	24.90
VIII Tax Expense			
1. Current Tax	30	-	3.82
2. Short / (Excess) Provision of earlier years	30	(16.70)	-
3. Deferred Tax Liability / (Asset) incl. MAT Credit	30	(29.05)	33.46
IX Profit/ (Loss) for the period (VII-VIII)		(161.66)	(12.38)
X Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
(a) Actuarial gain and loss		(5.10)	(8.58)
Tax Effect thereon	31	-	1.34
(b) Fair Value change through Other Comprehensive Income		720.80	417.10
Tax Effect thereon	31	(53.87)	(46.42)
Other Comprehensive Income for the year, net of tax		661.83	363.44
Total Comprehensive Income for the year		500.17	351.06
XI Earnings per Equity Share :			
Par Value ₹ 10 each			
Basic (in Rs.)	32	(3.29)	(0.25)
Diluted (in Rs.)	32	(3.29)	(0.25)

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss

**As per our report of even date attached
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Standalone Cash Flow Statement for the year ended 31st March, 2021

	Mar'21 ₹ in lacs	Mar' 20 ₹ in lacs
A. Cash Flow from Operating Activities		
1) Net profit before taxation and extraordinary item	(207.41)	24.90
Adjustments for :		
Depreciation	419.58	198.75
(Profit)/ Loss on sale of Property, Plant & Equipment	(0.26)	4.89
Bad debts w/off	0.96	2.93
Sundry balances written back	(8.32)	-
Reversal of provision for Doubtful debts	(1.56)	(0.36)
(Profit)/Loss on Sale of Investment	(17.10)	(4.46)
(Profit)/Loss on financial assets measured at FVTPL	-	29.94
Unwinding of Lease rent Income	(0.47)	(0.18)
Unwinding of Lease rent Expenses	0.15	-
Interest income	(4.64)	(2.32)
Dividend income	(0.04)	(9.09)
Interest expense	158.74	70.31
	339.63	315.31
2) Operating profit before working capital changes		
(Increase) / Decrease in Receivables & Advances	23.16	(320.98)
Decrease / (Increase) in inventories	(20.19)	95.98
Increase / (Decrease) in Payables, liabilities & provisions	(138.03)	336.20
3) Cash generated from operation	204.57	426.51
Income tax paid (net)	(138.01)	(3.82)
Net cash from operating activities	66.56	422.69
B. Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment including capital WIP	(144.33)	(858.96)
Proceeds from Sale of Plant, Property and Equipment	0.70	0.81
Investments in Subsidiary	(2,244.41)	-
Sale of Investments	2,120.09	-
Investments in Mutual Funds	-	(1,400.00)
Redemption in Mutual funds	-	1,404.46
Movement in other bank balances	(0.68)	(0.27)
Interest received	3.91	2.01
Dividend received	0.04	9.09
Net cash from / (used) in investing activities	(264.68)	(842.86)
C. Cash Flow from Financing Activities		
Interest paid	(132.01)	(40.07)
Proceeds from short term borrowing (Net)	318.40	251.43
Proceeds from Non-Current borrowing	200.00	233.15
Repayment from Non-Current borrowing	(217.50)	(54.37)
Payment of lease Liability		
- Interest	(24.40)	(25.29)
- Principal	(6.80)	(15.05)
Dividend & dividend tax paid	(0.68)	(59.01)
Net cash from (used in) financing activities	137.01	290.79
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(61.11)	(129.38)
Cash and cash equivalents at beginning of year	86.66	216.04
Cash and cash equivalents at end of year	25.55	86.66
Components of Cash & Cash equivalents :		
Cash and cheques on hand	24.95	85.92
Balance with banks	0.60	0.74
	25.55	86.66

Refer note no. 14 (d) for reconciliation of liabilities from financing activities

**As per our report of even date attached
For Natvarlal Vepari & Co.**

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CFO

1. Standalone Statement of Changes in Equity for the Year ended March 31, 2021

	No. of shares	₹ in Lacs
Equity Share Capital		
Equity share capital of face value (Rs.) 10.00 each		
Balance as at March 31, 2019	49,16,980	491.70
Changes in equity share capital during the year	-	-
Balance as at March 31, 2020	49,16,980	491.70
Changes in equity share capital during the year	-	-
Balance as at March 31, 2021	49,16,980	491.70

Other Equity Particulars	Reserves and Surplus			Other Equity		Total
	Capital reserve	Securities premium	General Reserve	Retained earnings	Not Reclassified to P&L Fair Value of Investment through OCI	
Balance as on April 1, 2019	302.76	108.64	1,200.00	1,271.09	795.96	3,678.45
Profit for the period	-	-	-	(12.38)	-	(12.38)
Gain/ (Loss) on Fair Value of Investment through OCI (Net of tax thereon)	-	-	-	-	370.68	370.68
Actuarial gain/(loss) on gratuity (Net of tax thereon)	-	-	-	(7.24)	-	(7.24)
Cumulative catch-up impact of IndAS 115	-	-	-	-	-	-
Dividend	-	-	-	(49.17)	-	(49.17)
Tax on dividend	-	-	-	(10.11)	-	(10.11)
Balance as on Mar 31, 2020	302.76	108.64	1,200.00	1,192.19	1,166.64	3,970.23
Profit for the period	-	-	-	(161.66)	-	(161.66)
Gain/ (Loss) on Fair Value of Investment through OCI (Net of tax thereon)	-	-	-	-	666.93	666.93
Actuarial gain/(loss) on gratuity (Net of tax thereon)	-	-	-	(5.10)	-	(5.10)
Transfer to Retained Earning on Sale of Investment Through OCI	-	-	-	1,840.74	(1,840.74)	-
Balance as on Mar 31, 2021	302.76	108.64	1,200.00	2,866.17	(7.17)	4,470.40

As per our report of even date attached

For Natvarlal Vepari & Co.

Chartered Accountants

Firm Registration No. 106971W

N. Jayendran

Partner

M.No. 40441

Mumbai June 10, 2021

For and on behalf of the Board of Directors

Saahil Parikh

(DIN 00400079)

Wholetime Director

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(DIN 00012759)

Additional Director

Khyati Danani

(ACS 21844)

Company Secretary

Sandeep Kadam

CFO

June 10, 2021

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2021.

1. Corporate Information:

Incorporated in the year 1984, Makers Laboratories Limited is an integrated pharmaceutical company manufacturing and marketing around 200 formulations. The Company has one manufacturing units in India manufacturing formulations for the Indian market.

The financial statements of the company for the year ended March 31, 2021 were authorised for issue in accordance with the resolution passed at the meeting of the Board of Directors held on June 10, 2021.

2. Significant Accounting Policies:

i. Basis of Preparation

Statement of Compliance

The standalone financial statements comply in all material aspects with Indian Accounting Standards (“Ind AS”) prescribed under Section 133 of the Companies Act, 2013 (“the Act”), the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except for the following:

- a. certain financial assets and liabilities (including derivative instruments) are measured at fair value; and
- b. defined benefit plans - plan assets measured at fair value

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The standalone financial statements are presented in INR and all values are rounded to the nearest lacs, except otherwise stated.

ii. Use of Judgments, Estimates and Assumption

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a. Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management

judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

b. Defined benefit plans (Gratuity benefits)

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These inter alia include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c. Useful lives of Property, Plant and Equipment

The company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

d. Impairment of Property, Plant and Equipment

For property, plant and equipment and intangibles, an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

e. Inventories

The Company estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

f. Recognition and measurement of other Provisions

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

iii. Current and non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

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

An asset is current when :

- It is expected to be realised or intended to be sold or consumed in normal operating cycle, or
- It is held primarily for the purpose of trading, or
- It is expected to be realised within twelve months after the reporting period, or

- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle, or
- It is held primarily for the purpose of trading, or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

iv. Property, Plant and Equipment

- a) Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Cost of acquisition comprises its purchase price including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discount and rebates are deducted in arriving at the purchase price.
- b) Stores and spares which meet the definition of Property, Plant and Equipment and satisfy the recognition criteria of Ind AS 16 are capitalised as Property, Plant and Equipment.
- c) Capital Work In Progress represents expenditure incurred on capital assets that are under construction or are pending capitalisation and includes project expenses pending allocation. Project expenses pending allocation are apportioned to the Property, Plant and Equipment of the project proportionately on capitalisation.
- d) Cost of borrowing for assets taking substantial time to be ready for use is capitalised for the period up to the time the asset is ready for its intended use.
- e) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- f) The residual useful life of Property, Plant & Equipment is reviewed at each balance sheet date and adjusted if required in the depreciation rates.
- g) Depreciation methods, estimated useful lives and residual value
Depreciation on all assets of the Company is charged on straight line method, except the assets at the Ahmedabad manufacturing location which is charged on the written down value method, over the useful life of assets mentioned in Schedule II to the Companies Act ,2013 or the useful life previously assessed by the management based on technical review whichever is lower for the proportionate period of use during the year. Intangible assets are amortised over the economic useful life estimated by the management.

The management's estimated useful life/useful life as per schedule II whichever is lower for the various tangible assets are as follows:

Assets	Estimated useful life (Years)
Leasehold Land	Period of Lease
Plant & Equipment	5 to 20 Years
Eff. Treatment Plant	15 Years
Vehicle	10 Years
Building	28 to 58 Years
Furniture & Fixtures	10 Years

v. Intangible assets

The Company has elected to fair value its intangible assets on transition date. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The management has estimated the economic useful life for the various intangible assets as follows:

Brands & Trademarks	4 Years
Software for internal use	4 Years

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

vi. Revenue recognition

- a. The Company derives revenues primarily from sale of products and services. Revenue from sale of goods is recognised net of returns, product expiry claims and discounts.

Revenue is recognized on satisfaction of performance obligations upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

To recognize revenues, the Company applies the following five step approach:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenues when a performance obligation is satisfied.

Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognized over time.

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Where Revenue is recognized over time, the amount of revenue is determined on the basis of contract costs incurred in relation to estimated contract expenses.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue in respect of transactions thru parties acting as agents is recognised only on completion of the performance obligation of the agent with corresponding accrual of agency commissions.

The Company presents revenues net of indirect taxes in its statement of profit and loss.

- b. In case of export benefits which are in the nature of neutralisation of duties and taxes are grouped under material costs. All other export incentives are grouped under other operating revenue.
- c. Revenue in respect of insurance/other claims, commission, etc. are recognised only when it is reasonably certain that the ultimate collection will be made.
- d. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

vii. Borrowings

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

viii. Impairment of assets

Carrying amount of Tangible assets, Intangible assets, Investments in Subsidiaries, Joint Venture and Associates (which are carried at cost) 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 costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are 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 asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

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 Company's assets (cash-generating units). Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

ix. Leases

Effective April 1, 2019, the Group has adopted Ind AS 116 “Leases” using the modified retrospective approach as per para C5(b) read along with para C8 of Appendix C , under which the lessee shall;

- (i) recognise lease liability at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate at the date of initial application.
- (ii) recognise a right-of-use asset at the date of initial application for leases previously classified as an operating lease applying Ind AS 17. The lessee shall choose, on a lease-by-lease basis, to measure that right-of-use asset at either ;
 - its carrying amount as if the Standard had been applied since the commencement date, but discounted using the lessee’s incremental borrowing rate at the date of initial application; or
 - an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

Accordingly, the comparative information has not been restated and continues to be reported under Ind AS 17 “Lease”. Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information. The following is the summary of the new and/or revised significant accounting policies related to Leases. Refer Note 1 “Significant Accounting policies”, in the Group’s 2019 Annual Report for the policies in effect for Leases prior to April 1, 2019. The effect of transition on Ind AS 116 was insignificant.

The Group, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term

x. Inventories

Items of inventories are valued at lower of cost or estimated net realisable value as given below:

Raw Materials and Packing Materials	Lower of cost and net realisable value. However materials and other items held for use in the production inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First In First Out basis.
-------------------------------------	--

Work-in-process and Finished Goods	At lower of cost (material cost net of refundable taxes, labour cost and all manufacturing overheads) and net realisable value.
Stores and Spares	Stores and spare parts are valued at lower of cost computed on First-in-First-out method and net realisable value.
Traded Goods	Traded Goods are valued at lower of cost and net realisable value.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory in determining net realisable value include ageing of inventory, estimated shelf life, price changes, introduction of competitive new products and such other related factors.

Cost in case of Raw material and Packing material, Stores and Spare and Traded Goods include purchase cost net of refundable taxes and other overheads incurred in bringing such items of inventory to its present location and condition.

xi. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within bank borrowings in current liabilities in the balance sheet.

xii. Provisions, contingent liabilities and contingent assets

Provision

A Provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

xiii. Retirement and other employee benefits

Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity

Gratuity, a post-employment defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected unit credit method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability),

are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using Projected Unit Credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia, bonus and performance incentive are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

xiv. Foreign currencies

Transactions and balances:

- i. The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.
- ii. Transactions denominated in foreign currency are recorded at the exchange rate on the date of transaction where the settlement of such transactions are taking place at a later date. The exchange gain/loss on settlement / negotiation during the year is recognised in the statement of profit and loss. In case of advance payment for purchase of assets/ goods/services and advance receipt against sales of products/services, all such purchase/sales transaction are recorded at the rate at which such advances are paid/received.
- iii. Foreign currency monetary transactions remaining unsettled at the end of the year are converted at year-end rates. The resultant gain or loss is accounted for in the statement of profit and loss.
- iv. Non-monetary items that are measured at historical cost denominated in foreign currency are translated using exchange rate at the date of transaction.

xv. Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

xvi. Financial instruments**a. Financial assets & financial liabilities****Initial recognition and measurement**

All financial assets and liabilities are recognised initially at fair value.

In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset is treated as cost of acquisition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. 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.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 7 details how the entity determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial instruments**A financial asset is de-recognised only when**

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks

and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

A financial liability (or a part of a financial liability) is de-recognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

b. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments such as forward currency contracts, interest rate swaps to hedge its foreign currency risks, interest rate risks, respectively.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss.

xvii. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

xviii. Goods and service tax input credit

Input tax credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

xix. Taxes

Tax expenses comprise Current Tax and Deferred Tax :

a. Current tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

b. Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the

standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

c. MATcredit

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is reasonable certainty 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. The MAT credit to the extent there is reasonable certainty that the Company will utilize the credit is recognised in the statement of profit and loss and corresponding debit is done to the deferred tax asset as unused tax credit.

xx. Earnings per share

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

Notes to financial statements as at and for the year ended March 31, 2021

3. Property, Plant and Equipment

Particulars	₹ in Lacs								
	Freehold Land	Building	Plant & Equipment	Office & Other Equipment	Effluent Treatment Plant	Furniture & Fixtures	Vehicles	R & D - Plant & Equipment	Total
Gross Block									
As on 01/04/2019	210.23	1,194.30	659.85	6.40	2.83	35.92	28.55	65.86	2,203.94
Additions	-	240.85	1,108.88	8.08	9.15	32.49	-	25.95	1,425.40
Disposals / Adjustments	-	(0.26)	(8.67)	(0.13)	-	-	-	-	(9.06)
As on 31/03/2020	210.23	1,434.89	1,760.06	14.35	11.98	68.41	28.55	91.81	3,620.28
Additions	-	17.36	151.10	5.16	-	7.90	-	-	181.52
Disposals / Adjustments	-	-	(0.74)	-	-	-	-	-	(0.74)
As on 31/03/2021	210.23	1,452.25	1,910.42	19.51	11.98	76.31	28.55	91.81	3,801.06
Accumulated Depreciation									
As on 01/04/2019	-	86.57	247.49	3.93	1.27	21.23	9.62	24.30	394.41
For the year 2019-20	-	58.68	87.89	1.47	0.35	7.91	4.04	12.79	173.13
Disposals / Adjustments	-	-	(3.03)	(0.08)	-	-	-	-	(3.11)
As on 31/03/2020	-	145.25	332.35	5.32	1.62	29.14	13.66	37.09	564.43
For the year 2020-21	-	75.77	281.53	5.39	1.87	10.22	3.12	14.17	392.07
Disposals / Adjustments	-	-	(0.30)	-	-	-	-	-	(0.30)
As on 31/03/2021	-	221.02	613.58	10.71	3.49	39.36	16.78	51.26	956.20
Net Block as on 31/03/2020	210.23	1,289.64	1,427.71	9.03	10.36	39.27	14.89	54.72	3,055.85
Net Block as on 31/03/2021	210.23	1,231.23	1,296.84	8.80	8.49	36.95	11.77	40.55	2,844.86

3A. Other Intangible Assets

Particulars	₹ in Lacs		
	Computer Software	Brand / Trade Mark	Total
Gross Block			
As on 01/04/2019	4.75	0.13	4.88
Additions	7.27	-	7.27
Disposals / Adjustments	-	-	-
As on 31/03/2020	12.02	0.13	12.15
Additions	2.71	-	2.71
Disposals / Adjustments	-	-	-
As on 31/03/2021	14.73	0.13	14.86
Accumulated Amortisation			
As on 01/04/2019	4.49	0.13	4.62
For the year 2019-20	0.61	-	0.61
Disposals / Adjustments	-	-	-
As on 31/03/2020	5.10	0.13	5.23
For the year 2020-21	1.83	-	1.83
Disposals / Adjustments	-	-	-
As on 31/03/2021	6.93	0.13	7.06
Net Block as on 31/03/2020	6.92	-	6.92
Net Block as on 31/03/2021	7.80	-	7.80

3B. Right to Use Asset

Particulars	₹ in Lacs	
	Land	
Gross Block		
As on 01/04/2019	-	-
Additions	250.90	-
Disposals / Adjustments	-	-
As on 31/03/2020	250.90	-
Additions	-	-
Disposals / Adjustments	6.13	-
As on 31/03/2021	257.03	-
Accumulated Amortisation		
As on 01/04/2019	-	-
For the year 2019-20	25.01	-
Disposals / Adjustments	-	-
As on 31/03/2020	25.01	-
For the year 2020-21	25.68	-
Disposals / Adjustments	-	-
As on 31/03/2021	50.69	-
Net Block as on 31/03/2020	225.89	-
Net Block as on 31/03/2021	206.34	-

3C. Capital Work In Progress/ Intangible Assets Under Development

Particulars	Capital Work In Progress			Intangible Assets Under Development
	Building	Plant and Equipment	Total	Software
As at 1st April 2019	88.31	524.86	613.17	4.33
Additions	75.88	647.59	723.47	2.29
Capitalization	161.40	1,108.64	1,270.04	4.55
As at 31st March 2020	2.79	63.81	66.60	2.07
Additions	14.27	93.15	107.42	-
Capitalization	14.60	147.00	161.60	2.07
As at 31st March 2021	2.46	9.96	12.42	-

4 Financial Assets - Investments		₹ in Lacs	
A. Summary of Non Current Investments		As at	As at
		31/03/2021	31/03/2020
Investment in Equity Instruments measured at Amortised Cost		2,244.41	-
Investment in Equity Instruments measured at Fair value through OCI		121.46	1,487.48
Investment in Equity Instruments measured at Fair value through PL		-	16.17
Total		2,365.87	1,503.65

B. Details of Non-current Investments		Face Value per Equity Instrument (Rs)		Number Of Equity Instruments		₹ in Lacs	
				31-03-2021	31-03-2020	31-03-2021	31-03-2020
Investments measured at Cost fully paid - in Subsidiary							
Quoted equity shares							
1	Resonance Specialties Ltd	10	52,50,000	-	-	2,244.41	-
Investments measured at fair value through OCI (fully paid)							
Unquoted equity shares							
1	Mexin Medicaments. Pvt Ltd	100	11,990	11,990	-	112.32	74.62
Quoted equity shares							
1	Ipca Laboratories Ltd	2	480	1,01,480	-	9.14	1,412.86
Investments measured at fair value through P&L (fully paid)							
Quoted equity shares							
1	Vedanta Ltd	10	-	25,000	-	-	16.17
Total						2,365.87	1,503.65

C. Aggregate value of investments		₹ in Lacs	
Particulars		31-03-2021	31-03-2020
Aggregate amount of quoted investments		2,253.54	1,429.03
Aggregate market value of quoted investments		6,592.64	1,429.03
Aggregate amount of unquoted investments		112.32	74.62

D. Disclosure Under Section 186(4) of the Companies Act 2013			
Name of the Investee Company	Purpose	31-03-2021	31-03-2020
Resonance Specialties Ltd	Business Acquisition	2,244.41	-

- i During the year the Company has acquired controlling stake in Resonance Specialties Limited along with persons acting in concert. The Investments are carried at cost in the standalone financial statements
- ii The Company has sold 1,01,000 equity shares of Ipca Laboratories Limited held as Investment at Fair Value through OCI during the ended March 31, 2021. The aggregate of sale consideration net of acquisition cost and tax thereon of ₹ 1,840.74 lacs has been initially recognised under Other Comprehensive Income and subsequently reclassified under retained earning though Statement of Changes in Equity.

5 Financial Assets - Loans
Particulars

	As at March 31, 2021		As at March 31, 2020	
	₹ In Lacs		₹ In Lacs	
	Non Current	Current	Non Current	Current
(Unsecured, considered good)				
Deposits	61.11	-	66.88	0.18
Loans given to Employees	-	0.02	0.02	0.54
Total	61.11	0.02	66.90	0.72

6 Financial Assets - Others
Particulars

	As at March 31, 2021		As at March 31, 2020	
	₹ In Lacs		₹ In Lacs	
	Non Current	Current	Non Current	Current
(Unsecured, considered good)				
Gratuity reimbursements and other claims receivable	-	3.32	-	2.88
Interest Receivable	-	0.65	-	0.47
Term Deposits with banks kept as margin money	1.20	-	1.13	-
Contract Asset - Unbilled Revenue	-	104.17	-	43.24
Other Receivable*	-	70.60	-	62.88
Total	1.20	178.74	1.13	109.47

* Other Receivable from Resonance Specialities Ltd

0.28

-

7 Other Non-Financial Assets
Particulars

	As at March 31, 2021		As at March 31, 2020	
	₹ In Lacs		₹ In Lacs	
	Non Current	Current	Non Current	Current
(Unsecured, considered good)				
Capital Advances	0.81	-	7.01	-
Prepaid Expenses	1.38	10.29	0.80	7.40
Balance with Tax Authorities	1.60	269.38	1.72	291.45
Advance to suppliers	-	13.12	-	41.69
Advances to Employees	-	5.95	-	6.06
Advances to Others	1.40	0.45	0.52	-
Prepaid Taxes (Net of provisions)	86.97	-	71.57	-
Total	92.16	299.19	81.62	346.60

8 Inventories (Valued at Lower of Cost or Net Realisable Value)

<u>Particulars</u>	<u>As at March 31, 2021</u>		<u>As at March 31, 2020</u>	
	<u>₹ In Lacs</u>		<u>₹ In Lacs</u>	
Raw Materials and components		140.55		150.03
Packing Materials and components		39.38		59.63
Work-in-progress		17.97		42.51
Finished goods:				
Manufactured		161.08		149.05
Traded		688.42		655.93
In transit		0.57		-
Consumable Stores and Spares		40.76		11.39
Total		<u>1,088.73</u>		<u>1,068.54</u>

The disclosure of inventories recognised as an expense in accordance with paragraph 36 of Ind AS 2 is as follows:

<u>Particulars</u>	<u>As at March 31, 2021</u>		<u>As at March 31, 2020</u>	
	<u>₹ In Lacs</u>		<u>₹ In Lacs</u>	
Amount of inventories recognised as an expense		2,307.76		3,008.80
Amount of write - down of inventories recognised as an expense		-		-
Total		<u>2,307.76</u>		<u>3,008.80</u>

9 Financial Assets - Trade Receivables (Unsecured, at amortised cost)

<u>Particulars</u>	<u>As at March 31, 2021</u>		<u>As at March 31, 2020</u>	
	<u>₹ In Lacs</u>		<u>₹ In Lacs</u>	
	<u>Non Current</u>	<u>Current</u>	<u>Non Current</u>	<u>Current</u>
Trade Receivable*	718.96		757.11	
Less: Expected Credit Loss	(0.22)	718.74	(1.78)	755.33
Total		<u>718.74</u>		<u>755.33</u>

* Receivable from Related Party Refer Statement 1

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

Since the Company Calculates impairment under the simplified approach the Company does not track the changes in credit risk of trade receivables the impairment amount represents lifetime expected credit loss. Hence the additional disclosures in trade receivables for changes in credit risk and credit impaired trade receivable are not disclosed.

Movement in the expected credit loss allowance

<u>Particulars</u>	<u>As at March 31, 2021</u>		<u>As at March 31, 2020</u>	
	<u>₹ In Lacs</u>		<u>₹ In Lacs</u>	
Balance at the beginning of the period		1.78		2.13
Adjustment during the year		(1.56)		(0.35)
Provision at the end of the period		<u>0.22</u>		<u>1.78</u>

10 Financial Assets - Cash & Cash Equivalents

<u>Particulars</u>	As at March 31, 2021		As at March 31, 2020	
	₹ In Lacs		₹ In Lacs	
Balances with banks		24.95		85.92
Cash on hand		0.60		0.74
Total		25.55		86.66

11 Financial Assets - Bank Balances other than (10) above

<u>Particulars</u>	As at March 31, 2021		As at March 31, 2020	
	₹ In Lacs		₹ In Lacs	
Unpaid dividend accounts		8.86		9.54
Total		8.86		9.54

Note: There are no amounts to be transferred to Investor Education and Protection Fund as on date

12 Equity Share Capital

<u>Particulars</u>	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	₹ In Lacs	No. of Shares	₹ In Lacs
Face Value per share (₹)		10		10
Class of Shares				
Authorised Capital	75,00,000	750.00	75,00,000	750.00
Issued, Subscribed and Paid up Capital				
Issued & Subscribed	49,16,980	491.70	49,16,980	491.70
Paid up	49,16,980	491.70	49,16,980	491.70
Total		491.70		491.70

Disclosures:
i) Reconciliation of Shares

<u>Particulars</u>	As at March 31, 2021		As at March 31, 2020	
	Numbers	₹ in Lacs	Numbers	₹ in Lacs
Shares outstanding at the beginning of the year	49,16,980	491.70	49,16,980	491.70
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	49,16,980	491.70	49,16,980	491.70

ii) Details of Shareholding in excess of 5%

<u>Name of Shareholder</u>	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	%	Number of shares held	%
Kaygee Laboratories Private Limited	6,50,000	13.22%	6,50,000	13.22%
Kaygee Investments Private Limited	8,54,400	17.38%	8,54,400	17.38%
Paschim Chemicals Private Limited	7,66,672	15.59%	7,66,672	15.59%

iii) Rights and obligations of shareholders

The Company has only one class of share referred as Equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders. The dividend is recommended by management which is subject to shareholder's approval at the General Meeting.

13 Other Equity

Particulars	As at March 31, 2021		As at March 31, 2020	
	₹ In Lacs		₹ In Lacs	
Capital Reserve	302.76		302.76	
Securities Premium	108.64		108.64	
General Reserve	1,200.00		1,200.00	
Retained Earnings	2,866.17		1,192.19	
Other Comprehensive Reserve				
- Remeasurement of Investment through FVOCI	(7.17)		1,166.64	
Total	4,470.40		3,970.23	

a) Security Premium Reserve:

Securities premium account comprises of premium on issue of shares. The reserves utilised in accordance with the specific provision of the Companies Act, 2013.

b) General Reserve :

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

14 Financial Liabilities - Borrowings

Particulars	As at March 31, 2021		As at March 31, 2020	
	₹ In Lacs		₹ In Lacs	
	Non Current	Current	Non Current	Current
Term Loan - Yes bank	552.84	245.28	598.12	217.50
Less : Reclassified to Current Maturities	-	(245.28)	-	(217.50)
Total	552.84	-	598.12	-
Secured Borrowing	552.84	245.28	598.12	217.50
Unsecured Borrowing	-	-	-	-

a) Details of Term Loan

Name of the Instruments/ Institutions	As at March 31, 2021		As at March 31, 2020	
	₹ In Lacs		₹ In Lacs	
	Non Current	Current	Non Current	Current
Term Loan From Yes Bank	552.84	245.28	598.12	217.50
	552.84	245.28	598.12	217.50

- The term loan is for a period of 60 months. The term loans is repayable in 16 quarterly instalments beginning from February 29, 2020.
- The New term loan taken during the year is for a period of 48 months. The term loans is repayable in 36 Monthly instalments beginning from November 10, 2021

b) Details of securities and repayment terms of secured loans stated above

- Secured by way of exclusive charge on plant and machinery located at new ophthalmic products manufacturing facility at Naroda, Ahmedabad. Equitable mortgage on the plot no. 30/4, Phase III GIDC, Naroda, Ahmedabad.
- The new term loan - Secured by way of 100% Credit Guarantee by National Credit Guarantee Trust Companies Limited (NCGTC) and Extension of Charge on present & Current Assets of the Company and Fixed assets charged for YBL Term Loan taken earlier.

c) **Maturity Profile of Borrowings is as per the original sanction terms.**

<u>Particulars</u>	<u>31/03/2021</u>	<u>31/03/2020</u>
Instalment payable between 0 to 1 years	245.28	217.50
Instalment payable between 1 to 2 years	513.96	435.00
Instalment payable between 2 to 5 years	38.89	163.12
Instalment payable beyond 5 years	-	-
Total	798.13	815.62

d) **Changes in liabilities arising out of financing activities**

<u>Particulars</u>	As at March 31, 2020		
	Non-Current Borrowings	Current Maturities	Current Borrowings
Opening Balances	597.04	39.80	1.59
Changes from Financing Cash Flows	218.58	(39.80)	251.43
Effect of changes in foreign currency	-	-	-
Transfer to Current Maturities	(217.50)	217.50	-
Closing Balances	598.12	217.50	253.02

<u>Particulars</u>	As at March 31, 2021		
	Non-Current Borrowings	Current Maturities	Current Borrowings
Opening Balances	598.12	217.50	253.02
Changes from Financing Cash Flows	200.00	(217.50)	318.40
Effect of changes in foreign currency	-	-	-
Transfer to Current Maturities	(245.28)	245.28	-
Closing Balances	552.84	245.28	571.42

15 **Other Financial Liabilities**

<u>Particulars</u>	As at March 31, 2021		As at March 31, 2020	
	₹ In Lacs		₹ In Lacs	
	Non Current	Current	Non Current	Current
Current Maturities of long term borrowings	-	245.28	-	217.50
<u>Security Deposits from</u>				
Dealers	-	388.21	-	413.74
Others	-	3.92	-	3.55
Related Party	-	1.01	-	-
Unpaid dividends	-	8.86	-	9.54
Payable for Capital Goods	-	4.69	-	27.24
Interest accrued	-	11.64	-	9.77
Payable to Employees	-	42.66	-	37.72
Total	-	706.27	-	719.06

16 Provisions
Particulars

	As at March 31, 2021		As at March 31, 2020	
	₹ In Lacs		₹ In Lacs	
	Non Current	Current	Non Current	Current
Provision for breakage/damage	-	0.02	-	0.01
Provision for product expiry	-	19.77	-	0.01
Provision for sales return	-	73.02	-	91.39
Provision for trade discount	-	-	-	0.29
Provision for Gratuity	-	38.51	-	32.87
Provision for leave encashment	21.96	8.27	19.01	11.21
Provision for leave travel assistance (LTA)	-	6.96	-	10.06
Provision for Tax (Net of prepaid)	-	23.08	-	23.46
Total	21.96	169.63	19.01	169.30

The disclosure of provisions movement as required by Ind AS 37 is as follows:-

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Provision for breakage/damage		
Balance at the beginning of the period	0.01	0.01
Provisions/ Reversal during the year.	0.01	0.00
Utilisations during the period	-	-
Provision at the end of the period	0.02	0.01
(ii) Provision for product expiry		
Balance at the beginning of the period	0.01	0.01
Provisions/ Reversal during the year.	19.76	-
Utilisations during the period	-	-
Provision at the end of the period	19.77	0.01
(iii) Provision for sales return		
Balance at the beginning of the period	91.39	72.11
Provisions/ Reversal during the year.	(18.37)	19.28
Utilisations during the period	-	-
Provision at the end of the period	73.02	91.39

(iv) Disclosure in accordance with Ind AS – 19 “Employee Benefits”, of the Companies (Indian Accounting Standards) Rules, 2015.

Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The following table summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet.

Particulars	₹ in Lacs	
	As at Mar 31, 2021	As at Mar 31, 2020
Expense recognised in Statement of Profit & Loss		
Current Service cost	6.40	5.86
Interest expense	4.45	4.92
Expected Return on Plan Assets	(3.20)	(4.23)
Benefit paid but pending claim	-	-
Past Service cost	-	-
Total	7.65	6.55
Expense recognised in Other Comprehensive Income		
Return on plan assets (Greater)/Less than Discount Rate	1.57	0.28
Actuarial (Gain)/Loss due to Experience on DBO	(6.67)	(8.85)
Total	(5.10)	(8.57)
Present value of funded defined benefit obligation		
Fair value of Plan assets	(60.10)	(54.26)
Funded Status	38.51	32.87
Net defined benefit (Asset) / Liability	38.51	32.87
Movements in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	87.12	84.02
Current Service Cost	6.40	5.86
Interest Cost	4.45	4.92
Actuarial (Gain)/Loss	6.67	8.85
Benefits paid	(6.05)	(16.53)
Past Service Cost	-	-
Present value of defined benefit obligation at the end of the year	98.60	87.12
Movements in fair value of the plan assets are as follows.		
Opening fair value of plan assets	54.27	61.75
Adjustment to opening fair value	-	-
Expected returns on Plan Assets	3.20	4.23
Remeasurement (Gains)/Losses:	-	-
Actuarial (Gain)/Loss on Plan assets	1.57	0.28
Contribution from Employer	7.11	4.54
Benefits paid	-	-
Fund Charges	-	-
Benefit paid but pending claim	(6.05)	(16.53)
Closing fair value of the plan asset	60.10	54.27
Remeasurement effect recognised on Other Comprehensive Income		
Actuarial (Gain)/Loss arising from experience adjustments	6.67	8.86
Actuarial (Gain)/Loss on Plan assets	(1.57)	(0.28)
Total Actuarial (Gain)/Loss included in OCI	5.10	8.58

The principal assumptions used as at the balance sheet date are used for purpose of actuarial valuations were as follows :

(v) Financial Assumptions

Discount Rate	5.52%	5.89%
Salary Increase Rate	6.00%	6.00%

(vi) Demographic Assumptions

Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal Rate	25%	25%
Retirement age	58 Years	58 Years

The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality.

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

(vii) Defined Benefit Obligation

Discount rate

a. Discount rate - 50 basis points	100.04	88.36
b. Discount rate + 50 basis points	97.32	85.93

Salary increase rate

a. Rate - 50 basis points	97.32	85.93
b. Rate + 50 basis points	100.04	88.36

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would clear in isolation of one another as some of the assumptions may be correlated.

Further more, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

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

(viii) Risk Characteristics of the Defined Benefit Plan

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow

- (i) Investment Risk** – For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

(ii) **Market Risk (Discount Rate)** – Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

(iii) **Longevity Risk** : The impact of longevity risk will depend on whether the benefits are paid before retirement age or after . Typically for the benefits paid on or before the retirement age , the longevity risk is not very material.

(iv) **Actuarial Risk**

Salary Increase Assumption: Actual Salary increase that are higher than the assumed salary escalation , will result in increase to the Obligation at a rate that is higher than expected

Attrition / Withdrawal Assumption: If actual withdrawal rates are higher than assumed withdrawal rate assumption ,than the benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

17 Deferred Tax Liabilities (Net)

<u>Particulars</u>	<u>As at March 31, 2021</u>		<u>As at March 31, 2020</u>	
	<u>₹ in lacs</u>		<u>₹ in lacs</u>	
(a) Deferred tax liabilities on account of				
PPE including ROU Assets and R & D Assets	59.59		130.16	
Fair Value Change of Investment through OCI	(0.00)	59.59	87.22	217.38
(b) Deferred tax asset on account of				
Fair Value Change of Investment through OCI	(3.75)		-	
Unabsorbed Tax Loss	-		(40.77)	
Leave Encashment	(7.61)		(7.60)	
Other tax disallowance	(0.50)	(11.86)	(1.26)	(49.63)
Net deferred tax liability		47.73		167.75

18 Other Non-financial Liabilities

<u>Particulars</u>	<u>As at March 31, 2021</u>		<u>As at March 31, 2020</u>	
	<u>₹ In Lacs</u>		<u>₹ In Lacs</u>	
	<u>Non Current</u>	<u>Current</u>	<u>Non Current</u>	<u>Current</u>
Advance from Customers	-	1.09	-	5.94
Duties & Taxes Payable	-	13.04	-	18.48
Other Payables	-	6.05	-	5.65
Total	-	20.18	-	30.07

19 Short Term Borrowings

<u>Particulars</u>	<u>As at March 31, 2021</u>		<u>As at March 31, 2020</u>	
	<u>₹ In Lacs</u>		<u>₹ In Lacs</u>	
Working Capital Loan from Yes bank	-	321.42	-	103.02
Intercompany Deposit	-	250.00	-	150.00
Total	-	571.42	-	253.02
Secured Borrowing		321.42		103.02
Unsecured Borrowing		250.00		150.00

- (a) Secured Borrowing - Exclusive charge on present and future current asset of the Company and Negative Lien on immovable fixed assets of the company for there registered office located at 54-D, Government Industrial Estate, Charkop, Kandivali (W), Mumbai, Maharashtra.
- (b) Unsecured Borrowing - Intercompany deposit is for short term, repayable before March 31, 2022. It carries Interest @ 8.00% (PY 9.50%)

20 Financial Liabilities - Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
	₹ in lacs	₹ in lacs
Trade Payables for goods and services:		
- Total outstanding dues of Micro and small enterprise	105.25	137.46
- Others	519.24	595.91
Total	624.49	733.37

Trade payables and acceptances are non-interest bearing and are normally settled between 0-120 days.

Details of dues to micro and small enterprises as defined under MSMED Act, 2006

Particulars	As at March 31, 2021	As at March 31, 2020
	₹ in lacs	₹ in lacs
Principal amount due	105.25	137.46
Interest due on above	0.02	0.64
Amount paid in terms of Sec 16 of the Micro, Small and Medium Enterprise Development Act, 2006		
- Principal amount paid beyond appointed day	361.04	167.00
- Interest paid thereon	-	-
Amount of interest due and payable for the period of delay	2.75	1.21
Amount of interest accrued and remaining unpaid as at year end	4.62	1.85
Amount of further interest remaining due and payable in the succeeding year	-	-

The company has compiled the above information based on written confirmations from suppliers and have been determined to the extent such parties have been identified on the basis of the information available with the company. This has been relied upon by the auditors.

21 Revenue from Operations

Particulars	As at March 31, 2021	As at March 31, 2020
	₹ in lacs	₹ in lacs
Sale of Products	3,537.17	4,303.57
Sale of services	893.84	831.33
Other operating revenues		
Sundry Creditors Balances written back	8.32	3.08
Miscellaneous income	1.81	1.68
Total	4,441.14	5,139.66

A Disclosure in accordance with Ind AS - 115 “Revenue Recognition Disclosures”, of the Companies (Indian Accounting Standards) Rules, 2015

(a) Disclosure relating to disaggregation of revenue in terms of Ind AS 115	2020-21	2019-20
Sale of Generic formulations	3,537.17	4,303.57
Sale of Services	893.84	831.33

(b) There are Two parties which each individually account for more that 10% of sales of the company. Aggregate revenue from these two parties is ₹ 1,608.72 lac.

ii) Movement of Contract Balances

a) Advance from Customers	2020-21	2019-20
Opening Balance	5.94	4.50
Addition during the year	1.09	5.94
Billed/Received during the Year	(5.94)	(4.50)
Closing Balance	1.09	5.94

b) Unbilled Revenue	2020-21	2019-20
Opening Balance	43.24	32.15
Addition during the year	104.17	43.24
Billed/Received during the Year	(43.24)	(32.15)
Closing Balance	104.17	43.24

22 Other Income

Particulars	2020-21	2019-20
	₹ in Lacs	₹ in Lacs
Interest income	4.64	2.32
Interest income on financial asset on EIR basis	0.54	-
Dividend income - from investments	0.04	9.09
Profit on sale of property, plant & equipment	0.26	0.13
Rent Income	17.26	5.72
Profit on Sale of Non Current Investment	17.10	4.46
Reversal of provision for Expected Credit Loss	1.56	0.36
Miscellaneous Income	-	0.47
Total	41.40	22.55

23 Cost of Materials Consumed

Particulars	2020-21	2019-20
	₹ in Lacs	₹ in Lacs
Raw Materials Consumed		
Opening stock	150.03	188.29
Add : Purchases (Net of discount)	474.19	626.61
	624.22	814.90
Less : Closing stock	140.55	150.03
	483.67	664.87
Packing Materials Consumed		
Opening stock	59.63	47.97
Add : Purchases (Net of discount)	118.06	129.12
	177.69	177.09
Less : Closing stock	39.38	59.63
	138.31	117.46
Total	621.98	782.33

24 Purchases of Traded Goods

<u>Particulars</u>	<u>2020-21</u>	<u>2019-20</u>
	<u>₹ in Lacs</u>	<u>₹ in Lacs</u>
Formulations	1,584.75	1,953.51
Others	60.07	144.95
Total	1,644.82	2,098.46

25 Changes in inventories of Finished Goods(FG), Work-in-progress(WIP) and Traded Goods

<u>Particulars</u>	<u>2020-21</u>		<u>2019-20</u>	
	<u>₹ in Lacs</u>		<u>₹ in Lacs</u>	
Inventory Adjustments - WIP				
Stock at commencement	42.51		68.39	
Less: - Stock at closing	17.97	24.54	42.51	25.88
Inventory Adjustments - FG				
Stock at commencement	149.05		144.32	
Less : Stock at closing	161.08	(12.03)	149.05	(4.73)
Inventory Adjustments - FG In transit				
Stock at commencement	-		-	
Less : Stock at closing	0.57	(0.57)	-	-
Inventory Adjustments - Traded Goods				
Stock at commencement	655.93		704.92	
Less : Stock at closing	688.42	(32.49)	655.93	48.99
Total		(20.55)		70.14

26 Employee Benefits Expenses

<u>Particulars</u>	<u>2020-21</u>	<u>2019-20</u>
	<u>₹ in Lacs</u>	<u>₹ in Lacs</u>
Salaries , bonus , perquisites , etc.	684.59	704.43
Contribution to provident and other funds	39.28	37.08
Leave encashment	13.59	12.86
Leave travel assistance	6.16	6.45
Gratuity fund contributions	7.66	6.56
Staff welfare expenses	11.58	15.78
Recruitment & training	0.16	0.72
Total	763.02	783.88

27 Finance Cost

<u>Particulars</u>	<u>2020-21</u>	<u>2019-20</u>
	<u>₹ in Lacs</u>	<u>₹ in Lacs</u>
Interest on loan	108.96	24.16
Unwinding of Financial Liabilities	24.85	25.44
Interest on Dealer's Deposit	22.16	17.50
Interest in MSME Creditors	2.77	1.85
Interest Others	0.00	1.36
Interest on Income Tax	0.16	-
Total	158.90	70.31

28 Depreciation & Amortisation

<u>Particulars</u>	<u>2020-21</u>	<u>2019-20</u>
	<u>₹ in Lacs</u>	<u>₹ in Lacs</u>
Depreciation on tangible assets	392.07	173.13
Amortisation on intangible assets	1.83	0.61
Depreciation on Right of Use Assets	25.68	25.01
Total	419.58	198.75

29 Other Expenses

<u>Particulars</u>	<u>2020-21</u>	<u>2019-20</u>
	<u>₹ in Lacs</u>	<u>₹ in Lacs</u>
Commission & Distribution Charges	187.48	279.56
Outside manufacturing charges	76.05	109.29
Power and fuel	296.76	165.96
Consumption of stores and spares	61.51	57.87
Freight, forwarding and transportation	62.57	76.42
Field staff expenses	57.11	77.17
Repairs and maintenance	51.90	41.06
Water charges	3.28	3.45
Loss on sale of property, plant & equipment	-	5.02
Sales and marketing expenses	31.73	22.32
Brand Recall Expenses - Domestic Marketing	4.58	48.24
Product information catalogue	0.81	3.54
Laboratory expenses and analytical Charges	55.39	50.75
Expenditure on research & development	17.00	2.74
Rent	25.41	33.89
Rates and taxes	32.56	17.44
Travelling expenses	6.75	14.84
Professional charges	32.33	15.75
Printing and stationery	12.11	9.88
Books, subscription and software	1.52	3.12
GST expenses	6.70	9.28
Communication expenses	11.94	5.06
Insurance	13.93	10.78
Intellectual property right expenses	3.52	4.43
Remuneration to auditors	8.50	7.50
Bank charges	1.13	0.16
Loss on financial assets measured at FVTPL	-	29.94
Bad debts and other balance w/off	0.96	2.93
Security Charges	24.73	15.39
Foreign Exchange Loss	0.65	0.15
Donation	2.66	-
Miscellaneous expenses (none of which individually forms more than 1% of the operating revenue)	10.63	9.51
Total	1,102.20	1,133.44

Details of:	2020-21	2019-20
1 Repairs and Maintenance:	₹ in Lacs	₹ in Lacs
- Building	6.16	8.44
- Machinery	44.86	31.39
- Others	0.88	1.23
	51.90	41.06
2 Remuneration To Auditors:		
- Audit fees including Limited Review and Tax Audit	7.90	5.10
- Tax matters	0.50	2.40
- Other services and Out of pocket expenses	0.10	-
	8.50	7.50
i) Total expenditure on R & D is included in respective heads of accounts as under:		
Particulars	2020-21	2019-20
	₹ in Lacs	₹ in Lacs
Employee benefits expenses	2.85	2.30
Laboratory Expenses	17.00	2.73
Depreciation	14.17	12.79
Total	34.02	17.82
30 Tax Expense- Profit and Loss Account		
Particulars	2020-21	2019-20
	₹ in Lacs	₹ in Lacs
Current Tax	-	3.82
Short / Excess Provision of earlier years	(16.70)	-
Deferred Tax	(29.05)	33.46
Total	(45.75)	37.28
31 Tax Expense- Other Comprehensive Income		
Particulars	2020-21	2019-20
	₹ in Lacs	₹ in Lacs
Current Tax	144.84	(1.34)
Deferred Tax	(90.97)	46.42
Total	53.87	45.08
(i) Reconciliation of current rate of tax and effective rate of tax:		
	2020-21	2019-20
Profit/ (Loss) before Income taxes	(207.41)	24.90
Enacted tax rates in India (%)	25.17%	26.00%
Computed expected tax expenses	(52.20)	6.47
Effect of deductible expenses	(111.49)	(79.53)
Effect of non- deductible expenses	126.19	20.02
Additional deduction on Research and Development Expenses	-	(6.75)
Income tax expenses - Net.....A	(37.50)	(59.79)

Tax liability as per Minimum alternate tax as per Book Profit	2020-21	2019-20
Minimum alternate tax rate	-	15.60%
Computed expected tax expenses	-	3.88
Add: Adjustment	-	(0.06)
Mat Liability.....B	-	3.82
Higher of A, B or C	144.83	3.82
Tax on OCI		
Actuarial changes	(5.10)	(8.58)
Capital Gain	1,985.58	-
Enacted tax rates in India (%) (11.44 / 15.60)	11.44%	15.60%
Computed expected tax expenses	227.15	(1.34)
Exemption under tax laws	(56.59)	-
Set off of losses and other deductions	(26.05)	-
Others	0.32	-
Income tax expenses - Net.....C	144.83	(1.34)

(ii) **Reconciliation of Deferred Tax of Profit and loss account and Other Comprehensive Income**
Deferred tax (assets) / liabilities in relation to statement of profit and loss:

Particulars	₹ in lacs			
	Opening	Recognized in P & L	Recognized in OCI	Closing
PPE including ROU Assets and R & D Assets	55.43	74.73	-	130.16
Compensated Absences	(7.80)	0.20	-	(7.60)
Other tax disallowance	(0.56)	(0.70)	-	(1.26)
Unabsorbed Tax Loss		(40.77)		(40.77)
Fair Value Changes of Investment held through OCI	40.80	-	46.42	87.22
As at March 31, 2020	87.87	33.46	46.42	167.75
PPE including ROU Assets and R & D Assets	130.16	(70.57)	-	59.59
Compensated Absences	(7.60)	(0.01)	-	(7.61)
Other tax disallowance	(1.26)	0.76	-	(0.50)
Unabsorbed Tax Loss	(40.77)	40.77		-
Fair Value Changes of Investment held through OCI	87.22	-	(90.97)	(3.75)
As at March 31, 2021	167.75	(29.05)	(90.97)	47.73

32 Disclosure as required by Accounting Standard – IND AS 33 “Earning Per Share” of the Companies (Indian Accounting Standards) Rules 2015.

The earning per share is calculated by dividing the profit after tax by weighted average no. of shares outstanding for basic & diluted EPS.

Particulars	2020-21	2019-20
Profit/ (Loss) after tax	(161.66)	(12.38)
Closing equity shares outstanding (Nos.)	49,16,980	49,16,980
Opening equity shares outstanding (Nos.)	49,16,980	49,16,980
Add:- issued during the year (Nos.)	-	-
Closing equity shares outstanding (Nos.)	49,16,980	49,16,980
Weighted avg no. of shares outstanding (Nos.) (Basic)	49,16,980	49,16,980
Weighted avg no. of shares outstanding (Nos.) (Diluted)	49,16,980	49,16,980
Nominal value of equity share (₹)	10.00	10.00
Basic EPS (i/iii) (₹)	(3.29)	(0.25)
Diluted EPS (i/iv) (₹)	(3.29)	(0.25)

33 Disclosure in accordance with Ind AS – 116 “Leases”, of the Companies (Indian Accounting Standards) Rules, 2015.

i) The following is the carrying value of lease liability:

Particulars	31/03/2021	31/03/2020
Opening Liability	235.86	
Additions during the year	-	250.90
Finance cost accrued during the year	24.39	25.29
Deletions	-	-
Payment of lease liabilities	(31.20)	(40.33)
Balance	229.05	235.86
Breakup:	31/03/2021	31/03/2020
Current portion of Lease liability	9.04	6.81
Non Current portion of Lease liability	220.01	229.05
	229.05	235.86

ii) Amounts recognised in the statement of cash flows

Particulars	31/03/2021	31/03/2020
Total cash outflow for leases	31.20	40.33

iii) The details of the contractual maturities of lease liabilities:

Particulars	31/03/2021	31/03/2020
Less than one year	31.85	31.20
One to five years	208.26	203.77
More than five years	126.12	146.86
Total	366.23	381.83

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

34 Disclosure as required by IND AS 108 “Operating Segment”, of the Companies (Indian Accounting Standards) Rules, 2015.

Based on the “management approach” as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company’s performance In accordance with IND AS “Operating Segment”, The Company has only one reportable operating segment i.e. Pharmaceuticals.

There are two parties which each individually account for more that 10% of sales of the company. Aggregate revenue of these two parties is ₹ 1,608.72 lac.

35 Disclosure in accordance with Ind AS - 24 “Related Party Disclosures”, of the Companies (Indian Accounting Standards) Rules, 2015

A) List of related parties

Relationships

(i) Entities having significant influence

Shareholders of Makers Laboratories Ltd

Kaygee Investments Pvt.Ltd.

(Promoter holding together with its subsidiary more than 20%)

(ii) Entities where Control Exists

Resonance Specialties Limited

w.e.f December 11, 2020

(iii) Key Management Personnel

Mr. Saahil Parikh

Wholetime Director

Ms. Dipti Shah

Independent Director

Mr. R K P Verma

Independent Director

Mr. P M Kathariya

Independent Director (Upto 29th September 2020)

Mr. Nilesh Jain

Wholetime Director

Mr. Prashant Godha

Additional Director (w.e.f November 4, 2020)

Mr. Vishal Jain

Additional Director (w.e.f November 4, 2020)

(iv) Entities in which promoters have significant influence

Ipca Laboratories Ltd.

(v) other Related parties

Relative of Key Management Personnel

Mr. Umesh Parikh

B) Details of related party transaction are given in statement 1 Attached to the financial statement.

36 CSR Expenditure:

Gross amount required to be spent by the Company during the year Nil (previous year Nil).

37 Contingent liabilities and Commitments

A) Contingent Liabilities

Particulars

	As at March 31, 2021	As at March 31, 2020
	₹ in Lacs	₹ in Lacs
Counter Guarantees given to Banks in respect of guarantees given by the bank on behalf of the Company to Government Authorities	1.20	1.13
Other moneys for which the Company is contingently liable for tax and other matters not accepted by the Company	132.16	143.42
Total	133.36	144.55

* The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019 has held that provident fund contributions are payable on basic wage, dearness allowances and all other monthly allowances, which are universally, necessarily and ordinarily paid to all the employees in the establishment across the board. There are numerous interpretative issues relating to the judgement. As such, the Company has, based on legal advice and as a matter of caution, made provision for an estimated amount on a prospective basis without considering any probable obligations for past periods. The Company will continue to monitor and evaluate its position and act, as clarity emerges.

B) Commitments

<u>Particulars</u>	<u>As at March 31, 2021</u>	<u>As at March 31, 2020</u>
	<u>₹ in Lacs</u>	<u>₹ in Lacs</u>
(a) Estimated amount of contracts remaining to be executed on capital account. (Net of Capital Advances)		-
- Tangible Assets	11.55	-
(b) Outstanding Letter of Credit	-	25.16
	11.55	25.16

38 Financial Instruments

The carrying value and fair value of financial instruments by categories is as follows:

<u>Particulars</u>	<u>Carrying Value</u>		<u>Fair Value</u>	
	<u>31/03/2021</u>	<u>31/03/2020</u>	<u>31/03/2021</u>	<u>31/03/2020</u>
Financial assets				
Amortised Cost				
Loans	61.13	67.62	61.13	67.62
Others	179.94	110.60	179.94	110.60
Trade receivables	718.74	755.33	718.74	755.33
Cash and cash equivalents	34.41	96.20	34.41	96.20
FVTPL				
Equity Instruments	-	16.17	-	16.17
FVTOCI				
Equity Instruments	121.46	1,487.48	121.46	1,487.48
Total Financial Assets	1,115.68	2,533.40	1,115.68	2,533.40
Financial liabilities				
Amortised Cost				
Borrowings	1,124.27	851.14	1,124.27	851.14
Trade payables	624.49	733.37	624.49	733.37
Others	706.27	719.06	706.27	719.06
Lease Liability	229.05	235.86	229.05	235.86
Total Financial Liabilities	2,684.07	2,539.43	2,684.07	2,539.43

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

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

39 Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Particulars	Date of Valuation	Fair Value measurement using			₹ in Lacs
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets measured at fair value through P&L					
Listed Equity Investments	31/03/2021	-	-	-	-
		-	-	-	-
Financial assets measured at fair value through OCI					
Listed Equity Investments	31/03/2021	9.14	-	-	9.14
Unlisted Equity Investments	31/03/2021	-	-	112.32	112.32
		9.14	-	112.32	121.46
Financial assets measured at Amortised Cost					
Listed Equity Investments	31/03/2021	2,244.41	-	-	2,244.41
Loans	31/03/2021	-	-	61.13	61.13
Others	31/03/2021	-	-	179.94	179.94
Trade receivables	31/03/2021	-	-	718.74	718.74
Cash and cash equivalents	31/03/2021	-	-	34.41	34.41
		2,244.41	-	994.22	3,238.63
Total Financial Assets		2,253.55	-	1,106.54	3,360.09
Financial Liabilities measured at Amortised Cost					
Borrowings	31/03/2021	-	-	1,124.27	1,124.27
Lease Liability	31/03/2021	-	-	624.49	624.49
Trade Payable	31/03/2021	-	-	706.27	706.27
Other Financial Liability	31/03/2021	-	-	229.05	229.05
		-	-	2,684.07	2,684.07
Total Financial Liability		-	-	2,684.07	2,684.07
Financial assets measured at fair value through P&L					
Listed Equity Investments	31/03/2020	16.17	-	-	16.17
		16.17	-	-	16.17
Financial assets measured at fair value through OCI					
Listed Equity Investments	31/03/2020	1,412.86	-	-	1,412.86
Unlisted Equity Investments	31/03/2020	-	-	74.62	74.62
		1,412.86	-	74.62	1,487.48

Financial assets measured at Amortised Cost

Listed Equity Investments	31/03/2020	-	-	-	-
Loans	31/03/2020	-	-	67.62	67.62
Others	31/03/2020	-	-	110.60	110.60
Trade receivables	31/03/2020	-	-	755.33	755.33
Cash and cash equivalents	31/03/2020	-	-	96.20	96.20
		-	-	1,029.75	1,029.75
Total Financial Assets		1,429.03	-	1,104.37	2,533.40

Financial Liabilities measured at Amortised Cost

Borrowings	31/03/2020	-	-	851.14	851.14
Lease Liability	31/03/2020	-	-	733.37	733.37
Trade Payable	31/03/2020	-	-	719.06	719.06
Other Financial Liability	31/03/2020	-	-	235.86	235.86
		-	-	2,539.43	2,539.43
Total Financial Liability		-	-	2,539.43	2,539.43

40 Financial Risk Factors

The Company's business activities are exposed to a variety of financial risks: Market/Business risk, credit risk, Exchange risk, etc. The Company's focus is to foresee the unpredictability of financial and business risks and seek to minimize potential adverse effects of these risks on its business and financial performance.

(i) Business/Market Risk

The primary business/market risk to the Company is the price risk. There was decrease in the income in FY 2020-21 mainly on account of lower price realisation in few generic formulations market due to competitive nature of the market and also due to reduction in the selling prices of many formulations due to price reductions made under the drug pricing regime in the country.

The Indian generic formulations market is currently in the growth phase. It is expected that use of generic formulations will gradually increase in India. However, cut throat competition, quality issues of generics manufactured in the country and non existence of organised generic formulations distribution and retailing system are a cause of concern and is hampering the growth of generic formulations market.

(ii) Credit Risk

The Company has exposure to credit risks associated with sales to various Customers. To mitigate these credit risks arising out of this, the Company on a regular basis evaluates the credit risk associated with a customer. Customer where no credit insurance is available, the Company monitors such risk by continuously monitoring its exposure to such customer. Based on the historical data, the Company has made adequate provisions for expected loss because of credit risk, which is neither significant nor material.

41 Capital Management

For the purpose of the Company's capital management, capital includes paid-up equity share capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholders' value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust its dividend payment ratio to shareholders, return capital to shareholders or issue fresh shares. The Company monitors capital using a gearing ratio, which is net debt divided by its total capital. The Company includes within its net debt the cash credit facilities, trade, lease and other payables less cash and cash equivalents.

Particulars	₹ in Lacs	
	As at 31/03/2021	As at 31/03/2020
Borrowings	1,124.27	851.14
Current Maturity	245.28	217.50
Less: Cash and Cash Equivalents	(25.55)	(86.66)
Net debt	1,343.99	981.98
Total Equity Capital and net debt	4,962.10	4,461.93
Gearing Ratio	27.09%	22.01%

No changes were made in the objectives, policies or processes for managing the capital during the years ended March 31, 2021 and March 31, 2020.

- 42** The spread of Covid-19 has severely impacted business around the globe. In many countries including India, there has been severe disruption to regular business operations due to lock down, disruption in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. Based on detailed assessment of the impact of COVID-19 on the operations of the Company and ongoing discussions with vendors and service providers, the Management is confident of obtaining regular supply of raw materials and logistics services. Management believes that it has taken into account all the possible impact of known events arising from Covid-19 pandemic in the preparation of financial statements. However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.
- 43** Figures for the previous year have been regrouped / reclassified / reinstated, wherever considered necessary.
- 44** The company has opted for reduced tax rate as per section 115BAA of the Income Tax Act, 1961. Accordingly, the company has recognised Provision for Income Tax for the year and re-measured its Deferred tax liability basis the rate prescribed in the said section.
- 45** The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31,2021

**As per our report of even date attached
For Natvarlal Vepari & Co.**

Chartered Accountants
Firm Registration No. 106971W

N. Jayendran

Partner
M.No. 40441
Mumbai June 10, 2021

For and on behalf of the Board of Directors

Saahil Parikh
(DIN 00400079)
Wholetime Director

Nilesh Jain
(DIN 05263110)
Wholetime Director

Prashant Godha
(DIN 00012759)
Additional Director

Khyati Danani
(ACS 21844)
Company Secretary

Sandeep Kadam
CFO

June 10, 2021

Statement 1 (refer Note No. 35)

Related Party Disclosure as required by Indian Accounting Standard – IND AS 24 “Related Party Transactions” of the Companies (Accounting Standards) Rule 2015.

Transactions with Related Parties

Rs in Lacs

Description	Entities where control Exists Subsidiaries		Key Management Personnel		Entities in which promoters have significant influence		Other Related Parties		Total	
	Mar 21	Mar 20	Mar 21	Mar 20	Mar 21	Mar 20	Mar 21	Mar 20	Mar 21	Mar 20
Purchase of goods and services										
Ipca Laboratories Ltd	-	-	-	-	131.03	139.53	-	-	131.03	139.53
TOTAL	-	-	-	-	131.03	139.53	-	-	131.03	139.53
Sales of goods and services										
Ipca Laboratories Ltd	-	-	-	-	1,011.10	923.50	-	-	1,011.10	923.50
TOTAL	-	-	-	-	1,011.10	923.50	-	-	1,011.10	923.50
Other expenses reimbursements										
Ipca Laboratories Ltd	-	-	-	-	-	0.01	-	-	-	0.01
TOTAL	-	-	-	-	-	0.01	-	-	-	0.01
Rent income Received										
Resonance Specialties Ltd	0.92	-	-	-	-	-	-	-	0.92	-
TOTAL	0.92	-	-	-	-	-	-	-	0.92	-
Reimbursement of Expenses paid on behalf of										
Resonance Specialties Ltd	1.18	-	-	-	-	-	-	-	1.18	-
TOTAL	1.18	-	-	-	-	-	-	-	1.18	-
Sale of quoted Shares thru block deal mechanism of SE										
Kaygee Investments Pvt.Ltd.	-	-	-	-	2,086.81	-	-	-	2,086.81	-
TOTAL	-	-	-	-	2,086.81	-	-	-	2,086.81	-
Dividend Income :										
Ipca Laboratories Ltd	-	-	-	-	0.04	8.12	-	-	0.04	8.12
TOTAL	-	-	-	-	0.04	8.12	-	-	0.04	8.12
Other expenses paid:										
Ipca Laboratories Ltd	-	-	-	-	0.85	11.21	-	-	0.85	11.21
TOTAL	-	-	-	-	0.85	11.21	-	-	0.85	11.21
Remuneration to Directors										
Mr. Saahil Parikh	-	-	46.71	42.63	-	-	-	-	46.71	42.63
Mr. Nilesh Jain	-	-	26.10	23.30	-	-	-	-	26.10	23.30
TOTAL	-	-	72.81	65.93	-	-	-	-	72.81	65.93
Provident Fund										
Mr. Saahil Parikh	-	-	3.53	3.18	-	-	-	-	3.53	3.18
Mr. Nilesh Jain	-	-	2.06	1.75	-	-	-	-	2.06	1.75
TOTAL	-	-	5.59	4.93	-	-	-	-	5.59	4.93
Sitting Fee to Non-executive Directors										
Ms. Dipti Shah	-	-	1.90	1.45	-	-	-	-	1.90	1.45
Mr. R K P Verma	-	-	2.00	1.60	-	-	-	-	2.00	1.60
Mr. P M Kathariya	-	-	0.95	1.60	-	-	-	-	0.95	1.60
Mr. Prashant Godha	-	-	0.30	-	-	-	-	-	0.30	-
Mr. Vishal Jain	-	-	0.60	-	-	-	-	-	0.60	-
TOTAL	-	-	5.75	4.65	-	-	-	-	5.75	4.65
Salaries Paid										
Umesh Parikh	-	-	-	-	-	-	16.65	23.68	16.65	23.68
TOTAL	-	-	-	-	-	-	16.65	23.68	16.65	23.68
Deposit received *										
Resonance Specialties Ltd	1.50	-	-	-	-	-	-	-	1.50	-
TOTAL	1.50	-	-	-	-	-	-	-	1.50	-
Closing Balances of Related Parties										
Balance at year end										
Receivables										
Ipca Laboratories Ltd	-	-	-	-	138.23	117.53	-	-	138.23	117.53
Resonance Specialties Ltd	0.28	-	-	-	-	-	-	-	0.28	-
TOTAL	0.28	-	-	-	138.23	117.53	-	-	138.51	117.53
Payables										
Ipca Laboratories Ltd	-	-	-	-	25.95	79.01	-	-	25.95	79.01
TOTAL	-	-	-	-	25.95	79.01	-	-	25.95	79.01

* Deposit shown above is actual amount of Deposit Received and not discounted

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Makers Laboratories Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Makers Laboratories Limited (hereinafter referred to as the "Holding Company") and its Subsidiary (The Holding Company and its Subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, the consolidated profit and Other Comprehensive Income and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 be communicated in our report.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Management and Board of Directors are responsible for the Other Information. The Other Information comprises the information included in the Holding Company's Annual Report excluding the Financial Statements and our Independent Auditors' Report.

Our opinion on the Consolidated Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this Auditor's Report, 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 Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the Consolidated 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.
2. obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. 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 Consolidated 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.
5. evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the interim condensed Consolidated Financial Statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 Consolidated 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.

Report on Other Legal and Regulatory Requirements

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 of the aforesaid Consolidated Financial Statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement relevant books of account and other relevant records maintained for the purpose of preparation of the Consolidated Financial Statements.
- d. In our opinion, the aforesaid Consolidated 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 of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its

directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V to the Companies Act 2013..

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates– Refer Note 37 to the Consolidated Financial Statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were material foreseeable losses.
 - iii. There are no amounts which are required to be transferred to Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

Other Matters

We did not audit the financial statements of Resonance Specialties Limited, whose financial statements reflect total assets of Rs. 5,463.00 Lac as at March 31, 2021, total revenue of Rs. 7,187.30 lacs and net cash inflow amounting to Rs. 341.75 lac for the period ended on that date, as considered in the preparation of the consolidated Ind AS financial statements. The said financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No- 106971W

N Jayendran
Partner
M. No. – 40441
UDIN: 21040441AAAABM2117

Mumbai,
Dated: June 10, 2021

Annexure - A to the Auditors' Report

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of Makers Laboratories Limited (hereinafter referred to as 'the Holding Company') and its subsidiary which is incorporated in India, as on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 internal financial controls with reference to financial statements of the Holding Company and Subsidiary which is company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements.

Because of the inherent limitations of financial controls with reference to 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 Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary, which is company incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to financial statements of subsidiary, which is company incorporated in India, are based on the corresponding report of the auditor of such companies incorporated in India.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No- 106971W

N Jayendran
Partner
M. No. – 40441
UDIN: 21040441AAAABM2117

Mumbai,
Dated: June 10, 2021

Consolidated Balance Sheet as at March 31, 2021

Particulars	Note	As at Mar 31, 2021 ₹ in lacs
ASSETS		
(1) Non-current Assets		
(a) Property, Plant & Equipment	3	6,899.62
(b) Capital Work-in-Progress	3C	16.16
(c) Right Of Use Asset	3B	206.34
(d) Other Intangible Assets	3A	33.08
(e) Financial Assets		
(i) Investments	4A	121.46
(ii) Loans	5	78.93
(iii) Others	6	53.33
(f) Other Non-current Assets	7	106.47
		7,515.39
(2) Current Assets		
(a) Inventories	8	2,746.68
(b) Financial Assets		
(i) Investments	4B	75.35
(ii) Trade receivables	9	1,660.80
(iii) Cash and Cash Equivalents	10	527.32
(iv) Bank Balances other than (iii) above	11	94.21
(v) Loans	5	0.02
(vi) Others	6	178.79
(c) Current Tax Assets (Net)		
(d) Other Current Assets	7	820.71
		6,103.88
TOTAL ASSETS		13,619.27
EQUITY & LIABILITIES		
EQUITY		
(a) Equity Share Capital	12	491.70
(b) Other Equity	13	4,921.17
Equity attributable to the shareholders of the Holding company		5,412.87
Non Controlling Interest		3,244.33
LIABILITIES		
(1) Non-current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	14	552.84
(ii) Other Financial Liabilities	15	-
(iii) Lease Liability	33	197.20
(b) Provisions	16	38.12
(c) Deferred Tax Liabilities (Net)	17	838.77
(d) Other Non-current Liabilities	18	-
		1,626.93
(2) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	19	632.30
(ii) Trade Payables	20	
- Due to Micro, Small and Medium enterprises		123.55
- Due to Others		1,347.97
(iii) Other Financial Liabilities	15	776.97
(iv) Lease Liability	33	31.85
(b) Other Current Liabilities	18	95.90
(c) Provisions	16	207.51
(d) Current Tax Liabilities (Net)		119.09
		3,335.14
TOTAL EQUITY AND LIABILITIES		13,619.27

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss

**As per our report of even date attached
For Natvarlal Vepari & Co.**

Chartered Accountants
Firm Registration No. 106971W

N. Jayendran
Partner
M.No. 40441
Mumbai June 10, 2021

For and on behalf of the Board of Directors

Saahil Parikh
(DIN 00400079)
Wholtime Director

June 10, 2021

Nilesh Jain
(DIN 05263110)
Wholtime Director

Khyati Danani
(ACS 21844)
Company Secretary

Prashant Godha
(DIN 00012759)
Additional Director

Sandeep Kadam
CFO

Statement of Consolidated Profit and Loss for the year ended March 31, 2021

Particulars	Note	Apr-Mar 21 ₹ in lacs
I Revenue from Operations	21	6,864.11
II Other Income	22	95.62
III Total Income (I + II)		6,959.73
IV Expenses:		
Cost of Materials Consumed	23	1,447.66
Purchase of Stock in trade	24	1,644.82
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	(176.48)
Employee Benefit Expenses	26	870.54
Finance Cost	27	175.10
Depreciation & Amortisation	28	461.07
Other Expenses	29	2,266.55
Total Expenses (IV)		6,689.26
V Profit Before exceptional items and Tax (III-IV)		270.47
VI Exceptional Items		-
VII Profit Before Tax (V+VI)		270.47
VIII Tax Expense		
1. Current Tax	30	136.75
2. Short / (Excess) Provision of earlier years	30	22.78
3. Deferred Tax Liability / (Asset)	30	(23.92)
IX Profit for the period (VII-VIII)		134.86
X Other Comprehensive Income		
Items that will not be reclassified subsequently to profit or loss		
(a) Actuarial gain and loss		(6.09)
Tax Effect thereon	31	(0.50)
(b) Fair Value change through Other Comprehensive Income		720.80
Tax Effect thereon	31	(53.87)
Other Comprehensive Income for the year, net of tax		660.34
Total Comprehensive Income for the year		795.20
Profit for the period attributable to :		
Owners of the parent		(32.92)
Non-controlling interest - profit / (loss)		167.78
		134.86
Other Comprehensive Income for the period attributable to :		
Owners of the parent		661.16
Non-controlling interest - profit / (loss)		(0.82)
		660.34
Total Comprehensive Income for the period attributable to :		
Owners of the parent		628.24
Non-controlling interest - profit / (loss)		166.96
		795.20
XI Earnings per Equity Share :		
Par Value ₹ 10 each		
Basic (in Rs.)	32	2.74
Diluted (in Rs.)	32	2.74

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss

**As per our report of even date attached
For Natvarlal Vepari & Co.**

Chartered Accountants
Firm Registration No. 106971W

N. Jayendran

Partner
M.No. 40441
Mumbai June 10, 2021

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Additional Director

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CFO

1. Statement of Changes in Equity for the Year ended March 31, 2021

Equity Share Capital

	No. of shares	₹ in Lacs
Equity share capital of face value (Rs.) 10.00 each		
Balance as at March 31, 2020	49,16,980	491.70
Changes in equity share capital during the year	-	-
Balance as at March 31, 2021	49,16,980	491.70

Other Equity

Particulars	Other Equity Reserves and Surplus				Equity Attributed to the Shareholders of the Company	Non Controlling Interest	Total	
	Capital reserve	Securities premium	General Reserve	Revaluation Reserve				Other Comprehensive income
Balance as on April 1, 2020	302.76	108.64	1,200.00	-	1,166.64	3,970.23	-	3,970.23
Arising on Business Combination	-	-	-	-	-	322.70	3,077.37	3,400.08
Profit / (Loss) for the year	-	-	-	-	-	(32.92)	167.78	134.86
Gain/ (Loss) on Fair Value of Investment through OCI (Net of tax thereon)	-	-	-	-	666.93	666.93	(0.82)	666.11
Transfer to Retained Earning on Sale of Investment Through OCI*	-	-	-	-	(1,840.74)	-	-	-
Actuarial gain/(loss) on gratuity (Net of tax thereon)	-	-	-	-	(5.77)	(5.77)	-	(5.77)
Balance as on March 31, 2021	302.76	108.64	1,200.00	-	(7.17)	4,921.17	3,244.33	8,165.52

Note:

* The Company has sold 1,01,000 equity shares of Ipca Laboratories Limited held as Investment at Fair Value through OCI during the year ended March 31, 2021. The aggregate of sale consideration net of acquisition cost and tax thereon ₹ 1,840.74 Lacs has been initially recognised under Other Comprehensive Income and subsequently reclassified under retained earning through Statement of Changes in Equity.

As per our report of even date attached

For Natvarlal Vepari & Co.

Chartered Accountants
Firm Registration No. 106971W

N. Jayendran

Partner
M.No. 40441
Mumbai June 10, 2021

For and on behalf of the Board of Directors

Saahil Parikh
(DIN 00400079)
Wholetime Director

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Additional Director

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(ACS 21844)
Company Secretary

Sandeep Kadam
CFO

June 10, 2021

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2021.

1. Corporate Information:

Incorporated in the year 1984, Makers Laboratories Limited is an integrated pharmaceutical company manufacturing and marketing around 200 formulations. The Company has one manufacturing unit in India manufacturing formulations for the Indian market.

The financial statements of the Group for the year ended March 31, 2021, were authorised for issue in accordance with the resolution passed at the meeting of the Board of Directors held on June 10, 2021.

2. Basis and Principles of Consolidation:

The Company acquired 52,50,000 Equity shares of ₹ 10 each of Resonance Specialties Limited (Resonance) on September 30, 2020, which represents 45.48% of voting rights. The open offer process under SEBI (SAST) Regulations was completed on December 10, 2020. The Company has de-facto control over Resonance in accordance with Ind AS 110 - Consolidated Financial Statements under the Companies (Indian Accounting Standards) Rules 2015. Accordingly, the Company has consolidated the results of Resonance from December 11, 2020, as a subsidiary.

The consolidated financial statements relate to the Company, and its aforesaid Subsidiary (the holding and subsidiary together referred to as "The Group"). The consolidated financial statements have been prepared in accordance with Indian Accounting Standard - 110 "Consolidated Financial Statement" of the Companies (Indian Accounting Standards) Rules 2015 as amended by the Companies (Indian Accounting Standards) Amendment) Rules, 2016 and other relevant provisions of the Act. The consolidated financial statements have been prepared on the following basis: -

The consolidated financial statements of the Group are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company, are excluded. The financial statements of the Subsidiary used in consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March. The difference between the cost to the Company of its investments in the subsidiary over the Company's portion of equity computed on acquisition date based on fair value of assets and liabilities are recognized in the financial statement as Goodwill / Capital Reserve on consolidation.

The Subsidiary included in the Consolidation and the Company's holding therein is as follows:

1. Resonance Specialties Limited, an entity in which there is de facto control and in which the Company's interest is 45.48%.

First time Preparation of Consolidated Financial Statements

Since the acquisition of Resonance Specialties Limited has resulted in the company preparing consolidated financial statements for the first time, the comparative figures for the previous year ended March 31, 2020, in the Consolidated Balance Sheet as at March 31, 2021, in the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) and in the Consolidated Statement of Changes in Equity for the year then ended were not prepared and accordingly are not presented. Further, in the absence of the previous period consolidated balance sheet, the Consolidated Statement of cash flow under the indirect method cannot be prepared and hence not presented.

3. Significant Accounting Policies:**i. Basis of Preparation****Statement of Compliance**

The standalone financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act"), the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except for the following:

- a. certain financial assets and liabilities (including derivative instruments) are measured at fair value; and
- b. defined benefit plans - plan assets measured at fair value.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The standalone financial statements are presented in INR and all values are rounded to the nearest lacs, except otherwise stated.

ii. Use of Judgments, Estimates and Assumption

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a. Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the timing and the level of future taxable profits together with future tax planning strategies.

b. Defined benefit plans (Gratuity benefits)

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These interalia include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c. Useful lives of Property, Plant and Equipment

The company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

d. Impairment of Property, Plant and Equipment

For property, plant and equipment and intangibles, an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the assets or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

e. Inventories

The Company estimates the net realizable value (NRV) of its inventories by considering estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

f. Recognition and measurement of other Provisions

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on experience and circumstances known at the closing date. The actual outflow of resources at a future date may, therefore, vary from the amount included in other provisions.

iii. Current and non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

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

An asset is current when:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle, or
- It is held primarily for the purpose of trading, or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

iv. Property, Plant and Equipment

- a) Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Cost of acquisition comprises its purchase price including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discount and rebates are deducted in arriving at the purchase price.
- b) Stores and spares which meet the definition of Property, Plant and Equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as Property, Plant and Equipment.
- c) Capital Work in Progress represents expenditure incurred on capital assets that are under construction or are pending capitalization and includes project expenses pending allocation. Project expenses pending allocation are apportioned to the Property, Plant and Equipment of the project proportionately on capitalization.
- d) Cost of borrowing for assets taking substantial time to be ready for use is capitalized for the period up to the time the asset is ready for its intended use.
- e) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- f) The residual useful life of Property, Plant & Equipment is reviewed at each balance sheet date and adjusted if required in the depreciation rates.
- g) Depreciation methods, estimated useful lives and residual value.

Depreciation on all assets of the Company is charged on straight line method, except the assets at the Ahmedabad manufacturing location, which is charged on the written down value method, over the useful life of assets mentioned in Schedule II to the Companies Act, 2013 or the useful life previously assessed by the management based on technical review whichever is lower for the proportionate period of use during the year. Intangible assets are amortised over the economic useful life estimated by the management.

The management's estimated useful life/useful life as per schedule II whichever is lower for the various tangible assets are as follows:

Assets	Estimated useful life (Years)
Leasehold Land	Period of Lease
Plant and Equipment	5 to 20 Years
Effluent Treatment Plant	15 Years
Vehicle	10 Years
Building	28 to 58 Years
Furniture and Fixtures	10 Years

The Subsidiary company charges depreciation on the property, plant and equipment on the written down value basis over the useful life of assets as specified in Schedule II to the Companies Act, 2013.

Gains or losses arising from derecognition of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

v. Intangible assets

The Company has elected to fair value its intangible assets on transition date. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on several factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The management has estimated the economic useful life for the various intangible assets as follows:

Brands and Trademarks	4 Years
Software for internal use	4 Years

The Subsidiary company amortizes Intangible assets over their respective individual estimated useful lives on a written down value basis from the date they are available for use.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

vi. Revenue recognition

- a. The Company derives revenues primarily from sale of products and services. Revenue from sale of goods is recognized net of returns, product expiry claims and discounts.

Revenue is recognized on satisfaction of performance obligations upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

To recognize revenues, the Company applies the following five step approach:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenues when a performance obligation is satisfied.

Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognized over time.

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Where Revenue is recognized over time, the amount of revenue is determined on the basis of contract costs incurred in relation to estimated contract expenses.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue in respect of transactions thru parties acting as agents is recognized only on completion of the performance obligation of the agent with corresponding accrual of agency commissions.

The Company presents revenues net of indirect taxes in its statement of profit and loss.

- b. In case of export benefits which are in the nature of neutralisation of duties and taxes are grouped under material costs. All other export incentives are grouped under other operating revenue.
- c. Revenue in respect of insurance/other claims, commission, etc. are recognized only when it is reasonably certain that the ultimate collection will be made.
- d. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

vii. Borrowings

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

viii. Impairment of assets

Carrying amount of Tangible assets, Intangible assets, Investments in Subsidiaries, Joint Venture and Associates (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are 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 asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

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 Company's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

ix. Leases

The Group, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

x. Inventories

Items of inventories are valued at lower of cost or estimated net realisable value as given below:

Raw Materials and Packing Materials	Lower of cost and net realisable value. However, materials and other items held for use in the production inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost .Cost is determined on First in First Out basis.
Work-in-process and Finished Goods	At lower of cost (material cost net of refundable taxes, labour cost and all manufacturing overheads) and net realisable value.
Stores and Spares	Stores and spare parts are valued at lower of cost computed on First-in-First- out method and net realisable value.
Traded Goods	Traded Goods are valued at lower of cost and net realisable value.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory in determining net realisable value include ageing of inventory, estimated shelf life, price changes, introduction of competitive new products and such other related factors.

Cost in case of Raw material and Packing material, Stores and Spare and Traded Goods include purchase cost net of refundable taxes and other overheads incurred in bringing such items of inventory to its present location and condition.

xi. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within bank borrowings in current liabilities in the balance sheet.

xii. Provisions, contingent liabilities and contingent assets

Provision

A Provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a

possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

xiii. Retirement and other employee benefits**Provident fund**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity

Gratuity, a post-employment defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected unit credit method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using Projected Unit Credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia, bonus and performance incentive are recognized in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

xiv. Foreign currencies**Transactions and balances:**

- i. The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.
- ii. Transactions denominated in foreign currency are recorded at the exchange rate on the date of transaction where the settlement of such transactions are taking place at a later date. The exchange gain/loss on settlement / negotiation during the year is recognized in the statement

of profit and loss. In case of advance payment for purchase of assets/ goods/services and advance receipt against sales of products/services, all such purchase/sales transaction are recorded at the rate at which such advances are paid/received.

- iii. Foreign currency monetary transactions remaining unsettled at the end of the year are converted at year-end rates. The resultant gain or loss is accounted for in the statement of profit and loss.
- iv. Non-monetary items that are measured at historical cost denominated in foreign currency is translated using exchange rate at the date of transaction.

xv. Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

xvi. Financial instruments

a. Financial assets & financial liabilities

Initial recognition and measurement

All financial assets and liabilities are recognized initially at fair value.

In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset is treated as cost of acquisition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) is recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. 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.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 7 details how the entity determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

De-recognition of financial instruments**A financial asset is de-recognized only when,**

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

A financial liability (or a part of a financial liability) is de-recognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

b. Derivative financial instruments and hedge accounting**Initial recognition and subsequent measurement**

The Company uses derivative financial instruments such as forward currency contracts, interest rate swaps to hedge its foreign currency risks, interest rate risks, respectively.

Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognized in the statement of profit and loss.

xvii. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

xviii. Goods and service tax input credit

Input tax credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

xix. Taxes

Tax expenses comprise Current Tax and Deferred Tax:

a. Current tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

b. Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

For items recognized in OCI or equity, deferred / current tax is also recognized in OCI or equity.

c. MAT credit

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 reasonable certainty 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. The MAT credit to the extent there is reasonable certainty that the Company will utilize the credit is recognized in the statement of profit and loss and corresponding debit is done to the deferred tax asset as unused tax credit.

xx. Earnings per share

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

Notes to Consolidated financial statements as at and for the March 31, 2021

3. Property, Plant & Equipment

Particulars	₹ in Lacs										Total	
	Freehold Land	Leasehold Land	Building	Plant & Equipment	Office & Other Equipment	Effluent Treatment Plant	Furniture & Fixtures	Vehicles	R & D - Plant & Equipment			
Gross Block												
As on 01/04/2020	210.23	-	1,434.89	1,760.06	14.35	11.98	68.41	28.55	91.81		3,620.28	
Additions through Business combination		2,816.82	12.95	1,127.66	5.64	-	4.22	9.39	51.28		4,027.96	
Additions	-	-	17.36	218.55	5.16	-	7.90	-	-		248.97	
Disposals / Adjustments	-	-	-	(0.74)	-	-	-	-	-		(0.74)	
As on 31/03/2021	210.23	2,816.82	1,465.20	3,105.53	25.15	11.98	80.53	37.94	143.09		7,896.47	
Accumulated Depreciation												
As on 01/04/2020	-	-	145.25	332.35	5.32	1.62	29.14	13.66	37.09		564.43	
For the year 2020-21	-	13.21	76.91	304.82	5.94	1.87	10.37	3.70	15.90		432.72	
Disposals / Adjustments	-	-	-	(0.30)	-	-	-	-	-		(0.30)	
As on 31/03/2021	-	13.21	222.16	636.87	11.26	3.49	39.51	17.36	52.99		996.85	
Net Block as on 31/03/2021	210.23	2,803.61	1,243.04	2,468.66	13.89	8.49	41.02	20.58	90.10		6,899.62	

3A. Other Intangible Assets

Particulars	₹ in Lacs					Total
	Computer Software	Brand / Trade Mark	Inhouse developed technology			
Gross Block						
As on 01/04/2020	12.02	0.13	-	-		12.15
Additions through Business combination	-	-	26.12	-		26.12
Additions	2.71	-	-	-		2.71
Disposals / Adjustments	-	-	-	-		-
As on 31/03/2021	14.73	0.13	26.12	-		40.98
Accumulated Amortisation						
As on 01/04/2020	5.10	0.13	-	-		5.23
For the year 2020-21	1.83	-	0.84	-		2.67
Disposals / Adjustments	-	-	-	-		-
As on 31/03/2021	6.93	0.13	0.84	-		7.90
Net Block as on 31/03/2021	7.80	-	25.28	-		33.08

3B. Right to Use Asset

Particulars	₹ in Lacs
	Land
Gross Block	
As on 01/04/2020	250.90
Additions	-
Disposals / Adjustments	6.13
As on 31/03/2021	257.03
Accumulated Amortisation	
As on 01/04/2020	25.01
For the year 2020-21	25.68
Disposals / Adjustments	-
As on 31/03/2021	50.69
Net Block as on 31/03/2021	206.34

3C. Capital Work In Progress

Particulars	Building	Plant and Equipment	Total
Additions through Business combination	3.35	59.65	63.00
Additions	14.44	101.41	115.85
Capitalization	17.95	211.34	229.29
As on 31/03/2021	2.63	13.53	16.16

4 Financial Assets - Investments

A Summary of Non Current Investments	₹ in Lacs
	As at 31/03/2021
Investment in Equity Instruments measured at Fair value through OCI	121.46
Investment in Equity Instruments measured at Fair value through PL	-
Total	121.46

Details of Non-current Investments	Face Value per Equity Instrument (₹)	Number Of Equity Instruments	₹ in Lacs
			31/03/2021
Investments measured at fair value through OCI (fully paid)			
Unquoted equity shares			
1 Mexin Medicaments Pvt Ltd	100	11,990	112.32
2 Ipcal Laboratories Ltd	2	480	9.14
Total			121.46

Aggregate value of investments

Particulars	₹ in Lacs
	31-03-2021
Aggregate amount of quoted investments	9.14
Aggregate market value of quoted investments	9.14
Aggregate amount of unquoted investments	112.32

4B Summary of Current Investments

Investment measured at Fair value through PL	₹ in Lacs
	As at 31/03/2021
Investment in Mutual Funds	
SBI Magnum Medium Duration Fund Growth Unit Purchase 28771.928 NAV 39.2730 (pur. value 10 lacs)	11.30
Baroda Large and Mid Cap Fund Unit Purchase 499965.02 NAV 12.8100 (Pur Value 50 Lacs)	64.05
Total	75.35

5 Financial Assets - Loans
Particulars

(Unsecured, considered good)

Deposits
Loans given to Employees
Total

As at March 31, 2021	
₹ In Lacs	
Non Current	Current
78.93	-
-	0.02
78.93	0.02

6 Financial Assets - Others
Particulars

(Unsecured, considered good)

Gratuity reimbursements and other claims receivable
Interest Receivable
Term Deposits with banks kept as margin money
Contract Asset - Unbilled Revenue
Other Receivable
Total

As at March 31, 2021	
₹ In Lacs	
Non Current	Current
-	3.32
-	0.65
1.20	-
-	104.17
52.13	70.65
53.33	178.79

7 Other Non-Financial Assets
Particulars

(Unsecured, considered good)

Capital Advances
Prepaid Expenses
Balance with Tax Authorities
Advance to suppliers
Advances to Employees
Advances to Others
Prepaid Taxes (Net of provisions)
Total

As at March 31, 2021	
₹ In Lacs	
Non Current	Current
0.81	-
1.38	15.28
1.60	769.15
-	29.74
-	6.09
1.40	0.45
101.28	-
106.47	820.71

8 Inventories (Valued at Lower of Cost or Net Realisable Value)
Particulars

Raw Materials and components
Packing Materials and components
Work-in-progress
Finished goods:
 Manufactured
 Traded
 In transit
Consumable Stores and Spares
Total

As at March 31, 2021	
₹ In Lacs	
	483.54
	45.40
	374.02
1,063.62	
688.42	
0.57	1,752.61
	91.11
	2,746.68

The disclosure of inventories recognised as an expense in accordance with paragraph 36 of Ind AS 2 is as follows:

<u>Particulars</u>	<u>As at March 31, 2021</u>
Amount of inventories recognised as an expense	3,018.19
Amount of write - down of inventories recognised as an expense	-
Total	<u>3,018.19</u>

9 Financial Assets - Trade Receivables (Unsecured, at amortised cost)

<u>Particulars</u>	<u>As at March 31, 2021</u>	
	<u>₹ In Lacs</u>	
	<u>Non Current</u>	<u>Current</u>
Trade Receivable*	1,661.19	
Less: Expected Credit Loss	(0.39)	1,660.80
Total		<u>1,660.80</u>

* Receivable from Related Party Refer Statement 1

The Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

Since the Group Calculates impairment under the simplified approach the Group does not track the changes in credit risk of trade receivables the impairment amount represents lifetime expected credit loss. Hence the additional disclosures in trade receivables for changes in credit risk and credit impaired trade receivable are not disclosed.

Movement in the expected credit loss allowance

<u>Particulars</u>	<u>As at March 31, 2021</u>
Balance at the beginning of the period	1.78
Addition on Business Combination	0.17
Adjustment during the year	(1.56)
Provision at the end of the period	<u>0.39</u>

10 Financial Assets - Cash and Cash Equivalents

<u>Particulars</u>	<u>As at March 31, 2021</u>
	<u>₹ In Lacs</u>
Balances with banks	76.22
Cash on hand	1.10
Fixed Deposits with original maturity of less than three months	450.00
Total	<u>527.32</u>

11 Financial Assets - Bank Balances other than (10) above

<u>Particulars</u>	<u>As at March 31, 2021</u>
	<u>₹ In Lacs</u>
Unpaid dividend accounts	26.46
Fixed deposit (Margin Money)*	67.75
Total	<u>94.21</u>

Note: There are no amounts to be transferred to Investor Education and Protection Fund as on date

*(Under Lien towards margin of Letter of Credits and Bank Guarantees)

12 Equity Share Capital
Particulars

	As at March 31, 2021	
	No. of Shares	₹ In Lacs
Face Value per share (Rs.)		10
Class of Shares		
Authorised Capital	75,00,000	750.00
Issued, Subscribed and Paid up Capital		
Issued & Subscribed Share Capital	49,16,980	491.70
Paid up Share Capital	49,16,980	491.70
Total		491.70

Disclosures:

i) Reconciliation of Shares
Particulars

	As at March 31, 2021	
	Numbers	₹ in Lacs
Shares outstanding at the beginning of the year	49,16,980	491.70
Shares Issued during the year	-	-
Shares outstanding at the end of the year	49,16,980	491.70

ii) Details of Shareholding in excess of 5%
Name of Shareholder

	As at March 31, 2021	
	Number of shares held	%
Kaygee Laboratories Private Limited	6,50,000	13.22%
Kaygee Investments Private Limited	8,54,400	17.38%
Paschim Chemicals Private Limited	7,66,672	15.59%

iii) Rights and obligations of shareholders

The Group has only one class of share referred as Equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after payment of external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders. The dividend is recommended by management which is subject to shareholder's approval at the General Meeting.

13 Other Equity
Particulars

	As at March
	31, 2021
	₹ In Lacs
Capital Reserve	302.76
Capital Reserve on Bargain Purchase	322.70
Securities Premium	108.64
General Reserve	1,200.00
Retained Earnings	2,994.24
Other Comprehensive Reserve	
- Remeasurement of Investment through FVOCI	(7.17)
Total	4,921.17

a) Security Premium Reserve:

Securities premium account comprises of premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

b) General Reserve :

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

c) Capital Reserve on Bargain Purchase:

Capital Reserve on Bargain Purchase represents the excess of the fair value of Assets less Liabilities over the purchase consideration in accordance with Ind AS 103

14 Financial Liabilities - Borrowings

Particulars

	As at March 31, 2021	
	₹ In Lacs	
	Non Current	Current
Term Loan - Yes bank	552.84	245.28
Less : Reclassified to Current Maturities	-	(245.28)
Total	552.84	-
Secured Borrowing	552.84	245.28
Unsecured Borrowing	-	-

a) Details of Term Loan

Name of the Instruments/ Institutions

	As at March 31, 2021	
	Non Current	Current
Term Loan From Yes Bank	552.84	245.28
	552.84	245.28

- i) The term loan is for a period of 60 months. The term loan is repayable in 16 quarterly instalments beginning from February 29, 2020.
- ii) The New term loan taken during the year is for a period of 48 months. The term loan is repayable in 36 monthly instalments beginning from November 10, 2021

b) Details of securities and repayment terms of secured loans stated above

- i) Secured by way of exclusive charge on plant and machinery located at new ophthalmic products manufacturing facility at Naroda, Ahmedabad. Equitable mortgage on the plot no. 30/4, Phase III GIDC, Naroda, Ahmedabad.
- ii) The new term loan - Secured by way of 100% Credit Guarantee by National Credit Guarantee Trust Companies Limited (NCGTC) and Extension of Charge on present & Current Assets of the Holding Company and Fixed assets charged for YBL Term Loan taken earlier.

c) Maturity Profile of Borrowings is as per the original sanction terms.

Particulars	31-03-2021
Instalment payable between 0 to 1 years	245.28
Instalment payable between 1 to 2 years	513.95
Instalment payable between 2 to 5 years	38.89
Instalment payable beyond 5 years	-
Total	798.12

d) **Changes in liabilities arising out of financing activities**

<u>Particulars</u>	As at March 31, 2021		
	Non-Current Borrowings	Current Maturities	Current Borrowings
Opening Balances	598.12	217.50	253.02
Changes from Financing Cash Flows	200.00	(217.50)	318.39
Effect of changes in foreign currency	-	-	-
Transfer to Current Maturities	(245.28)	245.28	-
Closing Balances	552.84	245.28	571.41

15 **Other Financial Liabilities**

<u>Particulars</u>	As at March 31, 2021	
	₹ In Lacs	
	Non Current	Current
Current Maturities of long term borrowings	-	245.28
<u>Security Deposits from</u>	-	-
Dealers	-	387.66
Others	-	3.92
Unpaid dividends	-	26.46
Payable for Capital Goods	-	4.69
Interest accrued	-	11.64
Payable to Employees	-	97.32
Total	-	776.97

16 **Provisions**

<u>Particulars</u>	As at March 31, 2021	
	₹ In Lacs	
	Non Current	Current
Provision for breakage/damage	-	0.02
Provision for product expiry	-	19.77
Provision for sales return	-	73.02
Provision for trade discount	-	-
Provision for Gratuity	16.16	43.38
Provision for leave encashment	21.96	8.27
Provision for leave travel assistance (LTA)	-	6.96
Provision for Tax (Net of prepaid)	-	56.09
Total	38.12	207.51

The disclosure of provisions movement as required by Ind AS 37 is as follows:-

<u>Particulars</u>	As at March 31, 2021
(i) Provision for breakage/damage	
Balance at the beginning of the period	0.01
Provisions/ Reversal during the year.	0.01
Utilisations during the period	-
Provision at the end of the period	0.02

(ii) Provision for product expiry	
Balance at the beginning of the period	0.01
Provisions/ Reversal during the year.	19.76
Utilisations during the period	-
Provision at the end of the period	19.77

(iii) Provision for sales return	
Balance at the beginning of the period	91.39
Provisions/ Reversal during the year.	(18.37)
Utilisations during the period	-
Provision at the end of the period	73.02

(iv) Disclosure in accordance with Ind AS – 19 “Employee Benefits”, of the Companies (Indian Accounting Standards) Rules, 2015.

Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan of Parent Company is a funded plan and the parent makes contributions to recognised funds in India. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. The Gratuity plan of the subsidiary is unfunded.

The following table summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet.

<u>Particulars</u>	As at March 31, 2021
	₹ In Lacs
Expense recognised in Statement of Profit & Loss	
Current Service cost	11.30
Interest expense	6.38
Expected Return on Plan Assets	(3.20)
Benefit paid but pending claim	-
Past Service cost	-
Total	14.48
Expense recognised in Other Comprehensive Income	
Return on plan assets (Greater)/Less than Discount Rate	1.57
Actuarial (Gain)/Loss due to Experience on DBO	(7.66)
Total	(6.09)
Present value of funded defined benefit obligation	119.64
Fair value of Plan assets	(60.10)
Funded Status	59.54
Net defined benefit (Asset) / Liability	59.54
Movements in present value of defined benefit obligation	
Present value of defined benefit obligation at the beginning of the year	87.12
Liability raised due to acquisition through business combination	44.01
Current Service Cost	11.30
Interest Cost	6.38
Actuarial (Gain)/Loss	7.66
Benefits paid	(36.83)
Past Service Cost	-
Present value of defined benefit obligation at the end of the year	119.64

Movements in fair value of the plan assets are as follows.

Opening fair value of plan assets	54.27
Adjustment to opening fair value	-
Expected returns on Plan Assets	3.20
Remeasurement (Gains)/Losses:	-
Actuarial (Gain)/Loss on Plan assets	1.57
Contribution from Employer	7.11
Benefits paid	-
Fund Charges	-
Benefit paid but pending claim	(6.05)
Closing fair value of the plan asset	60.10

Remeasurement effect recognised on Other Comprehensive Income

Actuarial (Gain)/Loss arising from experience adjustments	7.66
Actuarial (Gain)/Loss on Plan assets	(1.57)
Total Actuarial (Gain)/Loss included in OCI	6.09

The principal assumptions used as at the balance sheet date are used for purpose of actuarial valuations were as follows:

(v) Financial Assumptions

Discount Rate	5.52%
Salary Increase Rate	6.00%

(vi) Demographic Assumptions

Mortality Rate	IALM (2012-14) Ultimate
Withdrawal Rate	25%
Retirement age	58 Years

The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality.

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

(vii) Defined Benefit Obligation

Discount rate

a. Discount rate - 50 to 100 basis points	121.82
b. Discount rate + 50 to 100 basis points	117.65

Salary increase rate

a. Rate - 50 to 100 basis points	117.65
b. Rate + 50 to 100 basis points	121.81

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would clear in isolation of one another as some of the assumptions may be correlated.

Further more, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

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

(viii) Risk Characteristics of the Defined Benefit Plan

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follow

- (i) **Investment Risk** – For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
- (ii) **Market Risk (Discount Rate)** – Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
- (iii) **Longevity Risk** : The impact of longevity risk will depend on whether the benefits are paid before retirement age or after . Typically for the benefits paid on or before the retirement age , the longevity risk is not very material.
- (iv) **Actuarial Risk**
 Salary Increase Assumption: Actual Salary increase that are higher than the assumed salary escalation , will result in increase to the Obligation at a rate that is higher than expected
 Attrition / Withdrawal Assumption: If actual withdrawal rates are higher than assumed withdrawal rate assumption ,than the benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

17 Deferred Tax Liabilities (Net)

<u>Particulars</u>	<u>As at March 31, 2021</u>	
	<u>₹ in lacs</u>	
(a) Deferred tax liabilities on account of		
PPE including ROU, R & D Assets	225.91	
Fair Value changes on Business Combination	629.18	
Fair Value Change of Investment through PL	3.86	858.95
(b) Deferred tax asset on account of		
Fair Value Change of Investment through OCI	(3.75)	
Leave Encashment	(7.61)	
Other tax disallowance	(8.82)	(20.18)
Net deferred tax liability		838.77

18 Other Non-financial Liabilities
Particulars

	As at March 31, 2021	
	₹ In Lacs	
	Non Current	Current
Advance from Customers	-	66.94
Duties and Taxes Payable	-	22.91
Other Payables	-	6.05
Total	-	95.90

19 Short Term Borrowings
Particulars

	As at March 31, 2021	
	₹ In Lacs	
Short Term Loan from Banks		382.30
Intercompany Deposit		250.00
Total		632.30
Secured Borrowing		382.30
Unsecured Borrowing		250.00
(a) Working Capital loan of Holding Company - Exclusive charge on present and future current asset of the Company and Negative Lien on immovable fixed assets of the company for their registered office located at 54-D, Government Industrial Estate, Charkop, Kandivali (W), Mumbai, Maharashtra.		
(b) Cash Credit Facility of Subsidiary Company - Borrowing from Bank is secured by hypothecation of present and future stock of raw material, stock in process and Finished goods and book debts of the company, and further secured by first charge by way of equitable mortgage of land and building, plant and machineries and all immovable properties of the company situated at T-140, MIDC Tarapur, Dist-Thane and further guaranteed by Managing Director of the company and is repayable on demand.		
(c) Unsecured Borrowing of Holding Company Intercompany deposit is for short term, repayable before March 31, 2022. Intercompany deposit is for short term, repayable before March 31, 2022. It carries Interest @ 8.00%		

20 Financial Liabilities - Trade Payables
Particulars

	As at March 31, 2021	
	₹ In Lacs	
Trade Payables for goods and services:		
- Total outstanding dues of Micro and small enterprise		123.55
- Others		1,347.97
Total		1,471.52

Trade payables and acceptances are non-interest bearing and are normally settled between 0-120 days.

Details of dues to micro and small enterprises as defined under MSMED Act, 2006
Particulars

	As at March 31, 2021	
	₹ In Lacs	
Principal amount due		123.55
Interest due on above		0.02
Amount paid in terms of Sec 16 of the MSMED Act, 2006		
- Principal amount paid beyond appointed day		361.04
- Interest paid thereon		-
Amount of interest due and payable for the period of delay		2.75
Amount of interest accrued and remaining unpaid as at year end		16.95
Amount of further interest remaining due and payable in the succeeding year		-

The Group has compiled the above information based on written confirmations from suppliers and have been determined to the extent such parties have been identified on the basis of the information available with the Group. This has been relied upon by the auditors.

21 Revenue from Operations

<u>Particulars</u>	<u>2020-21</u>
	<u>₹ In Lacs</u>
Sale of Products	5,934.25
Sale of Services	893.84
Other operating revenues	
Export Incentives	25.89
Sundry Creditors Balances written back	8.32
Miscellaneous income	1.81
Total	<u>6,864.11</u>

A Disclosure in accordance with Ind AS - 115 "Revenue Recognition Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015
(a) Disclosure relating to disaggregation of revenue in terms of Ind AS 115

	<u>As at March 31, 2021</u>
Sale of Generic Formulations	3,537.17
Sale of Chemicals	2,397.07
Sale of Services	893.84

(b) There is only one party which individually accounts for more than 10% of sales of the Group ₹ 1,072.03 Lac

Movement of Contract Balances	<u>As at March 31, 2021</u>
a) Advance from Customers	
Closing Balance	66.94
b) Unbilled Revenue	
Closing Balance	104.17

22 Other Income

<u>Particulars</u>	<u>2020-21</u>
	<u>₹ In Lacs</u>
Interest income	10.95
Interest income on financial asset on EIR basis	0.54
Dividend income - from investments	0.04
Profit on sale of property, plant & equipment	0.26
Rent Income	16.41
Profit on Sale of Non Current Investment	17.10
Foreign Exchange Gain	33.41
Reversal of provision for Expected Credit Loss	1.56
Net gain on financial asset through FVTPL	15.35
Miscellaneous Income	-
Total	<u>95.62</u>

23 Cost of Materials Consumed

<u>Particulars</u>	<u>2020-21</u>	
	<u>₹ In Lacs</u>	
Raw Materials Consumed		
Opening stock	150.03	
Additions through Business combination	143.43	
Add : Purchases (Net of discount)	1,480.17	
	<u>1,773.63</u>	
Less : Closing stock	483.54	1,290.09
Packing Materials Consumed		
Opening stock	59.63	
Additions through Business combination	10.79	
Add : Purchases (Net of discount)	132.55	
	<u>202.97</u>	
Less : Closing stock	45.40	157.57
Total		<u>1,447.66</u>

24 Purchases of Traded Goods

<u>Particulars</u>	<u>2020-21</u>	
	<u>₹ In Lacs</u>	
Formulations		1,584.75
Others		60.07
Total		<u>1,644.82</u>

25 Changes in inventories of Finished Goods(FG), Work-in-progress(WIP) and Traded Goods

<u>Particulars</u>	<u>2020-21</u>	
	<u>₹ In Lacs</u>	
Inventory Adjustments - WIP		
Stock at commencement	42.51	
Additions through Business combination	349.99	
Less: - Stock at closing	374.02	18.48
Inventory Adjustments - FG		
Stock at commencement	149.05	
Additions through Business combination	752.66	
Less : Stock at closing	1,063.61	(161.90)
Inventory Adjustments - FG In transit		
Stock at commencement	-	
Less : Stock at closing	0.57	(0.57)
Inventory Adjustments - Traded Goods		
Stock at commencement	655.93	
Less : Stock at closing	688.42	(32.49)
Total		<u>(176.48)</u>

26 Employee Benefits Expenses

<u>Particulars</u>	<u>2020-21</u>
	<u>₹ In Lacs</u>
Salaries, bonus, perquisites, etc.	763.60
Contribution to provident and other funds	53.23
Leave encashment	13.59
Leave travel assistance	6.16
Gratuity fund contributions	14.48
Staff welfare expenses	19.32
Recruitment & training	0.16
Total	870.54

27 Finance Cost

<u>Particulars</u>	<u>2020-21</u>
	<u>₹ In Lacs</u>
Interest on loan	108.96
Unwinding of Financial Liabilities	25.10
Interest on Dealer's Deposit	22.16
Interest in MSME Creditors	2.77
Interest Others	3.54
Interest on Income Tax	12.57
Total	175.10

28 Depreciation & Amortisation

<u>Particulars</u>	<u>2020-21</u>
	<u>₹ In Lacs</u>
Depreciation on tangible assets	432.72
Amortisation on intangible assets	2.67
Depreciation on Right of Use Assets	25.68
Total	461.07

29 Other Expenses

<u>Particulars</u>	<u>2020-21</u>
	<u>₹ In Lacs</u>
Commission & Distribution Charges	187.48
Outside manufacturing charges	664.64
Power and fuel	551.48
Consumption of stores and spares	102.20
Freight, forwarding and transportation	119.88
Field staff expenses	57.11
Repairs and maintenance	86.98
Water charges	3.28
Loss on sale of property, plant & equipment	-
Sales and marketing expenses	45.55
Brand Recall Expenses - Domestic Marketing	4.58
Product information catalogue	0.81

Laboratory expenses and analytical Charges	55.39
Expenditure on research & development	23.83
Rent	31.04
Rates and taxes	40.23
Travelling expenses	8.83
Professional charges	53.59
Printing and stationery	16.75
Books, subscription and software	1.52
GST expenses	6.70
Communication expenses	14.60
Insurance	19.46
Intellectual property right expenses	3.52
Remuneration to auditors	8.50
Remuneration to Component Auditors	1.00
Bank charges	1.13
Bad debts and other balance w/off	98.14
Security Charges	24.73
Miscellaneous expenses (none of which individually forms more than 1% of the operating revenue)	33.60
Total	<u>2,266.55</u>

Details of:

1 Repairs and Maintenance:

- Building	9.90
- Machinery	63.34
- Others	13.74
	<u>86.98</u>

2 Remuneration To Auditors:

- Audit fees including Limited Review and Tax Audit	7.90
- Tax matters	0.50
- Other services and Out of pocket expenses	0.10
	<u>8.50</u>

i) Total expenditure on R & D is included in respective heads of accounts as under:

<u>Particulars</u>	<u>2020-21</u>
	<u>₹ In Lacs</u>
Employee benefits expenses	2.85
Laboratory Expenses	23.83
Depreciation	14.17
Total	<u>40.85</u>

30 Tax Expense- Profit and Loss Account

<u>Particulars</u>	<u>2020-21</u>
	<u>₹ In Lacs</u>
Current Tax	136.75
Short / Excess Provision of earlier years	22.78
Deferred Tax	(23.92)
Total	135.61

31 Tax Expense- Other Comprehensive Income

<u>Particulars</u>	<u>2020-21</u>
	<u>₹ In Lacs</u>
Current Tax	144.84
Deferred Tax	(90.97)
Total	53.87

(i) Reconciliation of current rate of tax and effective rate of tax:

	<u>2020-21</u>
Profit before Income taxes	270.47
Enacted tax rates in India (%)	25.17%
Computed expected tax expenses	68.08
Effect of non- deductible expenses	135.92
Effect of deductible expenses	(111.49)
Effect of Depreciation	0.86
MAT Credit Adjusted	2.50
Tax effect for Loss within group companies	37.51
Others	3.37
Income tax expenses - Net	136.75

Tax on OCI

Actuarial changes	(6.09)
Computed expected tax expenses	(0.50)
Capital Gain	1,985.58
Enacted tax rates in India (%)	11.44%
Computed expected tax expenses	227.15
Exemption under tax laws	(56.59)
Set off of losses and other deductions	(26.05)
Others	0.33
Income tax expenses - Net	144.84

(ii) **Reconciliation of Deferred Tax of Profit and loss account and Other Comprehensive Income**
Deferred tax (assets) / liabilities in relation to statement of profit and loss:

<u>Particulars</u>				₹ in lacs
	<u>Opening/ Created on Acquisition</u>	<u>Recognized in P & L</u>	<u>Recognized in OCI</u>	<u>Closing</u>
Depreciation including on ROU, R & D Assets, Amortisation and impairment	296.39	(70.48)	-	225.91
Fair Value changes on Business Combination*	632.03	(2.85)		629.18
Compensated Absences	(7.60)	(0.01)	-	(7.61)
Other tax disallowance	(13.59)	4.78	-	(8.82)
Unabsorbed Tax Loss	(40.77)	40.77	-	-
Fair Value Changes of Investment held through PL	-	3.86	-	3.86
Fair Value Changes of Investment held through OCI	87.22	-	(90.97)	(3.75)
As at March 31, 2021	953.67	(23.93)	(90.97)	838.77

* The Deferred Tax on acquisition date has been clubbed under opening for the purposes of Reconciliations

32 Disclosure as required by Accounting Standard – IND AS 33 “Earning Per Share” of the Companies (Indian Accounting Standards) Rules 2015.

The earning per share is calculated by dividing the profit after tax by weighted average no. of shares outstanding for basic & diluted EPS.

<u>Particulars</u>	<u>2020-21</u>
Profit after tax	134.86
Closing equity shares outstanding (Nos.)	49,16,980
Opening equity shares outstanding (Nos.)	49,16,980
Add:- issued during the year (Nos.)	-
Closing equity shares outstanding (Nos.)	49,16,980
Weighted avg no. of shares outstanding (Nos.) (Basic)	49,16,980
Weighted avg no. of shares outstanding (Nos.) (Diluted)	49,16,980
Nominal value of equity share (₹)	10.00
Basic EPS (i/iii) (₹)	2.74
Diluted EPS (i/iv) (₹)	2.74

33 Disclosure in accordance with Ind AS – 116 “Leases”, of the Companies (Indian Accounting Standards) Rules, 2015.

i) **The following is the carrying value of lease liability:**

<u>Particulars</u>	<u>As at March 31, 2021</u>
Opening Liability	235.86
Additions during the year	-
Finance cost accrued during the year	24.39
Deletions	-
Payment of lease liabilities	(31.20)
Balance	229.05

Breakup:	As at March 31, 2021
Current portion of Lease liability	9.04
Non Current portion of Lease liability	220.01
	229.05

ii) **Amounts recognised in the statement of cash flows**

Particulars	As at March 31, 2021
Total cash outflow for leases	31.20

iii) **The details of the contractual maturities of lease liabilities:**

Particulars	As at March 31, 2021
Less than one year	31.85
One to five years	208.26
More than five years	126.12
Total	366.23

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

34 Disclosure as required by IND AS 108 "Operating Segment", of the Companies (Indian Accounting Standards) Rules, 2015.

There is only one party which individually accounts for more that 10% of sales of the Group ₹ 1,072.03 Lac. The disclosure for Segment Reporting is made on the information reviewed by the "Chief Operating Decision Maker (CODM)", or which are otherwise regularly provided to the CODM.

Pursuant to acquisition of Resonance Specialties Limited (Resonance), the group has two reportable segments viz. "Pharmaceutical" (Makers) and " Chemical Manufacturing" (Resonance) as per Indian Accounting Standard "Operating Segment (Ind AS- 108). Segment information is given here in below:

Particulars	₹ in lacs		
	Pharmaceutical	Chemical Manufacturing	Total
Revenue from External Customers	4,431.01	2,397.08	6,828.09
Other Income	49.91	81.73	131.64
Total Revenue	4,480.92	2,478.81	6,959.73
Interest Expenses	158.80	16.29	175.09
Depreciation and Amortisation	430.89	30.19	461.08
Other Expenses	4,110.80	1,942.29	6,053.09
Total Expenses	4,700.49	1,988.77	6,689.26
Segment Results - PBT	(219.57)	490.04	270.47
Tax	(48.59)	184.20	135.61
Segment Results - PAT	(170.98)	305.84	134.86
Segment Assets	5,666.18	7,953.09	13,619.27
Segment Liabilities	9,318.91	4,300.36	13,619.27

35 Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

A) List of related parties

Relationships

(i) Entities having significant influence

Shareholders of Makers Laboratories Ltd

Kaygee Investments Pvt.Ltd.

(Promoter holding together with its subsidiary more than 20%)

(ii) Key Management Personnel

Mr. Saahil Parikh	Wholetime Director
Ms. Dipti Shah	Independent Director
Mr. R K P Verma	Independent Director
Mr. P M Kathariya	Independent Director (Upto 29th September 2020)
Mr. Nilesh Jain	Wholetime Director
Mr. Prashant Godha	Additional Director (w.e.f November 4, 2020)
Mr. Vishal Jain	Additional Director (w.e.f November 4, 2020)

(iii) Entities in which promoters have significant influence

Ipca Laboratories Ltd.

(iv) Relative of Key Management Personnel

Mr. Umesh Parikh

B) Details of related party transaction are given in statement 1 Attached to the financial statement.

36 CSR Expenditure:

Gross amount required to be spent by the Group during the year Rs.7.63 (previous year Nil).

Particulars

₹ In Lacs

**As at March
31, 2021**

Donation to Prabhat Foundation

8.50

Group did not spent any amount during the previous year as it was not applicable.

37 Contingent liabilities and Commitments

A) Contingent Liabilities

Particulars

₹ in Lacs

**As at March
31, 2021**

Guarantees given by the bank on behalf of the Group to Government Authorities and Others

21.20

Other moneys for which the Company is contingently liable for tax and other matters not accepted by the Group

150.80

Claims against the Company not acknowledged as debts

33.63

Demand raised by MPCB disputed by the Group

173.77

Total

379.40

The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019 has held that provident fund contributions are payable on basic wage, dearness allowances and all other monthly allowances, which are universally, necessarily and ordinarily paid to all the employees in the establishment across the board. There are numerous interpretative issues relating to the judgement. As such, the Group has, based on legal advice and as a matter of caution, made provision for an estimated amount on a prospective basis without considering any probable obligations for past periods. The Group will continue to monitor and evaluate its position and act, as clarity emerges.

B) Commitments	₹ in Lacs
Particulars	As at March 31, 2021
(a) Estimated amount of contracts remaining to be executed on capital account. (Net of Capital Advances)	
- Tangible Assets	11.55
	11.55

38 Business combinations

The Company acquired 52,50,000 Equity shares of ₹ 10 each of Resonance Specialties Limited (Resonance) on September 30, 2020, which represents 45.48% of voting rights for a total cash consideration of ₹ 2,244.41 Lacs. The open offer process under SEBI (SAST) Regulations was completed on December 10, 2020. The Company has de-facto control over Resonance in accordance with Ind AS 110 - Consolidated Financial Statements under the Companies (Indian Accounting Standards) Rules 2015. Accordingly, the Company has consolidated the results of Resonance from December 11, 2020, as a subsidiary.

Resonance Specialties Ltd is a company engaged in business of manufacturing and marketing of Pyridine, Picolines, Cynopyridines drug intermediates and active pharmaceutical ingredient (API's) with its manufacturing unit situated in Tarapur, Boisar, Dist . Palghar (Maharashtra)

The Disclosures required under Ind AS 103 are given here under

Particulars	Disclosure
Name and Description of Acquiree	Resonance Specialties Ltd is a company engaged in business of manufacturing and marketing of Pyridine, Picolines, Cynopyridines drug intermediates and active pharmaceutical ingredient (API's) with its manufacturing unit situated in Tarapur, Boisar, Dist . Palghar (Maharashtra)
Acquisition Date	December 11, 2020
Percentage of voting interest acquired.	45.48%
Primary reason for business acquisition	The acquisition of controlling shareholding in Resonance Specialties Limited will enable the parent company to enter into speciality chemicals and Api businesses which will complement the parent's existing generic formulations business.
Qualitative reasons for Good will acquired	No Goodwill has been acquired as the aforesaid acquisition resulted in a gain / bargain purchase of ₹ 322.70 Lac
Acquisition date fair value of consideration transferred	₹ 2,244.41 Lac
Contingent Consideration	Nil
Acquired Receivables	All the acquired receivables are fully collectible and there are no amount which is not expected to be not collected

Acquisition date fair value of major assets and liabilities	PPE - ₹ 4,117.03 Lac Non Current Assets ₹ 499.15 Lac Current Assets ₹ 2,999.20 Lac Non-Current Liabilities ₹ 829.94 Lac * Current Liabilities ₹ 1,140.96 Lac * Includes ₹ 632.03 Lac of deferred tax liability that has been created on the difference between fair value of assets acquired and their book value in the books of acquiree."
Amount of Goodwill expected to be tax deductible	There is no Goodwill in the business purchase
Amount recognised on Bargain Purchase	₹ 322.70 Lac is recognised in other equity as Capital Reserve in Bargain Purchase in accordance with para 34.
Non-Controlling Interest Disclosure	"The Company has recognised ₹ 3,077.37 Lac as NCI on acquisition date on the basis of the Fair value of assets and liabilities acquired. The same was done on the basis of valuer who determined the fair value of PPE. The management assessed the other assets and liabilities as being equal to the value at which they were carried on acquisition date."
Amount of Revenue and Profit recognised in the Consolidated Profit and Loss	Revenue - ₹ 2,478.79 Lac Profit and Loss - ₹ 306.24 Lac (after OCI)

39 Disclosure of Interest in Other entities as per Ind AS 112

Consolidated financial statements comprises the financial statements of Makers Laboratories Limited and its subsidiary Resonance Specialties Limited

The following table summarises the information relating to the subsidiary that has NCI. The amounts disclosed for each subsidiary are before intra-group eliminations.

Particulars	₹ in Lacs
	As at March 31, 2021
Non-current assets	1,679.07
Current assets	3,784.05
Non-current liabilities	187.12
Current liabilities	1,208.72
Net assets	4,067.28
Net assets attributable to NCI	2,217.48
Revenue	2,478.79
Profit for the year	304.90
Profit/(Loss) allocated to NCI	166.23
Other comprehensive income	(1.50)
OCI allocated to NCI	(0.82)
Cash flow from operating activities - Refer note hereunder	-
Cash flow from investing activities - Refer note hereunder	-
Cash flow from financing activities - Refer note hereunder	-
Net increase/ (decrease) in cash and cash equivalents - Refer note hereunder	-

Note: In the absence of the previous period consolidated balance sheet, the Consolidated Statement of cash flow under the indirect method cannot be prepared and hence details related to cash flow as mandated by IndAS 112 is not presented.

40 Financial Instruments

The carrying value and fair value of financial instruments by categories is as follows:

<u>Particulars</u>	<u>₹ in Lacs</u> <u>Carrying Value</u> <u>As at March</u> <u>31, 2021</u>
Financial assets	
Amortised Cost	
Loans	78.95
Others	232.12
Trade receivables	1,660.80
Cash and cash equivalents	621.53
FVTPL	
Mutual Funds	75.35
FVTOCI	
Equity Instruments	121.46
Total Financial Assets	2,790.21
Financial liabilities	
Amortised Cost	
Borrowings	1,185.15
Trade payables	1,471.52
Others	776.96
Lease Liability	229.05
Total Financial Liabilities	3,662.68

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

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

41 Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Particulars	Date of Valuation - 31/03/2021			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial assets measured at fair value through P&L				
Mutual Funds	75.35	-	-	75.35
	<u>75.35</u>	<u>-</u>	<u>-</u>	<u>75.35</u>
Financial assets measured at fair value through OCI				
Listed Equity Investments	9.14	-	-	9.14
Unlisted Equity Investments	-	-	112.32	112.32
	<u>9.14</u>	<u>-</u>	<u>112.32</u>	<u>121.46</u>
Financial assets measured at Amortised Cost				
Loans	-	-	78.95	78.95
Others	-	-	232.12	232.12
Trade receivables	-	-	1,660.80	1,660.80
Cash and cash equivalents	-	-	621.53	621.53
	<u>-</u>	<u>-</u>	<u>2,593.40</u>	<u>2,593.40</u>
Total Financial Assets	<u>84.49</u>	<u>-</u>	<u>2,705.72</u>	<u>2,790.21</u>
Financial Liabilities measured at Amortised Cost				
Borrowings	-	-	1,185.15	1,185.15
Lease Liability	-	-	1,471.52	1,471.52
Trade Payable	-	-	776.96	776.96
Other Financial Liability	-	-	229.05	229.05
	<u>-</u>	<u>-</u>	<u>3,662.68</u>	<u>3,662.68</u>
Total Financial Liability	<u>-</u>	<u>-</u>	<u>3,662.68</u>	<u>3,662.68</u>

42 Financial Risk Factors

The Group's business activities are exposed to a variety of financial risks: Market/Business risk, credit risk, Exchange risk, etc. The Group's focus is to foresee the unpredictability of financial and business risks and seek to minimize potential adverse effects of these risks on its business and financial performance.

(i) Business/Market Risk

The primary business/market risk to the Group is the price risk. There was decrease in the income in FY 2020-21 mainly on account of lower price realisation in few generic formulations market due to competitive nature of the market and also due to reduction in the selling prices of many formulations due to price reductions made under the drug pricing regime in the country.

The Indian generic formulations market is currently in the growth phase. It is expected that use of generic formulations will gradually increase in India. However, cut throat competition, quality issues of generics manufactured in the country and non existence of organised generic formulations distribution and retailing system are a cause of concern and is hampering the growth of generic formulations market.

(ii) Credit Risk

The Group has exposure to credit risks associated with sales to various Customers. To mitigate these credit risks arising out of this, the Group on a regular basis evaluates the credit risk associated with a customer. Customer where no credit insurance is available, the Group monitors such risk by continuously monitoring its exposure to such customer. Based on the historical data, the Group has made adequate provisions for expected loss because of credit risk, which is neither significant nor material.

43 Capital Management

For the purpose of the Group's capital management, capital includes paid-up equity share capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholders' value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust its dividend payment ratio to shareholders, return capital to shareholders or issue fresh shares. The Group monitors capital using a gearing ratio, which is net debt divided by its total capital. The Group includes within its net debt the cash credit facilities, trade, lease and other payables less cash and cash equivalents.

<u>Particulars</u>	<u>₹ in Lacs</u>
	<u>As at March 31, 2021</u>
Borrowings	1,185.15
Current Maturities	245.28
Less: Cash and Cash Equivalents	(527.32)
Net debt	903.11
Total Equity Capital and net debt	5,412.87
Gearing Ratio	16.68%

No changes were made in the objectives, policies or processes for managing the capital during the years ended March 31, 2021.

44 Disclosure as per Schedule III of Companies Act, 2013

<u>Particulars</u>	<u>Parent</u>	<u>Subsidiary</u>	<u>Total</u>
Net Assets , i.e. Total Assets minus Total Liabilities			
Amount	5,276.36	136.49	5,412.85
As % of consolidated Net assets	97.48	2.52	100.00
Share in Profit or (loss)			
Amount	(172.51)	139.59	(32.92)
As % of consolidated Profit or (Loss)	(523.99)	423.99	(100.00)
Share in Other Comprehensive Income			
Amount	661.83	(0.67)	661.16
As % of consolidated OCI Profit or (Loss)	100.10	(0.10)	100.00
Share in Total Comprehensive Income			
Amount	489.32	138.92	628.24
As % of consolidated Total OCI Profit or (Loss)	77.89	22.11	100.00

- 45 The spread of Covid-19 has severely impacted business around the globe. In many countries including India, there has been severe disruption to regular business operations due to lock down, disruption in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. Based on detailed assessment of the impact of COVID-19 on the operations of the Group and ongoing discussions with vendors and service providers, the Management is confident of obtaining regular supply of raw materials and logistics services. Management believes that it has taken into account all the possible impact of known events arising from Covid-19 pandemic in the preparation of financial statements. However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature and duration. The Group will continue to monitor any material changes to future economic conditions.
- 46 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Group for the year ended March 31,2021

**As per our report of even date attached
For Natvarlal Vepari & Co.**

Chartered Accountants
Firm Registration No. 106971W

N. Jayendran

Partner
M.No. 40441
Mumbai June 10, 2021

For and on behalf of the Board of Directors

Saahil Parikh
(DIN 00400079)
Wholetime Director

June 10, 2021

Nilesh Jain
(DIN 05263110)
Wholetime Director

Khyati Danani
(ACS 21844)
Company Secretary

Prashant Godha
(DIN 00012759)
Additional Director

Sandeep Kadam
CFO

Statement 1

Related Party Disclosure as required by Indian Accounting Standard – IND AS 24 “Related Party Transactions” of the Companies (Accounting Standards) Rule 2015.

Transactions with Related Parties

₹ in Lacs

Description	Entities where control Exists Subsidiaries	Key Management Personnel	Entities in which promoters have significant influence	Other Related Parties	Total
	Mar 21	Mar 21	Mar 21	Mar 21	Mar 21
Purchase of goods and services					
Ipca Laboratories Ltd	-	-	131.03	-	131.03
TOTAL	-	-	131.03	-	131.03
Sales of goods and services					
Ipca Laboratories Ltd	-	-	1,011.10	-	1,011.10
TOTAL	-	-	1,011.10	-	1,011.10
Other expenses reimbursements					
Ipca Laboratories Ltd	-	-	-	-	-
TOTAL	-	-	-	-	-
Sale of quoted Shares thru block deal mechanism of SE					
Kaygee Investments Pvt.Ltd.	-	-	2,086.81	-	2,086.81
TOTAL	-	-	2,086.81	-	2,086.81
Dividend Income :					
Ipca Laboratories Ltd	-	-	0.04	-	0.04
TOTAL	-	-	0.04	-	0.04
Other expenses paid:					
Ipca Laboratories Ltd	-	-	0.85	-	0.85
TOTAL	-	-	0.85	-	0.85
Remuneration to Directors					
Mr. Saahil Parikh	-	46.71	-	-	46.71
Mr. Nilesh Jain	-	26.10	-	-	26.10
TOTAL	-	72.81	-	-	72.81
Provident Fund					
Mr. Saahil Parikh	-	3.53	-	-	3.53
Mr. Nilesh Jain	-	2.06	-	-	2.06
TOTAL	-	5.59	-	-	5.59
Sitting Fee to Non-executive Directors					
Mrs. Dipti Shah	-	1.90	-	-	1.90
Mr. R K P Verma	-	2.92	-	-	2.92
Mr. P M Kathariya	-	0.95	-	-	0.95
Mr. Prashant Godha	-	1.17	-	-	1.17
Mr. Vishal Jain	-	0.60	-	-	0.60
TOTAL	-	7.54	-	-	7.54
Salaries Paid					
Umesh Parikh	-	-	-	16.65	16.65
TOTAL	-	-	-	16.65	16.65
Closing Balances of Related Parties					
Description	Entities having significant influence Subsidiaries	Key Management Personnel	Entities in which promoters have significant influence	Other Related Parties	Total
	Mar 21	Mar 21	Mar 21	Mar 21	Mar 21
Balance at year end					
Receivables					
Ipca Laboratories Ltd	-	-	138.23	-	138.23
TOTAL	-	-	138.23	-	138.23
Payables					
Ipca Laboratories Ltd	-	-	25.95	-	25.95
TOTAL	-	-	25.95	-	25.95

Form AOC-I

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

Part "A": Subsidiaries

Sr. No	Name of Subsidiary Company	Reporting Currency	(₹ in Lacs)										
			Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Total Income/Turnover	Profit/(Loss) Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Shareholding
1	Resonance Specialties Ltd.	INR	1,154.40	2912.89	5463.00	1396.00	75.35	7187.3	1456.47	404.07	1,052.41	1.00	45.48%

- 1) Financials reporting period of all subsidiaries is 31st March.
- 2) The Company owns 45.48% interest in the above subsidiary

For and on behalf of the Board of Directors

Saahil Parikh (DIN 00400079) Wholetime Director	Nilesh Jain (DIN 05263110) Wholetime Director	Prashant Godha (DIN 00012759) Additional Director
	Khyati Danani (ACS 21844) Company Secretary	Sandeep Kadam CFO

Mumbai
10th June, 2021



Makers Laboratories Limited

Registered Office:

54-D, Kandivli Industrial Estate,
Charkop, Kandivli (West),
Mumbai - 400 067.

CIN : L24230MH1984PLC033389

Ph : 022 - 2868 8544

Email : investors@makerslabs.com

Website : www.makerslabs.com

Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and forming part of the Directors' Report for the year ended 31st March, 2021

Sr No.	Employee Name	Designation	Age	Qualification	Joining Date	Remuneration (Rs.)	Total Exp	Last Employment held before joining the Company	Experience before joining the company	% of Equity Shares held in the Company
1	Mr. SAAHIL PARIKH	WHOLE TIME DIRECTOR	46.2	B SC, DMS	01/07/1996	4690400	24.09	-	-	0.34
2	Mr. NILESH JAIN	WHOLE TIME DIRECTOR	45.11	B COM, M.M.S	28/03/2017	2767080	24.00	MESA TRADE CORPORATION	2.1	-
3	Mr. UMESH PARIKH	GENERAL MANAGER - OPERATIONS	73.2	B COM	05/04/1983	2388000	38.00	-	-	0.22
4	Mrs. KHYATI DANANI	COMPANY SECRETARY	38.5	BCOM, CS, LLB	09/08/2016	1310964	10.02	FIRST SOURCE SOLUTIONS LTD	1.04	-
5	Mr. PREMNATH YOGI	SR. MANAGER	43.7	B PHARM	16/06/2018	1300080	17.00	Rusan Pharma Ltd	2.00	-
6	Mr. SANDEEP KADAM	SR. MANAGER ACCOUNTS/CFO	54.0	B COM	26/12/1996	1000392	32.09	M/S ATV PROJECTS INDIA LTD	2.07	0.01
7	Mr. NEERAJ KUMAR SINGH	DY. GENERAL MANAGER SALES	49.7	BA	02/08/2017	906392	24.08	PEHAL PETRO	1.02	-
8	Mrs. VAISHALI UPARE	MANAGER ACCOUNTS	43.11	B COM	01/06/2008	758152	20.01	Saumya Construction Pvt Ltd	2.03	-
9	Mr. RAJESH PATEL	MANAGER PRODUCTION	51.3	B SC	10/01/1992	756756	29.02	-	-	-
10	Mr. RAKESH TIWARI	SALES HEAD	37.7	B SC	02/01/2020	740000	16.03	Alkem Laboratories Ltd	2.01	-

Notes:

1. All the employees have adequate experience to discharge the responsibilities assigned to them.
2. Nature of employment is contractual for all employees.
3. Except Mr. Umesh Parikh, father of Mr. Saahil Parikh, Wholetime Director, none of the other employees are related to any Director of the Company.
4. Remuneration includes Salary, Commission, Allowances, Leave Travel Assistance, Ex-Gratia, Leave Encashment, Medical Reimbursement, Gratuity, Company's contribution to the employees' Provident Fund, National pension scheme, Family Pension Fund and Superannuation Funds.
5. Perquisites are valued as per Income Tax Rule.

Mumbai, 10th June, 2021

For and on behalf of the Board

R. K. P. Verma
Chairman

MAKERS