



PHAARMASIA

**43rd
ANNUAL REPORT
2023-2024**



PHAARMASIA LIMITED

Regd. Office : 16, Phase-III, I.D.A.
Jeedimetla, Hyderabad - 500 055.

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CORPORATE INFORMATION

PHAARMASIA LIMITED

Corporate Identification Number: L24239TG1981PLC002915

Board of Directors:

- | | | |
|----|------------------------------------|---------------------------|
| 1. | Mr. Naga Bhaskara Rao Yallapragada | : Whole-time Director |
| 2. | Mr. Maneesh Ramakant Sapte | : Director, non-executive |
| 3. | Mr. Vinay Ramakant Sapte | : Director, non-executive |
| 4. | Mrs. Rashmi Vinay Sapte | : Director, non-executive |
| 5. | Mr. Pravin Mohandas Hegde | : Independent Director |
| 6. | Mr. Ajit Gopal Jamkhandikar | : Independent Director |

Key Managerial Personnel (KMP)

- | | | |
|----|------------------------------------|---------------------------|
| 1. | Mr. Naga Bhaskara Rao Yallapragada | : Whole-time Director |
| 2. | Mr. Eswara Prasad Rao Nagineni | : Chief Financial Officer |
| 3. | Ms. Urvashi Bhatia | : Company Secretary |

Registered Office:

16, Phase-III, IDA, Jeedimetla,
Hyderabad, Telangana, India – 500055.

Statutory Auditors:

M/s. Sathuluri & Co., Chartered Accountants,
H. No. 3-4-529/6, Gopamma Nilayam,
Chitrapuri Colony, Narayanguda, Hyderabad – 500027

Secretarial Auditors:

Shri N.V.S.S. Suryanarayna Rao, Plot No 232B,
Road No 6, Samanthapuri Colony, New Nagole,
Hyderabad 500035.

Internal Auditors:

M/s. Oruganti & Associates Chartered Accountants
H. No. 3-5-943 To 948, Flat No.207 & 208, 2nd Floor,
Panchavati Mall, Narayanguda, Hyderabad-500029, Telangana.

Registrar and Share Transfer Agent:

M/s. Venture Capital and Corporate Investments Private Limited
H. No. 12-10-167, Bharat Nagar, Hyderabad – 500 018
Tel No. 040-23818476 / 23818475; Fax No. 040-23868024
Email: info@vccilindia.com
Website: www.vccilindia.com

**NOTICE OF 43RD ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 43rd Annual General Meeting of the members of Pharmasia Limited will be held on Tuesday, 24th September, 2024 at 2.30 P.M through video conferencing (VC) / other audio-visual means (OAVM). The venue of meeting shall be deemed to be the registered office of the Company at 16, Phase-III, IDA, Jeedimetla, Hyderabad, Telangana, India – 500055 to transact the following business:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended 31st March, 2024, along with Notes, the Reports of the Board of Directors and the Auditors thereon.**
- 2. To appoint a director in place of Mr. Maneesh Ramakant Sapte (DIN: 00020450) who retires by rotation at this Annual General Meeting, and being eligible, offers himself for reappointment.**

SPECIAL BUSINESS:**1. To deliberate and approve related party transactions**

To consider and if found fit, to pass with or without modifications the undermentioned resolution as Ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (the 'Act'), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23 (1) & (4) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 (the 'Listing Regulations'), the Company's policy on Related Party transactions, and any other applicable provisions including any amendments thereto for the time being in force, consent of the members be and is hereby accorded to enter into contract(s)/ arrangement(s)/ transaction(s) executed with Related Parties of the entity on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of Rs. 100 Crores for the financial year 2024-25.

"RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to do all such other acts, deeds and things and sign and execute and file such papers and documents as may be necessary to give effect to this resolution and for matter connected therewith or incidental thereto."

2. To Re-Appoint Mr. Naga Bhaskara Rao Yallapragada, (DIN: 00019052) as a Whole-Time Director and in this regard, pass the following resolution as Ordinary Resolution.

To consider and if found fit, to pass with or without modifications the undermentioned resolution as Ordinary resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), as recommended by Nomination and Remuneration Committee and approved by Board of Directors the approval of the members be and is hereby accorded to reappoint Mr. Naga Bhaskara Rao Yallapragada, (DIN: 00019052) as a Whole-time Director, designated as Executive Director of the Company, for a further period of 5 (five) years from the expiry of his present term of office, that is, with effect from 14th, August 2024 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as



“the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit;

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

by order of the board

3. 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 197 and Schedule-V and other applicable provisions if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to recommendations of the Nomination and Remuneration Committee, consent of the Company be and is hereby accorded for increase in the remuneration of Mr. Naga Bhaskara Rao Yallapragada, (DIN: 00019052) Whole Time Director to Rs. 2,00,089/- (Two Lakh and Eighty-Nine Only) per month with effect from 1st April, 2024 which may further increased upto but not more than Rs 2,50,00,00/- (Rupees Two Lakh Fifty Thousand Only) per month as Board may decide from time to time on the following terms and conditions:

- **Perquisites not included in managerial remuneration:** Mr. Yallapragada Naga Bhaskara Rao shall be entitled to perquisites or other incentives towards appreciation and the same shall not be included in the aforementioned remuneration payable as decided by Board of the Company.
- **Other Terms & Conditions:**

Leave: Number of leave days shall be allowed in accordance with the Rules and Regulations of the Company.

Sitting fees: Being the Whole Time Director of the Company of the Company, no sitting fees shall be paid to you for attending the Board/Committee meeting of the Company.

“RESOLVED FURTHER THAT any one of the Directors be and is hereby authorized to execute and sign relevant documents and to do all such other acts, deeds and things to give effect to the aforementioned resolution.”

By order of the board
for **Pharmasia Limited**

Sd/-
Naga Bhaskara Rao Yallapragada
Whole-Time Director
DIN: 00019052

Date: 12th August, 2024
Place: Hyderabad

Registered Office:
16, Phase-III, IDA, Jeedimetla,
Hyderabad, Telangana, India – 50005



NOTES:

1. Pursuant to the General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation and the latest Circular 09/2023 dated September 25, 2023 in relation to “Clarification on holding of Annual General Meeting (“AGM”) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)”, (collectively referred to as “MCA Circulars”) permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC /OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode shall be open 15 minutes before the time schedule i.e., **2.30 P.M on 24th September, 2024** by clicking on the link at <https://www.evotingindia.com/undermemberslogin>, where EVSN of the Company will be displayed by using the Remote E-voting Credentials and 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 Chairperson 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.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, January 13, 2021 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 Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e- voting system as well as venue voting on the date of the AGM will be provided by CDSL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <http://phaarmasia.in/>. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. Shareholders who have queries may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at phaarmasia@gmail.com latest by **5.00 PM on Monday, 09th September 2024**.



8. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
9. Members intending to seek clarification at the Annual General Meeting concerning the accounts and any aspect of operations of the company are requested to send their questions in writing to the Company so as to reach the company **at least 14 days (Fourteen days)** in advance before the date of the Annual General Meeting, specifying the points.
10. Members holding shares in dematerialized form (electronic form) are requested to intimate any changes in their respective addresses, bank mandates etc., directly to their respective Depository Participants.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agent, Venture Capital & Corporate Investments Pvt. Ltd.
12. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
13. Details under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting form an integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
14. Any director himself or any member intending to propose any person as a director other than a retiring director, has to give a notice as to his intention to propose him/her as a candidate for that office not **less 14 days (Fourteen days)** before the meeting along with deposit of such amount as mentioned in the Companies Act, 2013.
15. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the RTA by an email to info@vccilindia.com.
16. The Annual Report for the year ended 31st March, 2024 and Notice of the AGM inter alia indicating the manner and process of remote e-voting are being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members (Physical / Demat) who have not registered their email addresses with the company can get the same registered with the company by requesting in member updation form by sending an email to phaarmasia@gmail.com and info@vccilindia.com. Please submit duly filled and signed member updation form to the above mentioned email. Upon verification of the Form the email will be registered with the Company till the date of AGM



17. Members may also note that the Notice of the 43rd AGM and the Annual Report for the financial year ending on 31st March, 2024 will also be available on the Company's website <http://phaarmasia.in/> for download.
18. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available, for inspection by the Members during the AGM. All Documents referred to in the accompanying notice will be sent to the respective shareholder upon receiving a request at the e-mail id phaarmasia@gmail.com of the Company for inspection of the members of the Company.
19. SEBI has made it mandatory for every participant in the Securities/Capital Market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details of PAN and Bank Account along with a copy of the PAN card and original cancelled cheque leaf /attested bank passbook showing name of account holder to M/s Venture Capital & Corporate Investments Pvt. Ltd
20. SEBI made it mandatory for all the shareholders to hold the shares in Dematerialization form. Hence, all the shareholders holding shares in physical form are requested to convert their Physical shares in Demat form, so the liquidity of shares is not affected.
21. **THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

In accordance with the provision of section 108 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the shareholders may exercise their option to participate through electronic voting system and the company is providing the facility for voting by electronic means (remote e-voting) to all its members. The company has engaged the services of Central Depository Services Limited (CDSL) to provide remote e-voting facilities and enabling the members to cast their vote in a secured manner. This facility will be available at the link <http://www.evotingindia.com> during the following voting period:

| | |
|---------------------------------|-------------------------------|
| Commencement of remote e-voting | From 09.00 A.M on 21.09.2024 |
| End of remote e-voting | Up to 05.00 P.M on 23.09.2024 |

Remote e-voting shall not be allowed beyond **05.00 P.M on Monday, 23rd September, 2024**. During the Remote e-voting period, the shareholders of the company, holding shares either in physical form or dematerialized form, as on the closing of business hours of the cut-off date, may cast their vote electronically. The cut-off date for eligibility for remote e-voting is **Friday, 13th September, 2024**.

- a) The company has engaged the services of CDSL as the Authorized Agency to provide remote e-voting facilities.
- b) The company has appointed Mr. N.V.S.S. Suryanarayana Rao, Practicing Company Secretary (M. No: 5868), as "scrutinizer" for conducting and scrutinizing the remote e- voting process in a fair and transparent manner.
- c) "Voting by electronic means" or "electronic voting system" means a "secured system" based process of display of electronic ballots, recording of votes of the members and the number of votes polled in favour or against, such that the entire voting exercise by way of electronic means gets registered and counted in an electronic registry in the centralized server with adequate "cyber security".



It also helps the shareholders to cast their vote from anywhere and at any time during Remote e-voting period.

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

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on **Saturday, 21st September, 2024 at 09.00 A.M.** and ends on **Monday 23rd September, 2024 at 05.00 P.M.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **Friday, 13th September, 2024** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations 6 and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

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



| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | <p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e- Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| Individual Shareholders holding securities in demat mode with NSDL | <p>1) If you are already registered for NSDL IDeAS facility, please visit the e- Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p> |
| | <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> |



| | |
|---|--|
| | <p>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 hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |
| <p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p> | <p>1) You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

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

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

| Login type | Helpdesk details |
|--|---|
| <p>Individual Shareholders holding securities in Demat mode with CDSL</p> | <p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911</p> |
| <p>Individual Shareholders holding securities in Demat mode with NSDL</p> | <p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000</p> |

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

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

- The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- Click on the “Shareholders” tab.



- Now enter your User-ID:
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- If you are a first-time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|---|
| PAN | Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field. |

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach „Password Creation” menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that the company opts for Remote E-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For Members holding shares in physical form, the details can be used only for Remote E-Voting on the resolutions contained in this notice.
- (viii) Click on EVSN of Phaarmaisai Limited
- (ix) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be



displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xiv) If Demat account holder has forgotten the same password, then enter the User ID and the image verification code and click on „Forgot Password“ & enter the details as prompted by the system.
- (xv) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, non-individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address phaarmasia@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- a. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.



b. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

c. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **15 days prior to meeting i.e Monday, 02nd September 2024 to Monday 09th September 2024** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **15 days prior to meeting i.e Monday, 02nd September 2024 to Monday 09th September 2024** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.



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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

**By order of the Board
for Phaarmasia Limited**

**Sd/-
Naga Bhaskara Rao Yallapragada
Whole-time Director
DIN: 00019052**

Date: 12th August, 2024.

Place: Hyderabad

Registered Office:

16, Phase-III, IDA, Jeedimetla,
Hyderabad, Telangana, India – 500055.

**EXPLANATORY STATEMENT**

Pursuant to Section 102 (1) of the Companies Act, 2013

The following Explanatory Statement, as required under Section 102 of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) 2015, set out all material facts relating to the business under Item No. 3 of the accompanying Notice dated 12th August, 2024.

Item No 3:

This is to inform the members that, in accordance with Section 188 of the Companies Act, 2013, and the applicable rules (subject to statutory enactment, re-enactment, and modifications thereto), as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, all material related party transactions require the approval of shareholders through an ordinary resolution. Under the SEBI (LODR) Regulations, 2015, a material related party transaction is defined as one whose value, either on a standalone or consolidated basis, exceeds 10% of the consolidated turnover or ₹1,000 crores, whichever is lower, of the listed entity. As the related party transactions entered into by the Company are material in nature, they are subject to shareholder's approval.

We would like to highlight that your Company primarily operates in the generic drugs industry and is renowned for its cost-effective vaccines and medications. Maneesh Pharmaceuticals Limited, Svizera Health Private Limited, and Shub Pharma Agency are parent companies and enterprises in which the Directors have an interest, each engaged in the manufacture of pharmaceutical products. To enhance efficiency and ensure effective production management, Maneesh Pharmaceuticals Limited, Svizera Health Private Limited, and Shub Pharma Agency conduct their sales and purchases on an arm's length basis. The proposed transactions will be conducted at arm's length and in the ordinary course of business for the respective companies.

Considering the revenue breakdown for the financial year 2023-24 and the entity's revenue generation model, the Company has assessed and is seeking omnibus approval for related party transactions for an amount not exceeding ₹100 crores for the proposed material related party transactions in the financial year 2024-25.

The Audit Committee and the Board of Directors of the Company have reviewed the relevant details, as required by law, of the proposed transactions and have approved and recommended to the shareholders for their approval an amount not exceeding ₹100 crores for these material related party transactions, as detailed in the resolution. The details of the proposed related party transactions (RPTs) between the Company and the related parties, including the required disclosures, are as follows:

| Sr No. | Name of the related party | Relation | Transaction summary |
|---------------|----------------------------------|--|---|
| 1. | Maneesh Pharmaceuticals Limited | Parent Company | Sale / Purchase / Services transactions |
| 2. | Svizera Health Private Limited | Parent Company | Sale / Purchase / Services transactions |
| 3. | Shub Pharma Agency | Enterprises where Directors are interested | Services transactions |

None of the Directors & Key Managerial Personnel (KMP) of the Company or their respective relatives are concerned or interested, financially or otherwise, in the resolution.

The Board recommends passing of the proposed Ordinary Resolution Item No. 3

**Item No 4:**

The Board of Directors of the Company (“the Board”) at its meeting held on 14th August, 2024, has, subject to approval of members, reappointed Mr. Yallapragada Naga Bhaskara Rao, (DIN: 00019052) as a Whole- time Director, designated as Executive Director, for a further period of 5 (five) years from the expiry of his present term, that is, August 14, 2019, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board. It is proposed to seek members’ approval for the re-appointment of Mr. Yallapragada Naga Bhaskara Rao, (DIN: 00019052) as a Wholetime Director, designated as Executive Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Yallapragada Naga Bhaskara Rao, (DIN: 00019052) are given in forging resolution.

General:

- (i)The Whole-time Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board / Managing Director from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board / Managing Director and the functions of the Wholetime Director will be under the overall authority of the Managing Director.
- (ii) The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- (iii)The Whole-time Director shall adhere to the Company’s Code of Conduct.
- (iv)The office of the Whole-time Director may be terminated by the Company or by him by giving the other 3 (three) months’ prior notice in writing.

He has rich and varied experience in the industry and has been involved in the operations of the Company. It would be in the interest of the Company to continue to avail of his considerable expertise and to re-appoint Mr. Yallapragada Naga Bhaskara Rao, (DIN: 00019052) as a Whole-time Director. Accordingly, approval of the members is sought for passing a Ordinary Resolution for re-appointment of Mr. Yallapragada Naga Bhaskara Rao, (DIN: 00019052) as a Whole-time Director, as set out in Part-I of Schedule V to the Act as also under sub-section (3) of Section 196 of the Act.

Mr. Yallapragada Naga Bhaskara Rao, (DIN: 00019052) satisfies all the other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Yallapragada Naga Bhaskara Rao, (DIN: 00019052) under Section 190 of the Act.

Details of Mr. Yallapragada Naga Bhaskara Rao are provided in “Annexure” to the Notice pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Mr. Yallapragada Naga Bhaskara Rao, (DIN: 00019052) is interested in the resolution set out at Item No. 4 of the Notice. The relatives of Mr. Yallapragada Naga Bhaskara Rao, may be deemed to be interested in the resolution set out at Item No. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company.



Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution. The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

Item No. 5:

The Board of Directors at their meeting held on 25th May 2024, approved for increase in remuneration to Rs. 2,00,089/- (Two Lakh and Eighty-Nine Only) per month with effect from 01st April, 2024, which may further increase upto but not more than Rs 2,50,00,00/- (Rupees Two Lakh Fifty Thousand Only) per month as Board may decide from time to time as mentioned in resolution to Mr. Yallapragada Naga Bhaskara Rao, Whole-Time Director of the Company, subject to the approval of the shareholders in the ensuing General Meeting.

Mr. Naga Bhaskara Rao Yallapragada is associated as the Director of the Company since the year 2004. He is having huge experience in manufacturing of pharmaceutical products and plays an important role in handling the crucial departments of the Company related to Production Planning, Purchases, Sales, and Maintenance of Plants etc. Looking at his contribution to the Company, the above increase in remuneration is sought from the shareholders.

None of the Directors or their relatives except Mr. Naga Bhaskara Rao Yallapragada himself is concerned or interested in the resolution. None of the other Key Managerial Personnel or their relatives are concerned or interested in the resolution.

The Board recommends the resolution at item no. 5 for approval by the members as Ordinary Resolution

**By order of the Board
for Phaarmasia Limited**

**Sd/-
Naga Bhaskara Rao Yallapragada
Whole-time Director
DIN: 00019052**

Date: 12th August, 2024.

Place: Hyderabad

Registered Office:

16, Phase-III, IDA, Jeedimetla,
Hyderabad, Telangana, India – 500055.



DETAILS OF DIRECTOR'S SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING.

| Name of Director | Mr. Naga Bhaskara Rao Yallapragada | Mr. Maneesh Ramakant Sapte |
|--|--|---|
| Director Identification Number | 00019052 | 00020450 |
| Date of Birth | 22/04/1963 | 28/06/1971 |
| Nationality | Indian | Indian |
| Date of Appointment/ Re-appointment | 14-08-2018 | 01/03/2006 |
| Qualifications | Post Graduate | Graduate |
| Expertise in specific functional areas | More than 30 years' experience in Pharmaceuticals sector | More than 35 years of Experience in pharmaceutical sector |
| Chairmanships/ Directorships of other Companies (excluding Foreign Companies and Section 25 Companies) as on March 31, 2024 | Nil | As per Note 1 below |
| Chairmanships/ Memberships of Committees of other Public Companies (includes only Audit Committee; Stakeholders Relationship Committee and Nomination and Remuneration Committee) as on March 31, 2024 | Nil | As per Note 2 below |
| Equity Shares held in the Company as on 31.03.2024 | Nil | Nil |
| Relationship between Directors inter-se | Nil | Mr. Maneesh Ramakant Sapte is a relative of promoter Director |

Note No.1

| SI No. | Name of the Company | Designation |
|---------------|--|---------------------|
| 1. | Maneesh Pharmaceuticals Limited | Whole-time director |
| 2. | Pharmanova Specialties Private Limited | Director |
| 3. | Shanbag Storage And Services Private Limited | Director |
| 4. | Pure Health Products Private Limited | Director |
| 5. | Svizera Health Remedies LLP | Partner |
| 6. | Adhrit Education LLP | Designated Partner |
| 7. | Svizera Pharma Private Limited | Director |
| 8. | Svizera Labs Private Limited | Director |

Note No.2

| Sl. No. | Name of the Company Designation | Designation |
|----------------|--|---------------------|
| 1. | Maneesh Pharmaceuticals Limited | Whole-time director |



FORM FOR REGISTRATION OF EMAIL ADDRESS FOR RECEIVING DOCUMENTS / NOTICES BY ELECTRONIC MODE

To
M/s. Venture Capital and Corporate Investments Private Limited
H. No. 12-10-167, Bharatnagar, Hyderabad – 500 018
Tel No. 040-23818476 / 23818475; Fax No. 040-23868024

Company: Pharmasia Limited

I agree to receive all documents / notices including the Annual Report from the Company in electronic mode.
Please register my email address given below in your records for sending communication through email.

Name of Sole / First Holder : _____

DP ID / Client ID / Regd. Folio No : _____

PAN No. : _____

E-Mail Address : _____

Date:

Place:

(Signature of the member)

**DIRECTORS' REPORT**

Dear Members,

Your directors present their 43rd Directors Report on the business and operations of the Company and the accounts for the financial year ended 31st March, 2024.

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY:

The performance of the Company during the year ended 31st March 2024 has been as under:

(Amounts in Lakhs)

| Particulars | 2023-24 | 2022-23 |
|-----------------------------------|----------------|----------------|
| Total Income | 3125.49 | 2800.57 |
| Less: Total Expenses | 3180.08 | 2943.77 |
| Net Profit/ (Loss) Before Tax | (54.60) | (143.20) |
| Provision for Current Tax | 0 | 0 |
| Deferred Tax for the Current Year | (2.77) | (17.28) |
| Net Profit/(Loss) After Tax | (51.82) | (125.92) |

BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIRS:

During the year under review, the gross revenue of the Company increased to **Rs. 3059.33 Lakhs** as against the revenue of **Rs. 2748.95 Lakhs** in the previous year. The Company recorded a net loss of **Rs. 51.82 Lakhs** for the year, compared to a net loss of **Rs. 125.92 Lakhs** in the previous year.

Phaarmasia Limited is a manufacturing unit dedicated in manufacturing facility of Hormonal (Oral contraceptive tablets) and Combipack with Iron Tablet.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There is no change in the nature of business during the year.

MATERIAL CHANGES AND COMMITMENTS:

There are no material changes and commitments after the closure of the financial year, which will affect the financial position of the Company.

There are no material changes and commitments affecting the financial position of the company which occurred between the end of the financial year to which the financial statements relate and the date of the report.

DIVIDEND:

To conserve the resources in the Expansion of the business operations, your directors did not recommend any dividend during the Financial Year under review.

TRANSFER TO RESERVE:

The Company does not propose to transfer any amount to the general reserve for the financial year ended 31st March 2024.

**SHARE CAPITAL:**

During the year the Company has not allotted any shares.

The authorised capital of the company stands unchanged from previous year at Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crores) equity shares of Rs. 10/- (Rupees Ten Only) each.

The Issued, Subscribed and Paid-up Capital of the Company as on March 31, 2024 is Rs.6,82,69,600/- (Rupees Six Crores Eighty-Two Lakhs Sixty-Nine Thousand and Six Hundred) divided into 68,26,960 (Sixty-Eight Lakhs Twenty-Six Thousand Nine Hundred and Sixty) equity shares of Rs.10/- (Rupees Ten) each.

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Companies Act, 2013 read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

During the period under review there was no Issue of shares (including sweat equity shares) to employees of the Company under any scheme including Employees' Stock Options Schemes.

DIRECTORS AND KEY MANAGERIAL PERSONNEL AS ON 31ST MARCH, 2024 AND DETAILS OF CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of Directors of your company is duly constituted. The Board consists of Six Directors comprising of One Executive Director, Three Non-Executive Directors, and Two Independent Directors. The company has maintained an optimum combination of Executive and Non-Executive Directors.

The Board is efficient and the directors have requisite knowledge and exposure to provide requisite insights and direction to the Management of the Company.

The Directions provided to the management are actually implemented and executed through the Whole Time Director and other Directors of the company.

This structure ensures that the Board remains independent from the management in decision-making and provides valuable insights into external factors that internal employees may not have access to.

Your directors are committed to fostering a culture of leadership within the Board, with a focus on long-term vision and policy development to enhance governance quality. All actions and decisions taken by the Board are in line with the best interests of the Company.

The composition of the Board, Category, and DIN of Directors are as follows:

Board of Directors:

| S. No. | Name of the Director | Designation | DIN |
|--------|------------------------------------|----------------------|----------|
| 1. | Mr. Naga Bhaskara Rao Yallapragada | Whole-time Director | 00019052 |
| 2. | Mr. Maneesh Ramakant Sapte | Director | 00020450 |
| 3. | Mr. Vinay Ramakant Sapte | Director | 00135085 |
| 4. | Mrs. Rashmi Vinay Sapte | Director | 00334247 |
| 5. | Mr. Pravin Mohandas Hegde | Independent Director | 01404954 |
| 6. | Mr. Ajit Gopal Jamkhandikar | Independent Director | 08196191 |

**Key Managerial Personnel (KMP):**

| S. No. | Name of the KMP | Designation |
|--------|------------------------------------|-------------------------|
| 1) | Mr. Naga Bhaskara Rao Yallapragada | Whole-time Director |
| 2) | Mr. Eswara Prasad Rao Nagineni | Chief Financial Officer |
| 3) | Ms. Urvashi Bhatia | Company Secretary |

Change in directors / Key Managerial Personnel during the year:

- The members of the Company at the Annual General meeting held on 10th of July, 2023 have re-appointed Mr. Vinay Ramakant Sapte (DIN: 00135085) as Non-Executive Director of the company owing to his office liable to retire by rotation.
- The members of the Company at the Annual General meeting held on 10th of July, 2023 have re-appointed Mr. Ajit Gopal Jamkhandikar (DIN: 08196191), as Independent Director of the company for a further period of 5 years commencing from 10th July, 2023.

Proposed appointments / re-appointments in the 43rd annual general meeting

- Approval of the shareholders is being sought for the appointment of Mr. Maneesh Ramakant Sapte (DIN: 00020450) Non-Executive Director of the Company, who retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for re-appointment in accordance with the provisions of the Companies Act and pursuant to Articles of Association of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 134 (3) and (5) of the Companies Act 2013, with respect to Directors' Responsibility Statement, your board of directors to the best of their knowledge and ability confirm that:

In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- a) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- b) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- c) The Directors have prepared the annual accounts on a going concern basis;
- d) The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively;
- e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and effective.

SELECTION OF INDEPENDENT DIRECTORS:

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are



considered by the Nomination and Remuneration Committee, for appointment, as an Independent Director on the Board. The Committee inter alia considers qualification, positive attributes, area of expertise and number of Directorship(s) and Membership(s) held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation and takes appropriate decision.

DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

The Company has received necessary declarations from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013.

In the opinion of the Board all the Independent Directors possess integrity, expertise and experience (including the proficiency) to be act as independent Director.

PARTICULARS OF EMPLOYEES:

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

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are enclosed in **Annexure - I** and forms part of this Report.

MEETINGS OF BOARD OF DIRECTORS:

The Board of Directors duly met 5 (Five) times on 25.05.2023, 13.06.2023, 14.08.2023, 14.11.2023, and 13.02.2024 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

The intervening gap between the meetings was not more than 120 days as prescribed under the Companies Act, 2013.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION:

The Company has framed policy on Directors' appointment and remuneration and other matters as provided in section 178(3) of the Act and is referred to while taking decisions under its purview.

FORMAL BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees.

The performance was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc



The Board and the Nomination and Remuneration committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman also evaluated the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent Directors, performance of the Board as a whole and performance of the chairman was evaluated, taking into account the views of Directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed. Performance evaluation of independent Directors was done by the entire board, excluding the Independent Director being evaluated.

The overall performance of the Non-Executive Directors of the company is satisfactory. The review of performance was based on the criteria of performance, knowledge, analysis, quality of decision making etc.

AUDIT COMMITTEE:

Audit Committee has acted in accordance with the terms of Section 177 of the Companies Act, 2013.

- (i) Recommended for appointment, remuneration and terms of appointment of auditors of the company;
- (ii) Reviewed and monitored the auditor's independence and performance, and effectiveness of audit process;
- (iii) Examination of the financial statement and the auditors' report thereon;
- (iv) Approval or any subsequent modification of transactions of the company with related parties;
- (v) Scrutiny of inter-corporate loans and investments; if any
- (vi) Valuation of undertakings or assets of the company, wherever it is necessary;
- (vii) Evaluation of internal financial controls and risk management systems;
- (viii) Monitoring the end use of funds raised through public offers and related matters.

The Audit Committee consists of a combination of Executive Director and Non-Executive Independent Directors and assists the Board in fulfilling its overall responsibilities.

The Audit Committee of the Company is duly constituted as per Section 177 of the Companies Act, 2013. The members of Audit Committee are:

| Directors | Chairman/Member | Category |
|-----------------------------------|------------------------|----------------------|
| Mr. Pravin Mohandas Hegde | Chairman | Independent Director |
| Mr. Ajit Jamkhandikar | Member | Independent Director |
| Mr. Naga Bhaskar rao Yallapragada | Member | Whole-time Director |

Audit Committee Meetings:

| Sl. No. | Date of meeting | Total No of Members as on the date of meeting | Number of Members attended |
|----------------|------------------------|--|-----------------------------------|
| 1. | 25.05.2023 | 03 | 03 |
| 2. | 14.08.2023 | 03 | 03 |
| 3. | 14.11.2023 | 03 | 03 |
| 4. | 13.02.2024 | 03 | 03 |

The intervening gap between the meetings was not more than 120 days as prescribed under Regulation 18(2)(a) of SEBI (LODR) Reg. 2015.



NOMINATION AND REMUNERATION COMMITTEE:

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

| Directors | Chairman/Member | Category |
|---------------------------|-----------------|--|
| Mr. Pravin Mohandas Hegde | Chairman | Independent Director |
| Mr. Ajit Jamkhandikar | Member | Independent Director |
| Mr. Vinay Ramakant Sapte | Member | Non-Independent & Non-Executive Director |

Nomination and Remuneration Committee Meetings:

| S. No. | Date of meeting | Total No of Members as on the date of meeting | Number of Members attended |
|--------|-----------------|---|----------------------------|
| 1. | 25.05.2023 | 03 | 03 |
| 2. | 14.08.2023 | 03 | 03 |
| 3. | 14.11.2023 | 03 | 03 |
| 4. | 13.02.2024 | 03 | 03 |

Selection and Evaluation of Directors:

The Board has on the basis of the recommendations of the Nomination and Remuneration Committee, laid down following policies.

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

MEETING OF THE INDEPENDENT DIRECTORS

| S. No. | Date of meeting | Total No of Members as on the date of meeting | Number of Members attended |
|--------|-----------------|---|----------------------------|
| 1 | 25.05.2023 | 02 | 02 |

PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS:

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

- a) More effective Board processes
- b) Better collaboration and communication
- c) Greater clarity with regard to members roles and responsibilities

The evaluation process covers the following aspects:

- Self-evaluation of Directors
- Evaluation of the performance and effectiveness of the Board
- Evaluation of the performance and effectiveness of the committees
- Feedback from the non-executive Directors to the Chairman
- Feedback on management support to the Board.

**RISK MANAGEMENT POLICY:**

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

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

STATUTORY AUDITORS:

M/s Sathuluri & Co., Chartered Accountants, were appointed as Statutory Auditors for 5 years at the 41st Annual General Meeting held on 27th of September, 2022 and shall hold office from the conclusion of the 41st Annual General Meeting till the conclusion of 45th Annual General Meeting.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS:

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report is self-explanatory and do not call for any further comments.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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

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

SECRETARIAL AUDIT REPORT:

In terms of Section 204 of the Act and Rules made there under, Mr. N.V.S.S. Suryanarayana Rao, Practicing Company Secretary (Membership No. A5868 and COP No.: 2886) has been appointed as Secretarial Auditor of the Company for the financial year.

Secretarial Audit Report as provided by Mr. N.V.S.S. Suryanarayana Rao, Practicing Company Secretary is enclosed as **Annexure III** to this report.

The following are the Comments of Secretarial Auditor and Management response to the same:

| S No. | Comments from Secretarial Auditor | Management response |
|--------------|---|---|
| 1. | During the period under review, the Company has filed certain forms with additional Fees which were taken on record by the Registrar of Companies, Telangana. | The company acknowledges the filing of forms with additional fees. These instances were due to the need for timely compliance, and we are taking steps to ensure that future filings are completed within the prescribed deadlines to avoid additional charges. |



| | | |
|----|---|---|
| 2. | Regulation 46 of SEBI (Listing obligation and Disclosure Requirements) Regulation, 2015 Company shall maintain a functional website containing the basic information about the listed entity. However, the company has not updated its website. | The company recognizes the importance of maintaining an updated website as per Regulation 46 (Listing obligation and Disclosure Requirements) Regulation, 2015. We are currently in the process of updating the website to ensure it meets all regulatory requirements and reflects the most current information. |
| 3. | During the period under review, there was a delay in the submission of the annual report with BSE, for which the company paid a fine to Stock Exchanges. | We acknowledge the delay in the submission of the annual report. The company has duly paid the penalty to BSE and is implementing measures to prevent such delays in the future, including improved tracking and adherence to submission deadlines. |
| 4. | During the period under review, the company received a few discrepancies from the stock exchange, and revised filings were submitted accordingly. | The company has addressed the discrepancies received from the stock exchange and has submitted the revised filings as required. We are working to strengthen our internal review processes to minimize such issues going forward. |
| 5. | During the period under review, the company has not filed form MGT-14 for approval of draft Director's report for the financial year 2023-24. | The company acknowledges the oversight regarding the filing of Form MGT-14. We are in the process of filing the form promptly and will implement additional checks to ensure that such compliance requirements are met in a timely manner in the future. |
| 6. | During the period under review, the company has delayed in the complying with the regulation 74(5) of SEBI (Depositories and Participants) Regulations, 2018 of the Company for the quarter and financial year ended March 31, 2023. | The company recognizes the delay in complying with Regulation 74(5) and is taking corrective measures to ensure compliance with all regulatory requirements. Steps are being taken to enhance our compliance monitoring and reporting processes. |

SECRETARIAL STANDARDS:

The Company complies with all applicable secretarial standards.

COST AUDITORS:

The provisions of Section 148 of the Companies Act, 2013 do not apply to the Company. Hence, the company has not appointed Cost Auditors for Financial Year 2023-24.

REPORTING OF FRAUDS BY AUDITORS:

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

**PREVENTION OF INSIDER TRADING:**

The company has adopted a code of conduct for prevention of insider trading with a view to regulate trading in securities by the directors and designated employees of the company. The code requires pre-clearance for dealing in the company's shares and prohibits the purchase or sale of company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the company and during the period when the trading window is closed. The 'Manager' is responsible for implementation of the code along with the management of the Company.

Members of the Board have confirmed compliance with the code.

INTERNAL FINANCIAL CONTROLS AND INTERNAL AUDIT:

The Company has a proper and adequate system of internal control to ensure all the assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, regarded and reported correctly. The internal control is supplemented by an extensive program of internal audits, review by management and procedures. It is designed to ensure that the

Financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of assets.

During the year, the Company has implemented the suggestions and recommendations of the internal auditor to improve the control environment. Their scope of work included review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations. In the Board meeting held on 25.05.2024, company has re-appointed M/s. Oruganti & Associates, Chartered Accountant, as Internal Auditor of the Company for the F.Y. 2023-24.

WHISTLE BLOWER POLICY/VIGIL MECHANISM:

Pursuant to the provisions of section 177 of the Companies Act, 2013 and the rules framed there under and pursuant to the Regulation 22 of the SEBI (LODR) Regulations, 2015, the company has established a mechanism through which all stake holders can report the suspected frauds and genuine grievances to the appropriate authority. The Whistle blower policy which has been approved by the board of directors of the company has been hosted on the website of the company viz. <http://phaarmasia.in/>

ANNUAL RETURN:

The Ministry of Corporate Affairs vide its notification of the Companies (Management and Administration) Amendment Rules 2021, dated 05th March, 2021 ('Amendment notification 2021') has amended Rule 12 of the Companies (Management and Administration) Rules, 2014 (MGT Rules) thereby doing away with the requirement of annexing MGT-9 to the Board's Report.

As per Section 92(3) of the Companies Act, 2013 every company shall place a copy of the annual return on the website of the company, if any, and the web-link of such annual return shall be disclosed in the Board's report.

The Annual Return in Form MGT-7 of the Company as on March 31, 2024 is available on the Company's website and will be accessed at the given web-link <http://phaarmasia.in/>.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

The company has not given loans, guarantees or made investments covered under the provisions of Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There is no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations

SUBSIDIARY & ASSOCIATES / JOINT VENTURES:

The Company does not have any subsidiary and Joint Venture Company.

However, the following two companies holds more than 20% shareholding in our Company:

| S. No. | Name of the company | CIN/FCRN | Holding/ Associate/ Subsidiary | % of shares held |
|--------|---------------------------------|-----------------------|--------------------------------|------------------|
| 1. | Maneesh Pharmaceuticals Limited | U24230MH1985PLC036952 | Associate | 44.22 |
| 2. | Svizera Labs Private Limited | U74999MH1997PTC107389 | Associate | 29.29 |

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

CORPORATE GOVERNANCE REPORT:

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

However, in pursuance of Schedule V of SEBI (LODR) Regulations, 2015, a certificate from Mr. N.V.S.S. Suryanarayana Rao, Practicing Company Secretary, in compliance with (i) of Point (10) of Para C of Schedule V of SEBI (LODR) Regulations, 2015 is annexed as **Annexure-V** and forms part of this Report.

BUSINESS RESPONSIBILITY AND SUSTAINABLE REPORT (BRSR):

Securities Exchange Board of India (SEBI) by notification no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 12th July 2023 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) has mandated the inclusion of BRSR as part of the Annual Report for the top 150 listed entities based on their market capitalization on BSE and NSE as at 31st March 2024. In view of the requirements specified, the company is not mandated for the providing the BRSR and hence do not form part of this Report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints



Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2023-24:

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

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A. Conservation of Energy, Technology Absorption

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering no activities have been undertaken by the company during the year under review.

B. Foreign Exchange Earnings and Outflow

| | |
|---------------------------|-----|
| Foreign Exchange Inflows | Nil |
| Foreign Exchange Outflows | Nil |

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provisions of Section 135 of the Companies Act, 2013, relating to Corporate Social Responsibility are not applicable to the Company for the time being.

DEPOSITS:

The Company has neither accepted nor renewed any deposits during the year under review. As such no amount of principal or interest was outstanding on the date of the Balance Sheet.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUN:

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

LISTING WITH STOCK EXCHANGES:

The shares of the company are listed on the BSE Limited. All dues to the exchange have been paid in full.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

Your Company does not have any shares in the Demat suspense account or unclaimed suspense account and therefore no disclosure as per Point F of Schedule V of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 is required as mentioned below:

| S No. | Particulars | Yes / No |
|-------|---|----------|
| (a) | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; | No |



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

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the period under review, there was no application made nor any proceeding initiated or pending under the Insolvency and Bankruptcy code, 2016.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

During the period under review, there was no one time settlement with Bank.

INDUSTRY RELATIONS:

The company enjoyed cordial relations with its employees during the year under review and the Board appreciates the employees across the cadres for their dedicated service to the Company, and looks forward to their continued support and higher level of productivity for achieving the targets set for the future.

HUMAN RESOURCES:

Your Company treats its “human resources” as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

ACKNOWLEDGEMENTS:

Your directors wish to place on record their appreciation of the contribution made by the stakeholders, of the Company for their continued support.

By the order of the Board of Directors
for **PHAARMASIA LIMITED**

Date: 12th August, 2024

Place: Hyderabad

Sd/-

Maneesh Ramakant Sapte

Director

DIN: 00020450

Sd/-

Naga Bhaskara Rao Yallapragada

Whole-time Director

DIN: 00019052



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

Part- A

Information under Section 197 (12) of the Companies Act, 2013 read with the rule 5(1) Companies (Appointment and remuneration of managerial personnel) Rules, 2014 and forming part of Directors Report for the year ended March 31, 2024.

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

| S. No | Name of the Director | Ratio of the remuneration to the median remuneration of the employees |
|-------|-----------------------------------|---|
| 1. | Mr. Maneesh Ramakant Sapte | NA |
| 2. | Mr. Yallapragada Naga Bhaskar Rao | 1 : 0.12 |
| 3. | Mr. Vinay Ramakant Sapte | NA |
| 4. | Mrs. Rashmi Vinay Sapte | NA |
| 5. | Mr. Pravin M. Hegde | NA |
| 6. | Mr. Ajit Gopal Jamkhandikar | NA |

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

| S. No. | Name of the KMP | Percentage increase in remuneration |
|--------|-------------------------------------|-------------------------------------|
| 1. | Mrs. Urvashi Bhatia | 0.75% |
| 2. | Mr. Naga Bhaskara Rao Yallapragada | Nil |
| 3. | Mr. Eswara Vara Prasad Rao Nagineni | 8.47% |

(iii) The percentage increase in the median remuneration of employees in the financial year is maximum 4.19 %.

(iv) The number of permanent employees on the rolls of Company as on 31st March, 2024: 35 employees.

(v) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and whether there are any exceptional circumstances for increase in the managerial remuneration:

Average percentile increases in the salaries of the employees other than the managerial personnel in the financial year is Nil and there has been no increase in the managerial remuneration of Company Secretary during the financial year.

(vi) The Remuneration paid to Key Managerial Personnel is as per the Remuneration Policy of the Company.



Part-B

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: Not Applicable

By the order of the Board of Directors
for PHAARMASIA LIMITED

Date: 12th August 2024

Place: Hyderabad

Sd/-

Maneesh Ramakant Sapte

Director

DIN: 00020450

Sd/-

Naga Bhaskara Rao Yallapragada

Whole-time Director

DIN: 00019052



FORM NO. AOC. 2

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

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

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

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

a)

| SL. No. | Particulars | Details |
|---------|---|--|
| a) | Name(s) of the related party & nature of relationship | Maneesh Pharmaceuticals Limited (Parent Company) |
| b) | Nature of contracts/arrangements/transaction | Sale / Purchase / Services transactions |
| c) | Duration of the contracts/ arrangements/ transaction | FY 2023-24 |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | <ul style="list-style-type: none"> • Goods Sold – Rs. 913.11 /- (in lakhs) • Goods purchased / Services – Rs. 2031.82 /- (in lakhs). |
| e) | Date of approval by the Board | NA |
| f) | Amount paid as advances, if any | Nil |

b)

| SL. No. | Particulars | Details |
|---------|---|--|
| a) | Name(s) of the related party & nature of relationship | Svizera Health Private Limited (Parent Company) |
| b) | Nature of contracts/arrangements/transaction | Sale / Purchase / Services transactions |
| c) | Duration of the contracts/ arrangements/ transaction | FY 2023-24 |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | <ul style="list-style-type: none"> • Goods Sold – Rs. 55.41 /- (in lakhs) |



| | | |
|----|---------------------------------|---|
| | | • Goods purchased / Services – Rs. Nil (in lakhs). |
| e) | Date of approval by the Board | NA |
| f) | Amount paid as advances, if any | Nil |

c)

| SL. No. | Particulars | Details |
|---------|---|--|
| a) | Name(s) of the related party & nature of relationship | Shub Pharma Agency (Enterprises where Directors are interested) |
| b) | Nature of contracts/arrangements/transaction | Services transactions |
| c) | Duration of the contracts/ arrangements/ transaction | FY 2023-24 |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | • Services – Rs. 61 /- (in lakhs) |
| e) | Date of approval by the Board | NA |
| f) | Amount paid as advances, if any | Nil |

d)

| SL. No. | Particulars | Details |
|---------|---|------------------------------------|
| 1. | Name(s) of the related party & nature of relationship | Mr. Naga Bhaskara Rao Yallapragada |
| 2. | Nature of contracts/arrangements/transaction | Whole-time Director |
| 3. | Duration of the contracts/ arrangements/ transaction | 5 years |
| 4. | Salient terms of the contracts or arrangements or transaction including the value, if any | NA |
| 5. | Date of approval by the Board | NA |
| 6. | Remuneration, if any | Rs. 29.05 /- Lakhs |

By the order of the Board of Directors
for **PHAARMASIA LIMITED**

Date: 12th August 2024
Place: Hyderabad

Sd/-
Maneesh Ramakant Sapte
Director
DIN: 00020450

Sd/-
Naga Bhaskara Rao Yallapragada
Whole-time Director
DIN: 00019052



FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

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

To
The Members,
PHAARMASIA LIMITED
16, Phase-III, IDA, Jeedimetla,
Hyderabad – 500 055,
Telangana India.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PHAARMASIA LIMITED** (hereinafter called the “**Company**”) for the financial year ended **31st March, 2024** (**‘Audit Period’**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31st 2024**, according to the provisions of:

- (i) The Companies Act, 2013 (the “**Act**”) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (**‘SCRA’**) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of, Foreign Direct Investments, Overseas Direct Investment and External Commercial Borrowings (***Not Applicable to the Company during the Audit Period***);
- (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, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (***Not Applicable to the Company during the Audit Period***)



- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; ***(Not Applicable to the Company during the Audit Period)***
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ***(Not Applicable to the Company during the Audit Period)***
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; ***(Not Applicable to the Company during the Audit Period)***
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; ***(Not Applicable to the Company during the Audit Period)***.
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

1. Central Drugs Standard Control Organization (CDSCO)
2. Drugs (Price Control) Order 1995,
3. The Drugs & Cosmetics Act, 1940
4. Guidelines issued by Drugs Controller General of India (DCGI) and Indian Council for Medical Research (ICMR)
5. The Pharmacy Act, 1948,
6. The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954
7. The Narcotic Drugs and Psychotropic Substances Act, 1985
8. Guidelines issued by Food and Drug Administration, etc.,

Secretarial Standard-1 and Secretarial Standard-2, with respect to Board and General Meetings respectively, issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to mentioned below except:

- *During the period under review, the Company has filed certain forms with additional Fees which were taken on record by the Registrar of Companies, Telangana.*
- *Regulation 46 of SEBI (Listing obligation and Disclosure Requirements) Regulation, 2015 Company shall maintain a functional website containing the basic information about the listed entity. However, the company has not updated its website.*
- *During the period under review, there was a delay in the submission of the annual report with BSE, for which the company paid a fine to Stock Exchanges.*
- *During the period under review, the company received a few discrepancies from the stock exchange, and revised filings were submitted accordingly.*
- *During the period under review, the company has not filed form MGT-14 for approval of draft Directors report for the financial year 2023-24.*



• *During the period under review, the company has delayed in the complying with the regulation 74(5) of SEBI (Depositories and Participants) Regulations, 2018 of the Company for the quarter and financial year ended 31st March, 2023.*

I 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. There was no changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All the decisions are carried out unanimously and are captured and recorded as part of the minutes.

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

Sd/-

N. V. S. S. Suryanarayana Rao

Company Secretary in Practice

Membership Number: 5868

Certificate of Practice Number: 2886

Peer review Certificate No. 1506/2021

UDIN: A005868F001051770

Place: Hyderabad

Date : 27th August 2024

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



Annexure-A

To
The Members,
PHAARMASIA LIMITED
16, Phase-III, IDA, Jeedimetla,
Hyderabad – 500 055,
Telangana India.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained 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. My examination was limited to the verification of procedures on test-check basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

N. V. S. S. Suryanarayana Rao
Company Secretary in Practice
Membership Number: 5868
Certificate of Practice Number: 2886
Peer review Certificate No. 1506/2021
UDIN: A005868F001051770

Place: Hyderabad

Date: 27th August 2024



MANAGEMENT DISCUSSION & ANALYSIS REPORT

INTRODUCTION

This Management Discussion & Analysis (MD&A) report provides an overview of our performance for FY 2023-24, highlighting financial results, strategic initiatives, and future plans. It also addresses the risks and opportunities that affect our business.

India, a leading global provider of generic drugs, is renowned for its cost-effective vaccines and medications. The Indian pharmaceutical industry, now the third largest in pharmaceutical production by volume, has grown at a CAGR of 9.43% over the past nine years. This sector includes a diverse range of segments such as generic drugs, over-the-counter medications, bulk drugs, vaccines, contract research & manufacturing, biosimilars, and biologics. With the highest number of USFDA-compliant manufacturing facilities and approximately 500 API producers, India contributes around 8% to the global API market.

COMPANY PERSPECTIVE

Phaarmasia is dedicated to advancing healthcare through innovation and quality. We emphasize state-of-the-art solutions, taking calculated risks to explore new business opportunities and meet customer needs. Over the decades, our WHO-GMP and ISO 9001 certified facility has consistently produced high-quality pharmaceutical formulations, particularly in hormonal and steroidal products.

Our core values center on ethical practices, transparency, and a commitment to exceed stakeholder expectations. We prioritize quality and adhere to our motto, "DO IT RIGHT FIRST TIME, EVERY TIME," fostering a culture where our people are central to our success.

Phaarmasia, part of Maneesh Pharmaceutical Limited, operates from Mumbai and has been manufacturing and marketing oral contraceptives and iron tablets since 1993-94. Our state-of-the-art facility, free from contaminants, has an annual capacity of over 30 million units. Despite a challenging environment in FY 2023-24, we have made substantial progress in revenue and operations, driven by strategic investments and ongoing innovation.

ROAD AHEAD

The EPS for FY 2023-24 Increase to ₹(0.76) from ₹(1.84) in the previous year. While still negative, the reduction in the loss per share indicates our efforts to stabilize financial performance. We are committed to enhancing shareholder value through strategic initiatives aimed at returning to positive EPS.

FINANCIAL PERFORMANCE

Revenues

Company has recorded the revenue of Rs. **3059.33 Lakhs** during 2023-24 as compared to Rs. **2748.95 Lakhs** in 2022-23.

Other Incomes

The Other incomes for 2023-24 of Rs. **66.15 Lakhs** has increased, compared to Rs. **51.61 Lakhs** in 2022-23.

**Expenditure**

The expenses for 2023-24 of Rs. **3180.08** Lakhs has Increased, compared to Rs. **2,943.77** Lakhs in 2022-23.

Profit before Tax

There is Loss before Tax for 2023-24 of Rs. **54.60** Lakhs compared to Profit before Tax of Rs. **143.20** Lakhs in 2022-23.

Profits after Tax

The Loss After Tax for 2023-24 of Rs. **51.82** Lakhs as against Profit After Tax of Rs. **125.92** Lakhs in the previous year 2022-23.

Earnings per Share

The EPS for 2023-24 Increased to Rs. **(0.76)** as compared to Rs. **(1.84)** in Previous Year.

RISK MANAGEMENT

Effective risk management remains a cornerstone of our strategy. We continuously monitor and assess various risk factors, including regulatory changes, market volatility, and operational challenges. Our risk management framework is designed to identify potential risks early and implement mitigation strategies to safeguard our business.

INTERNAL CONTROLS AND ADEQUACY

Your Company has a robust and reliable system of internal controls commensurate with the nature of the business, and the scale and complexity of operations. The Company has adopted policies and procedures covering all financial, operating and compliance functions. These controls have been designed to provide a reasonable assurance over:

1. Effectiveness and efficiency of operations
2. Safeguarding of assets from unauthorised use or losses
3. Compliance with applicable laws and regulations
4. Prevention and detection of frauds and errors
5. Accuracy and completeness of the accounting records
6. Timely preparation of reliable financial information.

The current system of Internal Financial Controls (IFC) is aligned with the requirement of the Companies Act 2013, The Internal Audit (IA) function of the Company functionally reports to the Chairperson of the Audit Committee, thereby maintaining its objectivity.

FORWARD-LOOKING STATEMENTS

Your directors are focusing to strengths its Domestic Market through expansion of its activities and will make the necessary investment when attractive opportunities arise.



OPPORTUNITIES & THREATS

Opportunities:

- **Market Expansion:** Growing demand for pharmaceutical products in emerging markets presents significant growth opportunities.
- **Product Innovation:** Advancements in R&D can lead to the development of new products and therapies, enhancing our competitive edge.
- **Strategic Partnerships:** Collaborations and partnerships can open new avenues for growth and revenue generation.

Threats:

- **Regulatory Challenges:** Stringent regulatory requirements and compliance issues can impact our operational efficiency.
- **Cost Fluctuations:** Rising raw material and production costs could affect profitability.
- **Competitive Pressure:** Increased competition in the pharmaceutical sector may impact market share and pricing power.

OUTLOOK

Despite the challenges faced in FY 2023-24, we remain optimistic about the future. Our strategic initiatives are designed to address current challenges and capitalize on growth opportunities. We anticipate gradual improvements in financial performance as we implement our growth strategies and enhance operational efficiencies.

HUMAN RESOURCES

Phaarmasia Limited believes in creating an environment, wherein human resources derive a sense of purpose, passion and personal growth at work, leading to organizational performance. Towards realizing this, the company relies on the four pillars, namely, performance management, talent engagement, Capability development and maintaining cordial industrial relations. It also believes in review of its HR processes and systems on an ongoing basis to optimize costs, time and labour.

CAUTIONARY STATEMENT

This report contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from those projected due to various factors, including changes in market conditions, regulatory developments, and other unforeseen events. We undertake no obligation to update or revise any forward-looking statements based on new information or future events.

CONCLUSION

The financial year 2023-24 has been a period of significant transformation for our company. While we faced challenges, our commitment to growth, innovation, and operational excellence positions us well for future success. We are dedicated to driving long-term value for our stakeholders and look forward to achieving our strategic objectives in the coming years.

**CERTIFICATE OF NON-APPLICABILITY OF CORPORATE GOVERNANCE**

Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

The Board of Directors,

Phaarmasia limited,

16, Phase-III, IDA, Jeedimetla,

Hyderabad, Telangana,

India, 500055.

Dear Sirs/Madams,

I have examined the compliance of the conditions of Corporate Governance by Phaarmasia limited (herein after referred as ‘the Company’) under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter referred to as “the Regulations”) read with Section II-B of SEBI Master Circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 issued by the SEBI. The paid-up capital and net worth for the last 3 financial years i.e., 2021-22, 2022-23 and 2023-24 as per the Audited Financial Statements of the Company are as follows:

| | 2023-24 | 2022-23 | 2021-22 |
|------------------------|-------------------|--------------------|--------------------|
| Paid up capital | Rs.6,82,69,600 /- | Rs.6,82,69,600 /- | Rs.6,82,69,600 /- |
| Net worth | Rs.10,29,83,000/- | Rs. 12,05,91,000/- | Rs. 9,41,21,594 /- |

In my opinion and to the best of my knowledge and according to the verifications and figures as mentioned above and explanations given to me, and the representations made by the Directors and the management, I certify that the Company qualifies for exemption under Regulation 15(2) of SEBI (LODR) Regulations, 2015, as the paid-up equity share capital does not exceed Rs. Ten Crore and the Net Worth does not exceed Rs. Twenty-Five Crores for each of the aforementioned financial years.

I further state that it is neither an audit nor an expression of opinion on the financial statements of the Company.

N. V. S. S. Suryanarayana Rao

Company Secretary in Practice

Membership Number: 5868

Certificate of Practice Number: 2886

UDIN: A005868F000738248

Peer Review Certificate no. 1506/2021

Place: Hyderabad

Date: 15th July 2024



CERTIFICATE OF THE MD /CFO

To
The Board of Directors,
Pharmasia Limited

I, Mr. Eswara Vara Prasad Rao Nagineni, Chief Financial Officer of Pharmasia Limited, to the best of my knowledge and belief, certify that:

1. We have reviewed the Balance Sheet as at March 31, 2024, Statement of Profit and Loss, the Statement of changes in equity and Statement of Cash flows for the year ended and a summary of the significant accounting policies and other explanatory information of the company and the Board's report for the year ended March 31, 2024.
2. These statements do not contain any material untrue statement or omit any material fact nor do they contain statements that might be misleading.
3. The financial statement, and other financial information included in this report, present in all material respects a true and fair view of the company's affairs, the financial condition, results of operations and cash flows of the Company as at and for the periods presented in this report, and are in compliance with the existing accounting standards, applicable laws and regulations.
4. There are no transactions entered into by the company during the year that are fraudulent, illegal or violative of the company's code of conduct and Ethics.
5. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
6. We have indicated to the Auditors and the Audit Committee that:
I. there are no significant changes in internal control over financial reporting during the year;
II. there are no significant changes in accounting policies during the year; and
III. there are no instances of significant fraud of which we have become aware.

**By order of the Board
for PHAARMASIA LIMITED**

**Sd/-
Eswara Prasad Rao Nagineni
Chief Financial Officer**

**Place: Hyderabad
Date: 25th May, 2024.**



**DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT FOR THE YEAR ENDED MARCH
31, 2024**

I, Yallapragada Naga Bhaskara Rao Whole-time Director of PHAARMASIA LIMITED (“the Company”) hereby declare that, to the best of my information, all the Board Members and Senior Management Personnel of the Company have affirmed their compliance and undertaken to continue to comply with the Code of Conduct laid down by the Board of Directors of the Company.

by order of the Board
for **PHAARMASIA LIMITED**

Sd/-
Naga Bhaskara Rao Yallapragada
Whole-time Director
(DIN: 00019052)

Place: Hyderabad

Date: 25th May, 2024

**CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE**

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

I have examined the following documents:

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

As submitted by the Directors of Phaarmasia Limited ('the Company') bearing CIN: L24239TG1981PLC002915 and having its registered office at '16, Phase-III, IDA, Jeedimetla, Hyderabad -500055, Telangana. India, to the Board of Directors of the Company ('the Board') for the Financial Year 2023-24. We have considered non-disqualification to include non-debarment by Regulatory / Statutory Authorities.

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

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

| Sr. No | Name of Director | Director Identification Number (DIN) |
|---------------|-----------------------------------|---|
| 1. | Mr. Naga Bhaskar Rao Yallapragada | 00019052 |
| 2. | Mr. Maneesh Ramakant Sapte | 00020450 |
| 3. | Mr. Vinay Ramakant Sapte | 00135085 |
| 4. | Ms. Rashmi Vinay Sapte | 00334247 |
| 5. | Mr. Pravin Mohandas Hegde | 01404954 |
| 6. | Mr. Ajit Gopal Jamkhandikar | 08196191 |

This Certificate has been issued at the request of the Company to make disclosure in its Directors' Report for the Financial Year ended 31st March, 2024.

Sd/-

N.V.S.S. Suryanarayana Rao

Practicing Company Secretary

Membership Number: 5868

Certificate of Practice Number: 2886

Peer Review Certificate No. 1506/2021

UDIN: A005868F001051682

Place: Hyderabad,

Date: 27th August, 2024

**INDEPENDENT AUDITOR'S REPORT**

To
The Members of
M/s. PHAARMASIA LIMITED,

Report on the Audit of the Financial statements**Opinion**

We have audited the accompanying financial statements of **PHAARMASIA LIMITED** (“the Company”), which comprise the balance sheet as at 31st March 2024, and the statement of profit and loss (including Other Comprehensive Income), the cash flow Statement and the statement of changes in equity and for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2024, and it's Loss, total comprehensive income/loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 financial statements.

Key Audit Matters

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

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

Other Information

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, for example, Management Discussion and Analysis, Board's report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. The other information as stated above is expected to be made available to us after the date of this auditor's report.



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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information as stated above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.

Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

We also:

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



collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 "Annexure-B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:



- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income/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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of the section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 Ind AS financial statements.
 - ii. The Company has made provision, as required under the applicable laws or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Sathuluri & Co.,
Chartered Accountants
Firm Regn No: 006383S**

**Sd/-
(S.S. Prakash)
Partner
Membership No.202710
UDIN:**

Place: Hyderabad

Date: 25-05-2024

**Annexure - A to the Independent Auditors' Report**

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of PHAARMASIA LIMITED ("the Company") as of 31st March, 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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 ('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 over financial reporting 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external



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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024 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 Sathuluri & Co.,
Chartered Accountants
Firm Regn No: 006383S**

**Sd/-
(S.S. Prakash)
Partner
Membership No.: 202710
UDIN: 24202710BKELYM7014**

**Place: Hyderabad
Date: 25-05-2024**

*Annexure – B to the Independent Auditors' Report*

The Annexure referred to in our Independent Auditors' Report to the members of the **PHAARMASIA LIMITED** on the Financial Statements for the period ended 31st March 2024, we report that:

1.1 In respect of its Fixed Assets:

- a) The company has maintained proper records showing full particulars, including quantitative details and situations of Fixed Assets.
- b) As per the information and explanation given to us, the Fixed Assets of the company have been physically verified by the management according to the phased programme, which is designed to cover all the Fixed Assets, at reasonable intervals and the said programme is considered reasonable, and no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company. The Company has taken 1233.14 Square Meters of land on lease for its unit II from Divya Lakshmi Engineering for a period of 80 Years

2.1 In respect of its Inventories:

- a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
- b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) The company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

3.1 The Company has not granted any loans, secured or unsecured during the period. Thus, paragraphs 3 (iii) of the order is not applicable to the company.

4.1 In our opinion and according to the information and explanations given to us, the Company has not given any loans, made investments or provided securities to companies and other parties listed under section 185 and 186 of the Act.

3.1 The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and rules framed there under.

1.1 The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

7.1 According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, Goods and Services Tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable to the appropriate authorities have generally been regularly deposited during the year by the Company with the appropriate authorities.



- 7.2 According to the information and explanations given to us, there are no material dues of income tax or sales tax or service tax or Goods and Services Tax or duty of customs or duty of excise or value added tax which have not been deposited by the company on account of dispute.
- 8.1 According to the information, the company doesn't have any undisclosed or Un-recorded income during the year.
- 9.1 According to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks.
- 10.1 In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the term loans have been used by the Company during the year for the purpose for which they were raised.
- 11.1 To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 12.1 In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- 13.1 According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- 14.1 In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- 15.1 According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the company.
- 16.1 According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- 17.1 The company has incurred the cash loss in the current financial year to the tune of Rs.20.21 Lakhs
- 18.1 During the year, there was no resignation of the statutory auditors
- 19.1 There is no material uncertainty on the date of Audit Report, hence this clause is not applicable.
- 20.1 The provisions of CSR is not applicable to the company, hence this clause is not applicable.



**Chartered Accountants
Firm Regn No: 006383S**

**Sd/-
(S.S. Prakash)
Partner
Membership No.202710
UDIN: 24202710BKELYM7014**

Place : Hyderabad

Date :25-05-2024



Phaarmasia Limited
Balance Sheet as at 31st March, 2024

(Rs. In Lakhs)

| S.no. | Particulars | Note No. | As at 31.03.2024 | As at 31.03.2023 |
|-------|--|----------|------------------|------------------|
| | ASSETS | | | |
| 1 | Non-Current Assets | | | |
| | (a) Property, Plant and Equipment | 2a | 1,231.04 | 1,250.29 |
| | (b) Other Intangible Assets | 2b | 3.35 | 3.35 |
| | (c) ROU Asset | 2c | 13.16 | 25.04 |
| | (d) Financial Assets; | | | |
| | (i) Investments | | | - |
| | (ii) Other financial assets | 3 | 5.40 | 4.91 |
| | (e) Deferred Tax Assets (Net) | 4 | 8.13 | 5.58 |
| | (f) Other non-current assets | 5 | 86.64 | 48.77 |
| | Total Non current Assets (A) | | 1,347.72 | 1,337.93 |
| 2 | Current Assets | | | |
| | (a) Inventories | 6 | 850.01 | 635.53 |
| | (b) Financial Assets; | | | |
| | (i) Investments | | | |
| | (ii) Trade Receivables | 7 | 804.52 | 751.02 |
| | (iii) Cash and cash Equivalents | 8 | 48.73 | 55.16 |
| | (iv) Bank balances other than cash and cash equivalents | 9 | 14.65 | 13.87 |
| | (c) Current Tax Assets (Net) | | | - |
| | (d) Other current assets | 5 | 79.14 | 48.76 |
| | Total Non current Assets (B) | | 1,797.06 | 1,504.34 |
| | TOTAL ASSETS (A+B) | | 3,144.78 | 2,842.27 |
| | EQUITY AND LIABILITIES | | | |
| 1 | Equity | | | |
| | (a) Equity Share Capital | 10 | 682.70 | 682.70 |
| | (b) Other Equity | 11 | 347.13 | 398.28 |
| | Total Equity | | 1,029.83 | 1,080.98 |
| 2 | LIABILITIES | | | |
| | I. Non-Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 12 | - | 0.63 |
| | (ii) Lease Liability | 13 | 1.14 | 14.38 |
| | (b) Provisions | 14 | 22.43 | 18.46 |
| | (c) Deferred Tax Liabilities (Net) | 4 | - | - |
| | | | 23.57 | 33.48 |
| | II. Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 12 | - | - |
| | (ii) Lease Liability | 13 | 13.27 | 11.74 |



| | | | |
|---|----|-----------------|-----------------|
| (iii) Trade Payables (A) total outstanding dues of micro enterprises and small enterprises; and | 15 | 59.42 | 32.61 |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises | 15 | 1,948.22 | 1,621.64 |
| (iv) Other Financial Liabilities | 16 | 8.85 | 7.20 |
| (b) Current Tax Liabilities (Net) | | | - |
| (c) Provisions | 14 | 55.62 | 43.57 |
| (d) Other current liabilities | 17 | 5.99 | 11.06 |
| | | 2,091.38 | 1,727.82 |
| Total Liabilities | | 2,114.95 | 1,761.30 |
| TOTAL EQUITY AND LIABILITIES | | 3,144.78 | 2,842.27 |

Significant Accounting Policies

The notes are an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date

By and on behalf of the Board

For Sathuluri & Co

Chartered Accountants

Firm Reg No.006383S

Sd/-

(S S PRAKASH)

Partner

Membership No.202710

UDIN: 24202710BKELYM7014

Place: Hyderabad

Date: 25-05-2024

Sd/-

Maneesh R Sapte

Director

DIN : 00020450

Sd/-

Urvasi Bhatia

Company Secretary

M. No.: 46877

Sd/-

Y.N.Bhaskar Rao

Whole Time Director

DIN: 00019052

Sd/-

N E V Prasad Rao

C F O



| Phaarmasia Limited | | | | |
|---|---|-----------------|------------------------------------|------------------------------------|
| Statement Of Profit and Loss for the year ended 31st, March 2024 | | | | |
| (Rs. In Lakhs) | | | | |
| S.no. | Particulars | Note No. | Year ended 31st March, 2024 | Year ended 31st March, 2023 |
| I | Revenue from Operations | 18 | 3059.33 | 2748.95 |
| II | Other Income | 19 | 66.15 | 51.61 |
| III | Total Income (I+II) | | 3125.49 | 2800.57 |
| IV | Expenses | | | |
| | a) Cost of materials Consumed | 20 | 2400.92 | 2412.81 |
| | b) Changes in inventories | 21 | 59.61 | (167.05) |
| | c) Employee benefits expense | 22 | 175.51 | 164.02 |
| | d) Finance costs | 23 | 4.39 | 4.45 |
| | e) Depreciation and amortization expenses | 24 | 34.39 | 36.01 |
| | f) Other expenses | 25 | 505.26 | 493.52 |
| | Total Expenses (IV) | | 3,180.08 | 2,943.77 |
| V | Profit/(loss) before exceptional items and tax (I- IV) | | (54.60) | (143.20) |
| VI | Tax expenses | | | |
| | (1) Current Tax | | | |
| | (2) Deferred Tax | | (2.77) | (17.28) |
| VII | Profit/(Loss) for the year (V-VI) | | (51.82) | (125.92) |
| VIII | Other comprehensive income | | | |
| | (i) Items that will not be reclassified to profit or loss | | 0.90 | 3.31 |
| | <i>Re-measurement gains/ (losses) on defined benefit plans</i> | | | |
| | <i>Income tax effect relating to above item</i> | | | |
| | b) (i) Items that will be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | | (0.23) | (0.83) |
| | Other comprehensive income for the period, net of tax | | 0.67 | 2.48 |
| XI | Total Comprehensive income for the period, net of tax (VII+VIII) | | (51.15) | (123.44) |
| X | Earnings per share | | | |
| | (Face Value of Rs.10/- each) | | | |
| | (a) Basic (In Rs.) | | (0.76) | (1.84) |
| | (b) Diluted (In Rs.) | | (0.76) | (1.84) |
| | Significant Accounting Policies | 1 | | |
| | The notes are an integral part of these financial statements | | | |



This is the Statement of Profit and Loss referred to in our report of even date

By and on behalf of the Board

For Sathuluri & Co

Chartered Accountants
Firm Reg No.006383S

Sd/-
(S S PRAKASH)
Partner
Membership No.202710
UDIN: 24202710BKELYM7014
Place: Hyderabad
Date: 25.05.2024

Sd/-
Maneesh R Sapte
Director
DIN : 00020450

Sd/-
Urvasi Bhatia
Company Secretary
Reg. 46877

Sd/-
Y.N.Bhaskar Rao
Whole Time Director
DIN: 00019052

Sd/-
N E V Prasad Rao
C F O



Phaarmasia Limited
Cash Flow Statement for The Year Ended 31 March 2024

(Rs. In Lakhs)

| PARTICULARS | Year ended Mar 31, 2024 | Year ended Mar 31, 2023 |
|--|-------------------------|-------------------------|
| | Audited | Audited |
| <u>A) CASH FLOW FROM OPERATING ACTIVITIES</u> | | |
| Net Profit as per Profit & Loss A/c | (54.60) | (143.20) |
| Adjustment for : | | |
| Depreciation | 34.39 | 36.01 |
| Interest Income | (3.15) | (1.36) |
| Finance Costs | 4.39 | 4.45 |
| Fair Value Measurement of Lease Deposit | (0.49) | (1.49) |
| Net Operating Profit Before Working Capital Changes | (19.46) | (105.59) |
| <u>Adjustment for :</u> | | |
| Trade & Other Receivables | (53.51) | (431.77) |
| Changes in inventory | (214.48) | (211.17) |
| Other Current Assets | (30.38) | 16.36 |
| Other Financial assets | (0.49) | (4.91) |
| Other non current asset | (37.87) | (34.75) |
| Trade Payables | 353.39 | 840.82 |
| Other Financial liabilities | 1.66 | 0.95 |
| Other current liabilities | (5.06) | (10.75) |
| Provisions | 16.92 | 5.79 |
| Direct taxes paid | - | - |
| Net Cash from Operating Activities | 10.72 | 64.99 |
| <u>B) CASH FLOW FROM INVESTING ACTIVITIES</u> | | |
| (Purchase)/Sale of Fixed Assets | (3.27) | (2.58) |
| Interest received | 3.15 | 1.36 |
| Changes in other financial assets (non-current) | - | - |
| Net Cash from Investing Activities | (0.11) | (1.22) |
| <u>C) CASH FLOW FROM FINANCING ACTIVITIES</u> | | |
| From Bank Borrowings | | |
| Finance Cost | -4.39 | -1.65 |
| Unsecured Loans | - | - |
| Principle (Repayment)/Addition of Lease Liability | -11.22 | -12.32 |
| Proceeds from long term borrowings | (0.63) | -2.28 |
| Net Cash from Financing Activities | (16.24) | (16.24) |



| | | |
|---|--------------|--------------|
| Net Increase in Cash & Cash Equivalents | -5.65 | 47.51 |
| Add : Opening Cash & Cash Equivalents | 69.03 | 21.52 |
| Cash and Cash equivalents at the end of the year | 63.38 | 69.03 |

1) Cash and Cash equivalents includes:

| Particulars | Year ended Mar 31, 2024 | Year ended Mar 31, 2023 |
|-------------------------|--------------------------------|--------------------------------|
| Cash on hand | 0.05 | 0.06 |
| Cash Equivalents | - | - |
| Current Accounts | 48.69 | 55.10 |
| Deposits against BG | 14.65 | 13.87 |
| Total | 63.38 | 69.03 |

By and on behalf of the Board

For Sathuluri & Co
Chartered Accountants
Firm Reg No.006383S

Sd/-

(S S PRAKASH)

Partner

Membership No.202710

UDIN: 24202710BKELYM7014

Place: Hyderabad

Date: 25.05.2024

Sd/-

Maneesh R Sapte

Director

DIN : 00020450

Sd/-

Y.N.Bhaskar Rao

Whole Time Director

DIN: 00019052

Sd/-

Urvasi Bhatia

Company Secretary

Reg. 46877

Sd/-

N E V Prasad Rao

C F O



1. NOTES TO FINANCIAL STATEMENTS

Summary of material accounting policies and other explanatory information

1.1 General Information

Phaarmasia Limited (“the Company”) is a Public Limited Company incorporated in India, having its registered office at Hyderabad, India. The Company is primarily engaged mainly in the manufacturing and sale of Oral Contraceptive Pills (OCP’s). The Company is listed in the Bombay Stock Exchange (BSE).

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.2 Basis of preparation and presentation of Financial Statements

a) Statement of compliance

These financial statements of Phaarmasia Limited have been prepared and presented in accordance with and in compliance in all material aspects, with the Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (the “Act”) read along with the Companies (Indian Accounting Standards) Rules 2015, and presentation requirements of Division II of Schedule III to the Companies Act, 2013, and as amended from time to time together with the comparative period data as at and for the year ended 31 March 2023.

These financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective at the Company’s annual reporting date, 31 March 2024. These financial statements for the year ended 31 March 2024 were approved by the Company’s Board of Directors on 25 May 2024.

b) Basis of Measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
- Employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation;
- long-term borrowings are measured at amortized cost using the effective interest rate method and
- right-of-use the assets are recognised at the present value of lease payments that are not paid at that date. This amount is adjusted for any lease payments made at or before the commencement date, lease incentives received and initial direct costs, incurred, if any.

b) Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All the financial information presented in Indian rupees has been rounded to the nearest Lakhs.

c) Significant accounting judgements, estimates, and assumption

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences



and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgment are:

Property, plant and equipment

The depreciation of property, plant and equipment is derived on determining of an asset's expected useful life and the expected residual value at the end of its life. The residual values of Company's assets are determined by management at the time of acquisition of asset and is reviewed periodically, including at each financial year end.

Impairment of financial and non-financial assets

Significant management judgement is required to determine the amounts of impairment loss on the financial and nonfinancial assets. The calculations of impairment loss are sensitive to underlying assumptions.

Tax provisions and contingencies

Significant management judgement is required to determine the amounts of tax provisions and contingencies. Deferred tax assets are recognised for unused tax losses and MAT credit entitlements to the extent it is probable that taxable profit will be available against which these losses and credit entitlements can be utilized. Significant management judgement 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.

Defined benefit plans

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using internal valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**d) Current and noncurrent classification**

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

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, presentation of financial statements.

An asset is classified as current when it satisfies any of the following criteria:

- a) It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is expected to be realized within twelve months after the reporting date; or
- d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- a) It is expected to be settled in the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is due to be settled within twelve months after the reporting date; or
- d) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as noncurrent.

Current assets/ liabilities include the current portion of noncurrent assets/ liabilities respectively. Deferred tax assets and liabilities are always disclosed as non- current.

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.

Fair value measurement

The Company measures financial instruments 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.



A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Ind AS financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Ind AS financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for sale in discontinued operations.

External valuers are involved, wherever considered necessary. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

1.3 Summary of material accounting policies

On 31 March 2023, the Ministry of Corporate Affairs notified Companies (Indian Accounting Standards) Amendment Rules, 2023 amending the Companies (Indian Accounting Standards) Rules, 2015. The amendments come into force with effect from 1 April 2023, i.e., Financial Year 2023-24. One of the major changes is in Ind AS 1 'Preparation of Financial Statements, which requires companies to disclose in their financial statements 'material accounting policies' as against the erstwhile requirement to disclose 'significant accounting policies'. The word 'significant' is substituted by 'material'.

Accounting policy information is expected to be material if users of an entity's financial statements would need it to understand other material information in the financial statements. The Company applied the guidance available under paragraph 117B of Ind AS 1, Presentation of Financial Statements in evaluating the material nature of the accounting policies. The following are the material accounting policies for the Company:

1.4 Property Plant & Equipment

Recognition and measurement

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The Cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Directly attributable costs include:

- a) Cost of Employee Benefits arising directly from Construction or acquisition of PPE.
- b) Cost of Site Preparation.
- c) Initial Delivery & Handling costs.
- d) Professional Fees and
- e) Costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling any item produced while bringing the asset to that location and condition (such as samples produced when testing equipment).

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within the statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part will be derecognized. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

Depreciation

Depreciation is recognized in the statement of profit and loss on Written Down Value Method based on the Companies Act, 2013 (“Schedule II”), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed off during the year, depreciation is provided on pro rata basis. Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

The estimated useful lives are as follows:

| Type of Asset | Estimated useful life in years |
|------------------------|--------------------------------|
| Buildings | |
| i) Main Plant Building | 24 |



| | |
|----------------------|----|
| ii) Other Building | 19 |
| Plant & Machinery | 19 |
| Vehicles | 7 |
| Computers | 2 |
| Office Equipment | 4 |
| Furniture & Fixtures | 9 |

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other noncurrent assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress. Assets not ready for use are not depreciated.

The Company assesses at each balance sheet date, whether there is objective evidence that an asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Recoverable amount is higher of the value in use or fair value less cost to sell.

1.5 Intangible assets

The Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization

Amortization is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefit are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use. The estimated useful lives are as follows:

The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at each reporting date.

1.6 Financial Instruments

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

a. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, 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. 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 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).

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost, if both of the following conditions are met:

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as FVTOCI, if both of the following criteria are met:

- (i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- (ii) The asset's contractual cash flows represent SPPI. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing

involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value i.e., loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to the statement of profit and loss.

However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the re-classification prospectively from the re-classification date, which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.7 Inventories

Inventories are valued at the lower of cost and net realisable value. Inventories consist of Raw materials, Stores and Spares, Work-in-progress and Finished Goods are measured at the lower of cost and net realizable value.

The cost of all categories of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognized as property, plant and equipment, consists of packing materials, engineering spares (such as machinery spare parts) and consumables which are used in operating machines or consumed as indirect materials in the manufacturing process. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

1.8 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at March 31.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. 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 or the cash generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflow of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis. An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed



at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

1.9 Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, demand deposit, short-term deposits, Margin Money deposits and unclaimed dividend accounts. For this purpose, "short-term" means investments having maturity of three months or less from the date of investment. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. The Margin money deposits, balance in dividend accounts which are not due and unclaimed dividend balances shall be disclosed as restricted cash balances.

1.10 Employee Benefits

a. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has 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.

b. Defined Contribution Plan

The Company's contributions to defined contribution plans are charged to the statement of profit and loss as and when the services are received from the employees.

c. Defined Benefit Plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates based on prevailing market yields of Indian Government Bonds and that have terms to maturity approximating to the terms of the related defined benefit obligation. The current service cost of the defined benefit plan, recognized in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

d. Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

e. Other long-term employee benefits

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

1.11 Provisions, contingent liabilities and contingent assets

Provisions

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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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.

1.12 Revenue Recognition

Revenue from contracts with customers

Revenue is recognized when the Company substantially satisfied its performance obligation while transferring a promised good or service to its customers. The company considers the terms of the contract and its customary business practices to determine the transaction price. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset. Revenue is measured based on transaction price, which is the fair value of the consideration

received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives / discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

1.13 Tax Expenses

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction). Management periodically evaluates 77positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities and assets are recognized for all taxable temporary differences and deductible temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Goods and Service Tax (GST) paid on acquisition of assets or on incurring expenses

When the tax incurred on purchase of assets or services is not recoverable from the taxation authority, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. Otherwise, expenses and assets are recognized net of the amount of taxes paid. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

1.14 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing 78 the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section of Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in Borrowings.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.15 Earnings Per Share

The Company presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

1.16 Segment reporting

The Company is engaged in the business of manufacturing and marketing of Cosmetics, Oral Contraceptive Pills (OCP) and Combipack with Iron Tablets and the same constitutes a single reportable business segment as per Ind AS 108. Accordingly, disclosure of segment information as prescribed in the Indian accounting standard 108 “Operating segments” is not applicable.

1.17 New standards adopted by the company

Ind AS 1 – Presentation of financial information

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statement.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in Restated financial information to be measured in a way that involves measurement uncertainty. The company does not expect this amendment to have any significant impact in its financial statements.

1.18 New Accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



Statement of Changes in Equity for the year ended 31st March, 2024

A Equity share capital

(Rupees in Lakhs)

| | No. of shares | Amount |
|---------------------------------|------------------|---------------|
| As at 01 April 2021 | 68,26,960 | 682.70 |
| Changes in equity share capital | | |
| As at 31 March 2022 | 68,26,960 | 682.70 |
| Changes in equity share capital | | |
| As at 31 March 2023 | 68,26,960 | 682.70 |
| Changes in equity share capital | | |
| As at 31 March 2024 | 68,26,960 | 682.70 |

B Other equity (refer note 11)

| Other Equity | Reserves and Surplus | | | Other comprehensive income (OCI) | Total |
|--|----------------------|-----------------|-------------------|---|---------------|
| | Revaluation Reserve | Capital Reserve | Retained Earnings | Remeasurements of Defined Benefit Plans | |
| Balance as at 1 April 2022 | 424.06 | 96.87 | 27.63 | (25.33) | 523.22 |
| Profit for the year | - | - | (125.92) | - | (125.92) |
| Adjustment on account of Ind AS | - | - | (1.49) | - | (1.49) |
| Other comprehensive income, net of taxes | - | - | - | 2.48 | 2.48 |
| Balance as at 31 March 2023 | 424.06 | 96.87 | (99.78) | (22.85) | 398.28 |
| Profit for the year | - | - | (51.82) | - | (51.82) |
| Other comprehensive income, net of taxes | - | - | - | 0.67 | 0.67 |
| Balance as at 31 March 2024 | 424.06 | 96.87 | (151.61) | (22.18) | 347.13 |

This is the Statement of Changes in Equity referred to in our report of even date

This is the Statement of Profit and Loss referred to in our report of even date

By and on behalf of the Board

For Sathuluri & Co
Chartered Accountants

Sd/-

Sd/-



PHAARMASIA

Firm Reg No.006383S

Maneesh R Sapte
Director
DIN : 00020450

Y.N.Bhaskar Rao
Whole Time Director
DIN: 00019052

Sd/-

(S S PRAKASH)

Partner

Membership No.202710

UDIN: 24202710BKELYM7014

Place: Hyderabad

Date: 25-05-2024

Sd/-

Urvasi Bhatia
Company Secretary
Reg. 46877

Sd/-

N E V Prasad Rao
C F O



Phaarmasia Limited

NOTES TO THE FINANCIAL STATEMENTS AS AT 31st March 2024

Note 2c

(Rupees in
Lakhs)

ROU Asset

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--------------|-----------------------|-----------------------|
| ROU Asset | 13.16 | 25.04 |
| Total | 13.16 | 25.04 |

Note 3

Other Financial Assets

| Particulars | Non-Current | | Current | |
|---------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | As at 31st March 2024 | As at 31st March 2023 | As at 31st March 2024 | As at 31st March 2023 |
| Lease Deposit | 5.40 | 4.91 | - | - |
| Total | 5.40 | 4.91 | - | - |

Note 4

Deferred Tax Asset

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--------------------|-----------------------|-----------------------|
| Deferred Tax Asset | 8.13 | 5.58 |
| Total | 8.13 | 5.58 |

Note 5

Other Assets

| Particulars | Non-Current | | Current | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | As at 31st March 2024 | As at 31st March 2023 | As at 31st March 2024 | As at 31st March 2023 |
| Others; | | | | |
| Electricity and Other Security Deposits | 14.02 | 14.02 | - | - |
| Deposits with CMSS Security Deposit | 71.76 | 33.87 | - | - |
| Bhiwandi Godown 13B Security Deposits | 0.54 | 0.54 | - | - |
| Bhiwandi Godown 13A | 0.33 | 0.33 | - | - |
| Total | 86.64 | 48.77 | - | - |
| Others | | | | |
| Advance to Staff | - | - | 0.32 | 0.39 |
| Prepaid Expenses | - | - | 1.61 | 2.48 |
| TDS receivables | - | - | 9.91 | 5.23 |



| | | | | |
|----------------------|--------------|--------------|--------------|--------------|
| TCS Receivables | | - | 0.31 | 0.31 |
| Advance to suppliers | | - | - | 0.77 |
| GST Input Receivable | | - | 66.99 | 39.60 |
| Sub Total | - | - | 79.14 | 48.77 |
| Total | 86.64 | 48.77 | 79.14 | 48.77 |

Note 6**Inventories (Valued at Lower of Cost and Net Realisable Value)**

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|------------------|-----------------------|-----------------------|
| Raw Materials | 469.09 | 315.89 |
| Packing Material | 182.57 | 61.67 |
| Work-in-progress | 198.35 | 237.69 |
| Finished goods | - | 20.28 |
| Total | 850.01 | 635.53 |

Note 7**Trade Receivables**

| Particulars | Current | |
|---|-----------------------|-----------------------|
| | As at 31st March 2024 | As at 31st March 2023 |
| Trade Receivables Unsecured, considered good | 804.53 | 751.02 |
| Unsecured considered as Doubtful | | |
| Total | 804.53 | 751.02 |

Ageing schedules**Trade receivables ageing schedule for the year ended March 31, 2024**

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|--|---------|--|-------------------|-----------|-----------|-------------------|--------|
| | | Less than 6 months | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| (i) Undisputed trade receivables- considered good | - | 802.59 | - | - | - | - | 802.59 |
| (ii) Undisputed trade receivables- considered Doubtful | - | - | - | - | - | - | - |
| (iii) Disputed trade receivables- considered good | - | 1.94 | - | - | - | - | 1.94 |
| (iv) Disputed trade receivables- considered Doubtful | - | - | - | - | - | - | - |



| | | | | | | | |
|--|---|---------------|---|---|---|---|---------------|
| Less: Allowances for credit losses | - | - | - | - | - | - | - |
| Total trade receivables Current | - | 804.53 | - | - | - | - | 804.53 |

Trade receivables ageing schedule for the year ended March 31, 2023

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|--|---------|--|-------------------|-----------|-----------|-------------------|---------------|
| | | Less than 6 months | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| (i) Undisputed trade receivables- considered good | - | 751.02 | - | - | - | - | 751.02 |
| (ii) Undisputed trade receivables- considered Doubtful | - | - | - | - | - | - | - |
| (iii) Disputed trade receivables- considered good | - | - | - | - | - | - | - |
| (iv) Disputed trade receivables- considered Doubtful | - | - | - | - | - | - | - |
| Less: Allowances for credit losses | - | - | - | - | - | - | - |
| Total trade receivables Current | - | 751.02 | - | - | - | - | 751.02 |

Note 8**Cash and Cash Equivalents**

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|-----------------------|-----------------------|
| Balances with Banks (of the nature of cash and cash equivalents) | 48.69 | 55.10 |
| Cash on hand | 0.05 | 0.06 |
| Total | 48.73 | 55.16 |

Note 9**Bank Balances other than Cash and Cash Equivalents**

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---------------------------------------|-----------------------|-----------------------|
| Fixed Deposits against Bank Guarantee | 14.65 | 13.87 |
| Total | 14.65 | 13.87 |

Note 10**SHARE CAPITAL**

Authorised Share Capital

| 31 March 2024 | | 31 March 2023 | |
|---------------|--------|---------------|--------|
| Number | Amount | Number | Amount |



| | | | | |
|--------------------------------------|------------------|---------------|------------------|---------------|
| Equity Shares of Rs. 10 each | 1,00,00,000 | 1,000.00 | 1,00,00,000 | 1,000.00 |
| Issued, subscribed and fully paid up | 68,26,960 | 682.70 | 68,26,960 | 682.70 |
| | 68,26,960 | 682.70 | 68,26,960 | 682.70 |

Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

| | 31 March 2024 | | 31 March 2023 | |
|---------------------------------------|------------------|---------------|------------------|---------------|
| | Number | Amount | Number | Amount |
| Equity shares of Rs. 10 each | | | | |
| Balance at the beginning of the year | 68,26,960 | 682.70 | 68,26,960 | 682.70 |
| Add: shares issued during the year | - | - | - | - |
| Balance at the end of the year | 68,26,960 | 682.70 | 68,26,960 | 682.70 |

Details of shareholders holding more than 5% shares in the Company:

| Name of the share holder | 31 March 2024 | | 31 March 2023 | |
|---------------------------------|---------------|-------------|---------------|-------------|
| | No of shares | % of shares | No of shares | % of shares |
| Svizera labs Private Limited | 20,00,000 | 29.30% | 20,00,000 | 29.30% |
| Maneesh Pharmaceuticals Limited | 30,14,232 | 44.15% | 30,14,232 | 44.15% |

Details of shareholding of promoters:

| Name of promoter * | 31 March 2024 | | 31 March 2023 | |
|---------------------------------|---------------|-------------|---------------|-------------|
| | No of shares | % of shares | No of shares | % of shares |
| Svizera labs Private Limited | 20,00,000 | 29.30% | 20,00,000 | 29.30% |
| Maneesh Pharmaceuticals Limited | 30,14,232 | 44.15% | 30,14,232 | 44.15% |

* Details of promoters are identified based on information submitted in the Annual Returns, filed in accordance with the provisions of Section 92 of the Companies Act, 2013.

Note: there was no change in the promoter's holding during the year ended 31 March 2024 and 31 March 2023

The Company has neither bought back any shares nor issued any bonus shares or shares for consideration other than cash during the period of five years immediately preceding the reporting date.

Note 11

Other Equity

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---------------------------------|-----------------------|-----------------------|
| Revaluation Reserve | 424.06 | 424.06 |
| Capital Reserve | 96.87 | 96.87 |
| Retained Earnings | (150.93) | (99.78) |
| Other Comprehensive Income(OCI) | (22.86) | (22.86) |
| Total | 347.13 | 398.28 |

Note 12

Borrowings



| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---------------------------|--------------------------|--------------------------|
| NON-CURRENT | | |
| HDFC Car Loan | - | - |
| Interest on Lease | | |
| Sub - Total | - | - |
| CURRENT | | |
| Unsecured | | |
| Loans repayable on demand | | |
| HDFC Bank car loan | 0.00 | 0.63 |
| Sub - Total | 0.00 | 0.63 |
| Total | 0.00 | 0.63 |

Note 13**Lease Liabilities**

| Particulars | Non-Current | | Current | |
|-------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | As at 31st March 2024 | As at 31st March 2023 | As at 31st March 2024 | As at 31st March 2023 |
| Lease Liabilities | 1.14 | 14.38 | 13.27 | 11.74 |
| Total | 1.14 | 14.38 | 13.27 | 11.74 |

Note 14**Provisions**

| Particulars | Non-Current | | Current | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| | As at 31st March 2024 | As at 31st March 2023 | As at 31st March 2024 | As at 31st March 2023 |
| Provision for employee benefits (Refer Note 28(f)) | | | | |
| Gratuity | 22.43 | 18.46 | 48.47 | 46.87 |
| Provision for tax | - | - | -3.30 | -3.30 |
| Outstanding Expenses | | | 10.45 | |
| Total | 22.43 | 18.46 | 55.62 | 43.57 |

Note 18**Revenue From Operations**

(Rupees in lakhs)

| Particulars | Year Ended 31st March 2024 | Year Ended 31st March 2023 |
|--|-------------------------------|-------------------------------|
| Revenue From Operations | | |
| OCP Sales (Govt. & Others)- GST Exempted | 2,469.09 | 2,110.01 |
| Sales GST | 540.95 | 553.44 |
| P TO P GST | 49.29 | 85.51 |
| Total | 3,059.33 | 2,748.95 |

**Note 19****Other Income**

| Particulars | Year Ended 31st March 2024 | Year Ended 31st March 2023 |
|----------------------------------|---------------------------------------|---------------------------------------|
| Interest Earned | 3.15 | 1.36 |
| C & F Commission | 61.53 | 48.80 |
| Interest Income om Lease Deposit | | 0.40 |
| Miscellaneous Income | 1.47 | 1.05 |
| Total | 66.15 | 51.61 |

Note 20**Cost of Materials consumed**

| Particulars | Year Ended 31st March 2024 | Year Ended 31st March 2023 |
|-----------------------------------|---------------------------------------|---------------------------------------|
| Raw Material | | |
| Purchases | 1,916.29 | 1,722.64 |
| Add: Opening Stock | 315.89 | 248.37 |
| | 2,232.18 | 1,971.01 |
| Less Closing Stock | 469.09 | 315.89 |
| | 1,763.09 | 1,655.11 |
| Packing Material | | |
| Purchases | 758.72 | 734.30 |
| Add: Opening Stock | 61.67 | 85.07 |
| | 820.39 | 819.37 |
| Less Closing Stock | 182.57 | 61.67 |
| | 637.83 | 757.70 |
| Cost of Materials consumed | 2,400.92 | 2,412.81 |

Note 21**Changes In Inventories Of Finished Goods And Work-In-Progress**

| Particulars | Year Ended 31st March 2024 | Year Ended 31st March 2023 |
|----------------------|---------------------------------------|---------------------------------------|
| Closing Stock: | | |
| Finished Goods | - | 20.28 |
| Work-in-Progress | 198.35 | 237.69 |
| | 198.35 | 257.97 |
| Less: Opening Stock: | | |
| Finished Goods | 20.28 | - |
| Work-in-Progress | 237.69 | 90.92 |
| | 257.97 | 90.92 |
| Total | 59.61 | -167.05 |

**Note 22****Employee Benefits Expense**

| Particulars | Year Ended 31st March 2024 | Year Ended 31st March 2023 |
|---|-----------------------------------|-----------------------------------|
| Salaries and Wages | 132.46 | 122.85 |
| Director Remuneration | 23.00 | 23.00 |
| Contribution to Provident fund, ESI, gratuity and other funds | 14.74 | 13.38 |
| Staff welfare expenses | 5.31 | 4.79 |
| Total | 175.51 | 164.02 |

Note 23**Finance Costs**

| Particulars | Year Ended 31st March 2024 | Year Ended 31st March 2023 |
|-----------------------------|-----------------------------------|-----------------------------------|
| Interest Expense | 0.01 | 0.18 |
| Interest on Lease Liability | 2.09 | 2.81 |
| Other Financial Charges | 2.29 | 1.47 |
| Total | 4.39 | 4.45 |

Note 24**Depreciation and Amortisation expense**

| Particulars | Year Ended 31st March 2024 | Year Ended 31st March 2023 |
|---|-----------------------------------|-----------------------------------|
| Depreciation on Property, Plant And Equipment | | |
| Depreciation on ROU Asset | 11.88 | 10.60 |
| Amortisation on Intangible Assets | 22.51 | 25.40 |
| Total | 34.39 | 36.01 |

Note 25**Other Expenses**

(Rs. In Lakhs)

| Particulars | Year Ended 31st March 2024 | Year Ended 31st March 2023 |
|---------------------------------|-----------------------------------|-----------------------------------|
| Laboratory chemicals & Analysis | 4.35 | 3.12 |
| Power & Fuel | 67.45 | 66.98 |
| Water Charges | 9.36 | 6.04 |
| Labour charges | 180.10 | 174.61 |
| Job Work Charges | 57.85 | 51.56 |
| Consumable Stores | 17.37 | 19.52 |
| Car Upkeep | 3.40 | 5.19 |
| Delisting Expenses | - | 35.65 |



| | | |
|--|---------------|---------------|
| Factory Maintenance | 7.46 | 7.25 |
| Godown Rent | 2.73 | 2.19 |
| Laboratory Maintenance | 7.46 | 6.69 |
| Repairs & Maintenance - Electrical | 2.28 | 2.78 |
| Repairs & Maintenance- Buildings | 0.77 | 0.41 |
| Repairs & Maintenance- Machinery | 7.78 | 6.12 |
| Repairs & Maintenance- Airconditioners | 0.07 | 0.03 |
| Repairs & Maintenance (Others) | - | - |
| Repairs and Maintenance Computers | 0.40 | 0.54 |
| Insurance | 3.11 | 2.58 |
| Licence Fees, Rates & Taxes | 7.85 | 6.72 |
| Lease Rental Charges | 0.33 | 0.00 |
| Property Tax | 0.27 | 0.27 |
| Travelling Expenses | 8.85 | 6.72 |
| Freight Outward & Cartage | 23.81 | 6.83 |
| Consultancy Charges | 9.90 | 8.41 |
| Conveyance Expenses | 10.95 | 11.06 |
| Postage & Telephones | 1.69 | 2.17 |
| Rent | 0.18 | 0.18 |
| Subscriptions | 0.71 | 0.24 |
| Advertisement | 0.68 | 1.17 |
| Office Expenses | 0.70 | 0.93 |
| Audit Fees | 1.00 | 1.00 |
| Internal Audit Fee | 0.09 | 0.09 |
| Sitting Fee | 5.30 | 4.70 |
| Printing and stationery | 2.81 | 2.93 |
| AGM Expenses | 0.39 | 0.39 |
| T C and AMC - Govt Tender | 3.34 | - |
| Commission Expenses | 53.98 | 41.81 |
| Service Tax paid/ GST adjusted | 0.46 | 6.65 |
| Total | 505.26 | 493.52 |



Note 2 (a) Property, Plant and Equipment

2(b)

| Particulars | Land | Buidings | Computers | Plant & Machinery | Tanks & Vessels | Pumps & Motors | Packaging Equipment | Service Equipment | Weighing Machine | Lab Equipment | Air Conditioners | Electrical Installations | Office Equipment | Furniture & Fittings | Vehicles | Total | Goodwill | Total |
|---|----------|----------|-----------|-------------------|-----------------|----------------|---------------------|-------------------|------------------|---------------|------------------|--------------------------|------------------|----------------------|----------|----------|----------|-------|
| Gross Block | | | | | | | | | | | | | | | | | | |
| At cost as at 31 March 2022 | 1,066.40 | 198.50 | 0.22 | 31.77 | 57.01 | 2.76 | 19.53 | 86.21 | 1.27 | 14.67 | 6.88 | 5.36 | 0.26 | 6.50 | 11.62 | 1,508.96 | 3.35 | 3.35 |
| Additions | | | | | | | | | | 2.58 | | | | | | 2.58 | | |
| Transfer on account of Demerger | | | | | | | | | | | | | | | | | | |
| Disposals /adjustments | | | | | | | | | | | | | | | | | | |
| At cost as at 31 March 2023 | 1,066.40 | 198.50 | 0.22 | 31.77 | 57.01 | 2.76 | 19.53 | 86.21 | 1.27 | 17.25 | 6.88 | 5.36 | 0.26 | 6.50 | 11.62 | 1,511.54 | 3.35 | 3.35 |
| Additions | | | | | | | | | 0.45 | 2.82 | | | | | | 3.26 | | |
| Transfer on account of Demerger | | | | | | | | | | | | | | | | | | |
| Disposals /adjustments | | | | | | | | | | | | | | | | | | |
| At cost as at 31 March 2024 | 1,066.40 | 198.50 | 0.22 | 31.77 | 57.01 | 2.76 | 19.53 | 86.21 | 1.72 | 20.07 | 6.88 | 5.36 | 0.26 | 6.50 | 11.62 | 1,514.81 | 3.35 | 3.35 |
| Depreciation Block | | | | | | | | | | | | | | | | | | |
| Accumulated depreciation / Amortisation as at the 31 March 2022 | - | 89.60 | 0.22 | 23.49 | 28.87 | 1.86 | 11.60 | 46.31 | 0.75 | 10.18 | 4.07 | 4.48 | 0.25 | 5.29 | 8.88 | 235.85 | - | - |
| Additions | | | | | | | | | | | | | | | | - | | |
| Depreciation / Amortisation for the year | - | 10.35 | - | 1.50 | 3.91 | 0.16 | 1.10 | 5.55 | 0.07 | 0.97 | 0.39 | 0.23 | - | 0.31 | 0.86 | 25.40 | - | - |
| Transfer on account of Demerger (Refer note 28 j) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Disposals /adjustments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Accumulated depreciation / Amortisation as at the 31 March 2023 | - | 99.95 | 0.22 | 24.99 | 32.78 | 2.02 | 12.70 | 51.86 | 0.83 | 11.15 | 4.46 | 4.71 | 0.25 | 5.60 | 9.73 | 261.26 | - | - |
| Additions | | | | | | | | | | | | | | | | | | |
| Depreciation / Amortisation for the year | | 9.36 | - | 1.23 | 3.37 | 0.13 | 0.95 | 4.78 | 0.08 | 1.28 | 0.34 | 0.17 | - | 0.23 | 0.59 | 22.51 | | |
| Transfer on account of Demerger (Refer note 28 j) | | | | | | | | | | | | | | | | | | |



| | | | | | | | | | | | | | | | | | | | |
|---|----------|--------|------|-------|-------|------|-------|-------|------|-------|------|------|------|------|-------|----------|------|------|--|
| Disposals /adjustments | | | | | | | | | | | | | | | | | | | |
| Accumulated depreciation / Amortisation as at the 31 March 2024 | | 109.31 | 0.22 | 26.22 | 36.15 | 2.16 | 13.65 | 56.64 | 0.91 | 12.43 | 4.80 | 4.88 | 0.25 | 5.84 | 10.32 | 28.37 | 7 | | |
| Net Block | | | | | | | | | | | | | | | | | | | |
| As at 31 March 2022 | 1,066.40 | 108.90 | 0.00 | 8.28 | 28.14 | 0.90 | 7.93 | 39.90 | 0.52 | 4.49 | 2.81 | 0.88 | 0.01 | 1.21 | 2.74 | 1,273.11 | 3.35 | 3.35 | |
| As at 31 March 2023 | 1,066.40 | 98.55 | 0.00 | 6.78 | 24.23 | 0.74 | 6.83 | 34.35 | 0.44 | 6.10 | 2.42 | 0.66 | 0.01 | 0.90 | 1.89 | 1,250.29 | 3.35 | 3.35 | |
| AS at 31 March 2024 | 1,066.40 | 89.19 | 0.00 | 5.55 | 20.86 | 0.60 | 5.88 | 29.57 | 0.81 | 7.64 | 2.08 | 0.49 | 0.01 | 0.66 | 1.30 | 1,231.04 | 3.35 | 3.35 | |

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