

07th September, 2022

To,
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai - 400 001

Scrip code: 531015

Dear Sir/Madam,

Sub: Submission of Annual Report 2021-22 under Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report 2021-22 of Venmax Drugs and Pharmaceuticals Limited for your reference and records. The said Annual Report for Financial Year 2021-22, has been sent through electronic mode to the shareholders of the Company.

Thanking you,

Yours Faithfully,

For Venmax Drugs and Pharmaceuticals Limited


N. Krishnaiah
Director
DIN: 07279009



Encl: Annual Report 2021-22 of the Company

**33RD
ANNUAL REPORT
2021-22**



VENMAX DRUGS AND PHARMACEUTICALS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Mr. Raj Kumar Rai : Managing Director [DIN: 00009207]
Mr. N.Krishnaiah : Non- Executive Director [DIN:07279009]
Dr. A.Ramakrishnaiah : Independent Director [DIN: 01641977]

CHIEF FINANCIAL OFFICER : Mr.G Pradeep Kumar

REGISTERED OFFICE:

Shed No.22, Plot No.84, Phase – 1
IDA Cherlapally Hyderabad Rangareddi TG 500051 IN
Email: venmaxdrugs@gmail.com Website: venmaxdrugs.com

CORPORATE IDENTITY NUMBER: L24230TG1988PLC009102

STATUTORY AUDITORS:

NSVR & Associates LLP, Chartered Accountants, Hyderabad

SECRETARIAL AUDITORS:

M.Srinivasarao & Associates, Company Secretaries, Hyderabad

AUDIT COMMITTEE:

Dr. A. Ramakrishnaiah - Chairman
Mr. Rajkumar Rai - Member
Mr. N.Krishnaiah - Non- Executive Director

NOMINATION & REMUNERATION COMMITTEE:

Dr. A. Ramakrishnaiah - Chairman
Mr. N. Krishnaiah - Member
Mr. Raj Kumar Rai - Member

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Mr. N. Krishnaiah - Chairman
Dr. A. Ramakrishnaiah - Member
Mr. Rajkumar Rai - Member

REGISTRAR & SHARE TRANSFER AGENTS:

CIL Securities Ltd.
214, Raghavaratna Towers, Chirag Ali Lane, Hyderabad 500001.
Ph.No. (040)23202465/66612093, Fax. (040) 23203028

LISTED AT : BSE Limited
ISIN : INE154G01022
WEBSITE : www.venmaxdrugs.com
INVESTOR E-MAIL ID : venmaxdrugs@gmail.com

NOTICE

Notice is hereby given that the 33rd Annual General Meeting of the Members of Venmax Drugs and Pharmaceuticals Limited will be held on Friday, 30th day of September, 2022 at 4.30 P.M. at J.S. Krishnamurthy Hall, FATPCCI Building, Red Hills, Hyderabad – 500004 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2022, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mr.N.Krishnaiah (DIN: 07279009), who retires by rotation and being eligible, offers himself for re-appointment.

**By Order Of The Board
For VENMAX DRUGS AND PHARMACEUTICALS LIMITED**

**Date : 06.09.2022
Place: Hyderabad**

**Sd/-
Raj Kumar Rai
Managing Director
DIN: 00009207**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Corporate Office of the Company by not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No.MGT.11 annexed herewith.

2. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 24th Day of September, 2022 to Friday, the 30th Day of September, 2022 (Both days inclusive).

3. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
 4. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
 5. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
 6. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
 7. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s.CIL Securities Ltd)
 8. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
 9. With a view to using natural resources responsibly, we request shareholders to update their email address with their Depository Participants to enable the Company to send communications electronically.
 10. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and send the relevant share certificates to CIL Securities Limited., Share Transfer Agents of the Company for their doing the needful.
 11. Since securities of the Company are traded compulsorily in dematerialized form as per SEBI mandate, members holding shares in physical form are requested to get their shares dematerialized at the earliest.
 12. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
 13. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission /transposition, Demat/Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
 14. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her
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death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.

15. Electronic copy of the Annual Report for 2021-2022 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2021-2022 is being sent in the permitted mode on request by member.
16. Members may also note that the Notice of the 33rd Annual General Meeting and the Annual Report for 2021-2022 will also be available on the Company's website for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: venmaxdrugs@gmail.com.
- 17. Voting through electronic means:**

- I. 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), the Company is providing facility of remote e-voting to its Members through e-Voting agency with M/s. Central Depository Services (India) Limited (CDSL) Only those Members, whose names appear in Register of Members / List of beneficial owners as on Friday, the 23rd day of September, 2022 ("Cut-off Date") shall be entitled to vote (through remote e-voting and during AGM) on the resolutions set forth in this Notice and their voting rights shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off Date. A person who is not a member as on the Cut-off Date should treat this Notice for information only.
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on Tuesday the 27th September, 2022 at 9:00 am and ends on Thursday the 29th September, 2022 at 5:00 pm. During this period members' of the Company, holding shares either in physical form or in the dematerialized form, as on the cut-off date of 23rd September, 2022, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The instructions for shareholders voting electronically are as under:

- i. The shareholders should log on to the e-voting website www.evotingindia.com.
- ii. Click on Shareholders
- iii. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DPID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - d. Next enter the Image Verification as displayed and Click on Login.
 - e. 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.
 - f. If you are a first-time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • 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 as mentioned in instruction (iv).

- iv. After entering these details appropriately, click on “SUBMIT” tab.
- v. 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 company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- vii. Click on the EVSN for the relevant <Venmax Drugs and Pharmaceuticals Limited> on which you choose to vote.
 - viii. 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.
 - ix. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
 - x. 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.
 - xi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - xii. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
 - xiii. If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - xiv. 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. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
 - xv. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
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- xvi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
18. M/s.M.Srinivasarao & Associates, Company Secretaries, have been appointed as the Scrutinizer to scrutinize the e-voting process.
19. The Scrutinizer will make a consolidated Scrutinizer's Report of the total votes cast in favour or against and invalid votes, if any, to the Chairman / Managing Director of the Company or in his absence to any other Director authorized by the Board of Directors, who shall countersign the same. Based on the Scrutinizer's Report, the result will be declared by the Chairman / Managing Director or in his absence by any other Director within two working days from the conclusion of the AGM at the Registered Office of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM i.e., September 30, 2022.
20. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.venmaxdrugs.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
21. The Ministry of Corporate Affairs (vide circular nos.17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.
22. Brief profile of Mr.N.Krishnaiah, Director proposed to be reappointed along with the name of the Companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and other details as required under Secretarial Standard on General Meetings and Regulation 36(3) of the SEBI Listing Regulations are also annexed to this notice.
23. In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 issued by MCA and Circular No. SEBI/HO/ CFD/ CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
24. The registers i.e., Register of Directors and Key Managerial Personnel and their shareholding and Register of Contracts or Arrangements in which directors are interested maintained under Section 170 and Section 189 of the Act respectively will be available for inspection by members during the AGM. All documents referred to in this Notice and the Explanatory Statement annexed hereto will also be available for
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inspection without any fee by the members from the date of circulation of this notice up to the date of AGM, i.e., September 6, 2022 to September 30, 2022. Members seeking to inspect such documents can send an email to venmaxdrugs@gmail.com.

25. As per Regulation 40 of the Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrars and Transfer Agents, CIL Securities Limited, Hyderabad for assistance in this regard.
26. Members are requested to register or intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants with whom they are maintaining their demat accounts in case the shares are held by them in electronic form/demat form and to CIL Securities Limited in case the shares are held by them in physical form.
27. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar. SEBI has also mandated, that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company.

**By Order Of the Board
For Venmax Drugs and Pharmaceuticals Limited**

**Place: Hyderabad
Date : 06.09.2022**

**Sd/-
Raj Kumar Rai
Managing Director
DIN: 00009207**

Disclosure under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Director seeking re-appointment is given as under:-

Name of the Director	N. Krishnaiah
Director Identification No.	07279009
Date of Birth	10.04.1988
Date of appointment	03.09.2015
Qualification	MBA
Relationship between directors inter-se	--
Nature of expertise in specific functions area	Administration
Directorship in other Listed Entities	--
Membership of Committees of other listed Companies	--
Shareholding in the Company	--

**By Order Of the Board
For Venmax Drugs and Pharmaceuticals Limited**

**Sd/-
Raj Kumar Rai
Managing Director
DIN: 00009207**

**Place: Hyderabad
Date : 06.09.2022**

DIRECTOR'S REPORT

Dear members,

The Directors have pleasure in presenting before you the 33rd Director's Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2022.

1. FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

The performance during the period ended 31st March, 2022 has been as under:

Particulars	(In Lakhs)	
	2021-2022	2020-2021
Total Income	198.30	34.93
Total Expenditure	13.64	51.11
Profit (Loss) Before Tax	184.65	(16.17)
Provision for Tax	0.03	(0.06)
Profit (Loss) after Tax	184.62	(16.24)
Other Comprehensive Income, Net of tax	--	--
Total Comprehensive Income	184.62	(16.24)
Balance Carried to Balance Sheet	184.62	(16.24)
Basic and Diluted Earnings	3.52	(0.31)

REVIEW OF OPERATIONS:

The total revenue of the Company for the financial year under review was Rs.198.30lakhs as against Rs.34.93lakhs for the previous financial year. The company has incurred a net profit of Rs.184.62lakhs for the financial year 2021-22 as against the net loss of Rs.16.24lakhs for the previous year.

2. IMPACT OF COVID 19:

Due to COVID -19, the Business is badly affected due to absence of staff at Pharma Outlets. The Turnovers were reduced and subsequently losses were accumulated.

3. MATERIAL CHANGES & COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There were no material changes and commitments affecting financial position of the company between 31st March, 2022 as on the date of Board's Report.

4. CHANGE IN THE NATURE OF THE BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of Business.

5. DIVIDEND:

The Directors have not recommended dividend for the year 2021-2022.

6. RESERVES:

The Company has not carried any amount to the reserves.

7. SHARE CAPITAL:

The Authorised share capital of the Company stands at Rs.8,00,00,000/- divided into 80,00,000 equity shares of Rs.10/- each. The paid up share capital of the Company stands at Rs.5,23,89,300 /- divided into 52,38,930 equity shares of Rs.10/- each.

8. BOARD MEETINGS:

During the year, the Board of Directors duly met 3 (Three) times on 19.07.2021, 28.10.2021 and 28.01.2022 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.

9. INVESTOR EDUCATION AND PROVIDENT FUND:

The Company has not transferred any amount to Investor Education and Provident Fund.

10. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received declarations from Dr.A.Ramakrishnaiah, Independent Director of the company to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report is appended to this Report.

12. APPOINTMENT / RE-APPOINTMENT / RESIGNATION / RETIREMENT OF DIRECTORS / CEO/ CFO AND KEY MANAGERIAL PERSONNEL:

- Mr.N.Krishnaiah is liable to retire by rotation, being eligible, offers himself for re-appointment.
- Mr.G. Pradeep Kumar appointed as CFO of the Company and no directors or Key Managerial Personnel are resigned during the year.

13. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company are also made to the directors. Direct meetings with the Chairman is further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices. The policy relating to familiarization programmes to Independent Directors is available on the website of the Company.

14. COMMITTEES:

I. AUDIT COMMITTEE:

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

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

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

- Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
 - Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
 - Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
 - Reviewing with management the annual financial statements before submission to the Board, focusing on:
 - a. Any changes in accounting policies and practices;
 - b. Qualification in draft audit report;
 - c. Significant adjustments arising out of audit;
 - d. The going concern concept;
 - e. Compliance with accounting standards;
 - f. Compliance with stock exchange and legal requirements concerning financial statements and
 - g. Any related party transactions
 - Reviewing the company's financial and risk management's policies.
 - Disclosure of contingent liabilities.
 - Reviewing with management, external and internal auditors, the adequacy of internal control systems.
 - Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
 - Discussion with internal auditors of any significant findings and follow-up thereon.
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- Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing compliances as regards the Company's Whistle Blower Policy.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

The Annual General Meeting of the Company for the Financial Year 2020-21 was not held due to absence of Mr.Raj Kumar Rai, Managing Director of the Company who affected with Chronic health ailments. However planning to conduct on 30.09.2022, which was intimated to the respective departments.

The Company has complied with all the requirements of the provisions of SEBI (LODR) Regulations, 2015 relating to the composition of the Audit Committee.

During the financial year 2021-22, (3) three meetings of the Audit Committee were held on 19.07.2021, 28.10.2021 and 28.01.2022.

B. COMPOSITION OF THE COMMITTEE

The details of the composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No.of meetings attended	No. of Meetings held
Dr. A.Ramakrishnaiah	Chairman	NED(I)	3	3
Ms. N Krishnaiah	Member	NED	3	3
Mr. Rajkumar Rai	Member	MD	3	3

NED (I): Non- Executive Independent Director

MD: Managing Director

II. NOMINATION AND REMUNERATION COMMITTEE:

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
 - a. To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.

- b. To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
 - To carry out evaluation of every Director’s performance.
 - To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
 - To formulate the criteria for evaluation of Independent Directors and the Board.
 - To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.
 - Recommend to the board, all remuneration, in whatever form, payable to senior management.

B. COMPOSITION OF THE COMMITTEE

During the financial year 2021-22, (1) one meeting of the Nomination and Remuneration Committee were held on 28.01.2022:

Name	Designation	Category	No.of meeting attended	No of Meetings held
Dr. A. Ramakrishnaiah	Chairman	NED(I)	1	1
Mr. N Krishnaiah	Member	NED	1	1
Mr. Rajkumar Rai	Member	MD	1	1

NED (I): Non- Executive Independent Director

C. REMUNERATION POLICY:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS’ INDEPENDENCE

1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. Terms and References:

2.1 “Director” means a director appointed to the Board of a Company.

2.2 “Nomination and Remuneration Committee” means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

2.3 “Independent Director” means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 read with Regulation 16 (1) (b) of SEBI LODR Regulations, 2015)

3. Policy:

Qualifications and criteria

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company’s operations.

3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- General understanding of the company’s business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfil the following requirements:

- shall possess a Director Identification Number;
 - shall not be disqualified under the companies Act, 2013;
 - shall endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
 - shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
 - shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every
 - financial year and thereafter whenever there is a change in the disclosures already made;
 - Such other requirements as may be prescribed, from time to time, under the companies Act, 2013, Equity listing Agreements and other relevant laws.
-

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

3.2 Criteria of independence

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re- assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with guidelines as laid down in companies Act, 2013 and Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3.2.3 The independent Director shall abide by the "code for independent Directors "as specified in Schedule IV to the companies Act, 2013.

3.3 Other directorships/ committee memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance.

Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The NR Committee shall take into account the nature of and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

3.3.4 A Director shall not be a member in more than 10 committees or act as chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the companies Act, 2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees:

1. Scope:

1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

2. Terms and Reference:

In this policy the following terms shall have the following meanings:

2.1 “Director” means a director appointed to the Board of the company.

2.2 “key managerial personnel” means

- (i) The Chief Executive Office or the managing director or the manager;
- (ii) The company secretary;
- (iii) The whole-time director;
- (iv) The chief finance Officer; and
- (v) Such other office as may be prescribed under the companies Act, 2013

2.3 “Nomination and Remuneration committee” means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act, 2013 and Regulation 19 of SEBI LODR Regulations, 2015.

3. Policy:

3.1 Remuneration to Executive Director and key managerial personnel.

3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall limit approved by the shareholders.

3.1.2 The Board on the recommendation of the (NR) committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:

- (i) Basic pay
- (ii) Perquisites and Allowances
- (iii) Commission (Applicable in case of Executive Directors)
- (iv) Retrial benefits
- (v) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

3.2 Remuneration to Non – Executive Directors

3.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per provisions of the companies act.

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof.

3.3. Remuneration to other employees

3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

D. MECHANISM FOR EVALUATION OF THE BOARD

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004, dated January 5, 2017 and the Companies Amendment Act, 2017 the Company adopted the recommended criteria by Securities and Exchange Board of India.

The Directors were given six Forms for evaluation of the following:

- (i) Evaluation of Board;
- (ii) Evaluation of Committees of the Board;
- (iii) Evaluation of Independent Directors;
- (iv) Evaluation of Chairperson;
- (v) Evaluation of Non-Executive and Non-Independent Directors; and
- (vi) Evaluation of Managing Director.

The Directors were requested to give following ratings for each criteria:

- 1. Could do more to meet expectations;
- 2. Meets expectations; and
- 3. Exceeds expectations.

The Directors have sent the duly filled forms to Nomination & Remuneration committee. Based on the evaluation done by the Directors, the Committee has prepared a report and submitted the Evaluation Report. Based on the report, the Board of Directors has informed the rankings to each Director and also informed that the performance of Directors is satisfactory and they are recommended for continuation as Directors of the Company.

III. STAKEHOLDERS RELATIONSHIP COMMITTEE:

A. COMPOSITION OF THE COMMITTEE: The Details of composition of the Committee are given:

Name	Designation	Category	No.of meeting attended	No of Meetings held
Dr. A. Ramakrishnaiah	Chairman	NED(I)	1	1
Mr.Raj Kumar Rai	Member	ED	1	1
Mr. N Krishnaiah	Member	NED	1	1

NED (I): Non- Executive Independent Director

ED: Executive Director

B. NAME AND DESIGNATION OF COMPLIANCE OFFICER:

Mr. Raj Kumar Rai, Managing Director is the compliance officer of the Company.

C. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2021-22:

During the financial year 2021-22, no complaints were received from the shareholders.

D. POWERS:

The Committee has been delegated with the following powers:

- To redress shareholder and investor complaints relating to transfer of shares, Dematerialization of Shares, non receipt of Annual Reports, nonreceipt of declared dividend and other allied complaints.
- To approve, transfer, transmission, and issue of duplicate / fresh share certificate(s).
- Consolidate and sub-division of share certificates etc.
- To redress, approve and dispose off any, other complaints, transactions and requests etc., received from any shareholder of the company and investor in general.

The Board has delegated the power to process the transfer and transmission of shares to the Registrar and Share Transfer Agents, who process share transfers within a week of lodgement in the case of shares held in physical form. The Company has designated an exclusive e-mail ID called venmaxdrugs@gmail.com for complaints/grievances.

15. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The same has been placed on the website of the Company.

16. DIRECTOR'S RESPONSIBILITY STATEMENT:

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
 - b. 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;
 - c. The Directors had 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;

- d. The Directors had prepared the annual accounts on a going concern basis; and
- e. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. INFORMATION ABOUT THE FINANCIAL PERFORMANCE FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:

The Company does not have any Subsidiary, Associate or Joint venture

18. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE IT SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

During the period under review, there are no companies who ceased or became the subsidiaries, joint ventures or associate companies.

19. EXTRACT OF ANNUAL RETURN:

As required by Section 92(3) of the Act read with Section 134(3)(a) of the Act the Annual Return in Form MGT-7 is placed at the company website <https://www.venmaxdrugs.com/>

PROMOTER:

S No	Name of the Member	No. of Shares held	%
1	Venkat Narendra Nuka	926775	17.69

PROMOTER GROUP:

S No.	Name of the Member	No. of Shares held	%
1	BANDA USHA	12250	0.23
2	NARESH V	2500	0.05
3	SHAMRAO BANDA	6250	0.12
4	BHASKAR RAO KANAKABANDI	1500	0.03
5	SHERNAZ OMIM DEBARA	1250	0.02
6	N JYOTHI KIRAN	5000	0.1
7	N ACHUTA BAI	104250	1.99
8	N SHANTAMMA	2500	0.05
9	G MAHANANDI	2500	0.05
10	T DEVASENA	2500	0.05

11	R PADMAVATAMMA	2500	0.05
12	J SIVA KUMAR	2500	0.05
13	M SRINIVAS REDDY	2500	0.05
14	D NARAYANA REDDY	2500	0.05
15	D AMRUTAMMA	2500	0.05
16	K KONDANNA	2500	0.05
17	P N TATARAO	2500	0.05
18	K V PARTHASARATY	2500	0.05
19	N NIRMALA	2500	0.05
20	K VIJAYA	2500	0.05
21	NAND KUMAR MURARI	2500	0.05
22	MALATHI RAVI	2500	0.05
23	GOPAL GADULA	2250	0.04
24	GOPAL YADAV GUDAULA	2250	0.04
25	PUJARI VENKATAIAH	200	0
26	G SAINNA	2000	0.04
27	PETA BALAPPA	2000	0.04
28	K KOLLAPPA	2000	0.04
29	B SANTHAKUMAR REDDY	1750	0.03
30	G NAGANNA	1650	0.03
31	B PRASAD	1600	0.03
32	UTTAM KISHINCHAND JETHWANAY	1550	0.03
33	AMBATIPUDI UMAPATHY	1500	0.03
34	K MALLAIAH	1250	0.02
35	E NARSIMHULU	1250	0.02
36	KANAKABANDI BHASKARA RAO	1250	0.02
37	KARNA RAMAMURTHY	1250	0.02
38	SRINU K	1250	0.02
39	PADMA RAGHUNATHAN	1250	0.02
40	RAM REDDY	1250	0.02
41	P RAJESHWARI	1250	0.02
42	V CHANDRA MOULI	1250	0.02
43	M P SREENIVASA RAO	1250	0.02
44	ASHA SINGH	1250	0.02
45	CHANDRAKALA B M	1250	0.02
46	Y SAI RAM	1250	0.02
47	SREE RAMA REDDY	1250	0.02
48	DAYANAND	1250	0.02
49	SUKANYA MURARI SETTY	1250	0.02
50	NAGIAH	1250	0.02
51	GOLLA PEDDANNA	1250	0.02
52	LINGAIH GUNDEBOINA	1250	0.02
53	Venkata Swarajya Vijaya Laxmi Bollina	1250	0.02
54	SATYANARAYAN REDDY K	1250	0.02
55	S KISTAIAH	1250	0.02
56	TIRUPATHI REDDY	1250	0.02

57	VENKATESWARA RAO G	1250	0.02
58	SREENIVASA RAO V	1250	0.02
59	SAIVAIAH SOMA	1250	0.02
60	LAXMI PRASAD	1250	0.02
61	SITAI AH B	1250	0.02
62	K SAROJINI DEVI	1250	0.02
63	K KAMALA KUMARI	1250	0.02
64	PADMANABHA REDDY P	1250	0.02
65	G BALACHANDRA REDDY	1250	0.02
66	A GOPAL REDDY	1250	0.02
67	S SUBBI REDDY	1250	0.02
68	Y SAMBASIVA REDDY	1250	0.02
69	G SAI KUMAR REDDY	1250	0.02
70	J VENKATA RAMANA REDDY	1250	0.02
71	M NEELAKANTA REDDY	1250	0.02
72	T TRIVENI	1250	0.02
73	T TRIVENI	1250	0.02
74	A VENKATASUBBAIAH	1250	0.02
75	C CHALAMANAI DU	1250	0.02
76	K MADHU SUDHAN	1250	0.02
77	A RAMREDDY	1250	0.02
78	S SAMBASIVA REDDY	1250	0.02
79	V RAMADEVI	1250	0.02
80	CH CHALAMA NAIDU	1250	0.02
81	SHARAT KUMAR REDDY	1250	0.02
82	RAVI SHANKAR	1250	0.02
83	KISHTANNA	1250	0.02
84	POORNA CHANDAR P	1250	0.02
85	SOMA TRIPURA	1250	0.02
86	N NARASA REDDY	1250	0.02
87	HIMA BINDU	1250	0.02
88	M NEELAKANTA REDDY	1250	0.02
89	VENKATARAMA REDDY	1250	0.02
90	RAMANA B	1250	0.02
91	KURAVA VEERANNA	1250	0.02
92	BASAVA RAJ	1250	0.02
93	JANGAYYAH	1250	0.02
94	ANASUYAMMA CHATAKONDA	1250	0.02
95	SRINIVASULU VEGENDLA	1000	0.02
96	K INDIRA	1000	0.02
97	AISHU FINANCE LTD	850	0.02
98	NAGENDRA BABU S	750	0.01
99	SANGEETHA	100	0.001
100	G GOPAL YADAV	50	0.001
101	JONNADULA RAVINDRABABU	500	0.01
102	K CHAKRADHAR	5000	0.1

103	G PADMAJA	5000	0.1
104	MOHAN NAIDU CHOPPA	5000	0.1
105	M NIRMALA	500	0.01

20. STATUTORY AUDITORS:

The members of the company in accordance with section 139 of the Companies Act, 2013 had passed a resolution for appointment of M/s. NSVR & Associates LLP as Statutory Auditors of the company for a period of 5 years in the AGM held on 30.09.2019 to hold office up to the conclusion of 35th Annual General Meeting of the company.

21. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

There have been no frauds reported by the auditor's u/s 143(12).

22. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of managerial personnel) Rules 2014, the Board had appointed M/s.M.Srinivasarao & Associates, Company Secretaries to undertake the secretarial audit of the Company for the year 2021-22. The report of the Secretarial Auditor is enclosed as Annexure and forms part of this report.

23. QUALIFICATIONS IN AUDIT REPORTS:

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made

(a) STATUTORY AUDITORS REPORT:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2022 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in the coming years.

(b) SECRETARIAL AUDIT REPORT:

The Board has duly reviewed the Secretarial Audit Report for the year ended March 31, 2022 on the Compliances according to the provisions of section 204 of the Companies Act 2013, and the same does not have any reservation, qualifications or adverse remarks except the following:

- The Company have functional website but not updated as per regulation.
- The Company does not have a Company Secretary
- Non-compliance of the advertisements in newspapers related to Financial results and General Meetings.

-
- The company has not filed the forms AOC – 4 (Financial Statements), MGT – 7 (Annual Return) and Form ADT – 1 and other applicable forms with Registrar of Companies, Hyderabad, MCA.
 - The Company has not conducted Annual General Meeting during the period under review.
 - The Company has not conducted minimum four board meetings during the period under review.
 - The Company does not have a Woman Director.
 - Non-compliance of all the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Reply:

The Company has noted all the observations and is in the process of regularising the non-compliances.

24. DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:

Your Company has not undertaken any research and development activity for any manufacturing activity nor was any specific technology obtained from any external sources which needs to be absorbed or adapted.

C. Foreign Exchange Earnings and Out Go:

Foreign Exchange Earnings: NIL Foreign Exchange Outgo: Nil

25. DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING:

Your Company has not accepted any deposits falling within the meaning of Sec.73, 74 & 76 of the Companies Act, 2013 read with the Rule 8(v) of Companies (Accounts) Rules 2014, during the financial year under review. Further, there are no deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the regulators /courts that would impact the going concern status of the Company and its future operations.

27. DISCLOSURE OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly. During the period under review, there is no material or serious observations have been noticed for inefficiency or inadequacy of such controls.

28. INSURANCE:

The Company does not have any major fixed assets and accordingly it is not required to take any insurance policy.

29. RISK MANAGEMENT POLICY:

The Company follows a comprehensive system of Risk Management. The Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well-structured risk management process.

30. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not given loans, Guarantees or made any investments during the year under review attracting the provisions of Section 186 of Companies Act, 2013.

31. CREDIT & GUARANTEE FACILITIES:

The Company has not availed facilities of Credit and Guarantee during the year.

32. CORPORATE SOCIAL RESPONSIBILITY:

Since the Company does not have the net worth of Rs. 500 Crores or more, or turnover of Rs. 1000 Crores or more, or a net profit of Rs. 5 Crores or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

33. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered during the financial year were disclosed in form AOC-2 and is attached as Annexure which forms part of Annual report. There were no materially significant related party transactions made by the Company with the promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All related party transactions were placed before the Audit Committee/Board for approval. Prior approval of the Audit Committee was obtained for the transactions which are foreseen and are in repetitive in nature.

Transactions with the Related Parties as required under Indian Accounting Standard- 24 are disclosed in Note of the standalone financial statements forming part of this Annual Report.

The Company has not entered into any contracts/arrangements with related parties referred to Section 188(1) of the Companies Act, 2013 except certain arm length transaction during the year. Accordingly, no disclosure or reporting is required covered under this Section.

34. DISCLOSURE ABOUT COST AUDIT:

Cost Audit is not applicable to your Company.

35. POLICIES:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website (www.venmaxdrugs.com). The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

36. STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE AS PER RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure III to this Report.

A statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee is annexed to this Annual report.

During the year NONE of the employees is drawing a remuneration of Rs.1,02,00,000/- and above per annum or Rs.8,50,000/- and above in aggregate per month, the limits specified under the Section 197(12) of the Companies Act,2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

37. RATIO OF REMUNERATION TO EACH DIRECTOR:

Under section 197(12) of the Companies Act, 2013, and Rule 5(1)(2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014 read with Schedule V of the Companies Act, 2013 the ratio of remuneration of Mr. Raj Kumar Rai, Managing Director of the Company to the median remuneration of the employees is 4.6875:1.

38. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Since the paid-up capital of the Company is less than Rs. 10 Crores and Net worth of the Company is less than Rs. 25 Crores, Corporate Governance as mentioned in SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 are not applicable.

39. SECRETARIAL STANDARDS:

The Company is in compliance with the applicable secretarial standards.

40. INDIAN ACCOUNTING STANDARDS:

The Ministry of Corporate Affairs vide its notification dated 16th February, 2015 has notified the Companies (Indian Accounting Standards) Rules, 2015. In pursuance of the said notification, the Company has adopted the Indian Accounting Standards with effect from 01st April, 2017.

Accordingly, the Company has restated and reported the financials for the previous year as per Indian Accounting Standards.

41. NON- EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

42. CEO/ CFO CERTIFICATION:

The Managing Director and CFO certification of the financial statements for the year 2021-22 is annexed in this Annual Report.

43. MECHANISM FOR EVALUATION OF THE BOARD:

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004, dated January 5, 2017 and the Companies Amendment Act, 2017 the Company adopted the recommended criteria by Securities and Exchange Board of India.

The Directors were given evaluation forms for the following:

- (i) Evaluation of Board;
- (ii) Evaluation of Committees of the Board;
- (iii) Evaluation of Independent Directors;
- (iv) Evaluation of Chairperson;
- (v) Evaluation of Non-Executive and Non-Independent Directors; and
- (vi) Evaluation of Managing Director.

The Directors were requested to give following ratings for each criteria:

- 1. fair;
- 2. satisfactory; and
- 3. very satisfactory.

The Directors have sent the duly filled forms to Nomination & Remuneration committee. Based on the evaluation done by the Directors, the Committee has prepared a report and submitted the Evaluation Report. Based on the report, the Board of Directors has informed the rankings to each Director and also informed that the performance of Directors is satisfactory and they are recommended for continuation as Directors of the Company.

44. CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and Amended Regulations 2018. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website (www.venmaxdrugs.com)

45. 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 workplace. (Prevention, Prohibition and Redressal) Act, 2013.

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- No. of complaints received: Nil
- No. of complaints disposed off: Nil
- No. of complaints pending at the end of the year: Nil

46. INTERNAL AUDIT:

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

47. ANNUAL SECRETARIAL COMPLIANCE REPORT:

Annual Secretarial Compliance Report pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirement) (Amendment) Regulations, 2018 read with SEBI Circular dated 08.02.2019 and BSE circular dated 09.05.2019 and 14.05.2019 is not

applicable to the Company as it does not attract the provisions of Regulation 15(2) of SEBI (LODR) Regulations, 2015 on Corporate Governance since paid up equity share capital as

on 31.03.2022 is not exceeding Rs. 10 Crores and the net worth of the Company has not exceeded Rs.25 Crores on the last day of previous financial year (i.e.,31.03.2022) or during the financial year (2021-22). In view of the above, our Company is not required to submit Annual Secretarial Compliance Report for the year ended 31.03.2022 to the Stock Exchange/s pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirement) (Amendment) Regulations, 2018.

48. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, to the continued growth and prosperity of your Company.

Your Directors also wish to place on record their appreciation of business constituents, Banks, statutory authorities and other financial institutions and shareholders of the Company, for their continued support for the growth of the Company.

FOR VENMAX DRUGS AND PHARMACEUTICALS LIMITED

Place: Hyderabad

Date: 06.09.2022

**Sd/-
Raj Kumar Rai
Managing Director
DIN: 00009207**

**Sd/-
N Krishnaiah
Director
DIN: 07279009**

AOC-2

Particulars of contracts / arrangements made with related parties [Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014]

This Form pertains to the 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.

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
There are no contracts or arrangements or transactions not at arm's length basis.
 - a. Name(s) of the related party and nature of relationship
 - b. Nature of contracts/arrangements/transactions
 - c. Duration of the contracts / arrangements/transactions
 - d. Salient terms of the contracts or arrangements or transactions including the value, if any
 - e. Justification for entering into such contracts or arrangements or transactions
 - f. Date(s) of approval by the Board
 - g. Amount paid as advances, if any:
 - h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188

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

FOR VENMAX DRUGS AND PHARMACEUTICALS LIMITED

Sd/-

**Raj Kumar Rai
Managing Director
DIN: 00009207**

Sd/-

**N Krishnaiah
Director
DIN: 07279009**

**Place: Hyderabad
Date: 06.09.2022**

CERTIFICATE OF CODE OF CONDUCT FOR THE YEAR 2021-22

The shareholders,

Code of Conduct

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

Certificate of Code of Conduct for the year 2021-22 as per Regulation 17(5) read with Regulation 34(3) Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Venmax Drugs and Pharmaceuticals Limited are committed for conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Ethics and Business Conduct" which is applicable to all director, officers and employees.

We hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Ethics and Business Conduct, under a certificate of Code of Conduct for the year 2021-22.

FOR VENMAX DRUGS AND PHARMACEUTICALS LIMITED

**Sd/-
Raj Kumar Rai
Managing Director
DIN: 00009207**

**Sd/-
N Krishnaiah
Director
DIN: 07279009**

**Place: Hyderabad
Date: 06.09.2022**

CERTIFICATE BY THE MANAGING DIRECTOR AND CFO OF THE COMPANY

To,
The Board of Directors

Venmax Drugs and Pharmaceuticals Limited Dear Sirs, as required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2022 and to the best of our knowledge and belief;
 - a) These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
 - b) These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and
4. That we have informed the auditors and the audit committee of:
 - a) Significant changes in the internal control during the year;
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

FOR VENMAX DRUGS AND PHARMACEUTICALS LIMITED

Sd/-
Raj Kumar Rai
Managing Director
DIN: 00009207

Sd/-
G Pradeep Kumar
CFO

Place: Hyderabad
Date: 06.09.2022

**DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED
SUSPENSE ACCOUNT**

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.	No. of shareholders who approached the company for transfer of shares from suspense account during the year.	No. of shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.
NIL	NIL	NIL	NIL

*** Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.*

Note: The Company has never declared dividends since its inception and therefore there is no amount lying in unpaid/unclaimed dividend account.

MANAGEMENT DISCUSSION AND ANALYSIS

The Company's operating and financial review is intended to convey the Management's perspective on the financial and operating performance of the Company during the period 2021-22, and outlook for the current financial year. This Report should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Annual Report. This report is an integral part of the Directors' Report.

Indian Economy and Consumer sector overview

Indian economy continued to display broad based recovery during the financial year 2021-22 as indicated by various health parameters of an economy after an exceptional fiscal 2020-21 when the COVID-19 pandemic led to contraction of economy. The fiscal year 2021-22 commenced on a difficult note for the country as the second wave of COVID-19, which emerged from the mid of March, 2021 spread rapidly across the country and put an unprecedented stress on the healthcare ecosystem of the country. With a gradual reduction in daily COVID-19 cases since the second half of May, 2021, the economy started showing signs of revival on the back of targeted fiscal relief, monetary policy measures and a rapid vaccination drive. In fact, the economy recovered fully from the impact of pandemic as real GDP for the financial year 2021- 22 exceeded that of the most recent pre-pandemic year of 2019-20. In terms of sectoral performance, growth of agriculture sector remained robust with a real growth of 3.3% during the year. Industry and service sectors have also shown robust growth particularly in the second half of the year. For the financial year 2022-23, WEO of IMF has projected India to be the fastest growing economy. Lending credence to this projection, the year has begun with a strong growth in economic activity in the month of April, 2022 as displayed by various performance indicators of the economy.

Year 2021-22 for the Company:

The year 2021-22 has been very eventful and challenging with the pandemic induced setbacks impacting sales.

Profits and margins:

The total revenue of the Company for the financial year under review was Rs.198.30lakhs as against Rs. 34.93 lakhs for the previous financial year. The company has incurred a net Profit of Rs.184.62 lakhs for the financial year 2021-22 as against the net loss of Rs. 16.24 lakhs for the previous year due to relinquishing of unsecured loans by Directors to strengthen the workings of the Company.

COVID-19 Second wave – Industry growth risk:

The second wave of COVID-19 has hit India with a very sharp rise in cases and state specific lockdowns and curfews imposed resulted in poor performance in working results of Venmax Drugs.

Risk management and Internal Control Systems:

The Company has established a well-defined process of risk management, wherein the identification, analysis and assessment of the various risks, measuring the probable impact of such risks, formulation of risk mitigation strategy and implementation of the same takes place in a structured manner. Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company. Necessary internal control systems are also put in place by the Company on various activities across the board to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of resources. Apart from these internal control procedures, a well-defined and established system of internal audit is in operation to independently review and strengthen these control measures, which is carried out by a reputed firm of Chartered Accountants. The Audit Committee of the Company regularly reviews the reports of the internal auditors and recommends actions for further improvement of operations in general and financial controls in particular

Human resources:

In this testing times of the current ongoing pandemic, apart from the traditional responsibilities of the HR department, such as ensuring equitable benefits and compensation, overseeing employee engagement and retention, enhancing diversity, handling workplace issues, the Company has remained very committed to safety of all its employees and partners.

FORM MR-3
SECRETARIAL AUDIT REPORT
for the financial year ended 31ST March, 2022

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,
The Members
Venmax Drugs and Pharmaceuticals Limited

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

Based on our verification of the Company's Books, Papers, Minutes 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, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2021 and ended 31st March, 2022 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 herein after:

1. We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st of March, 2022 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made there under;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment and External Commercial Borrowings;
2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT') is furnished hereunder for the financial year 2021-22:-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **not Complied.**

-
- ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Amended Regulations 2018 Insider Trading Regulations; **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure.**
 - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable as the company has not issued any shares during the year under review.**
 - iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable as the Company has not issued any Employee Stock Options during the year under review.**
 - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2019; **Not Applicable as the Company has not issued any debt securities during the year under review.**
 - vi. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review. However, the company has CIL Securities Limited as its Share Transfer Agent.**
 - vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and SEBI (Delisting of Equity Shares) (Amendment) Regulations, 2018; **Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review.**
 - viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**
 - ix. Other applicable laws include the following:
 - a. Drugs and Cosmetics Act, 1940 and amendments thereto from time to time.
 - b. Drugs and Cosmetics Rules, 1945
 - c. Pharmacy Act, 1948
 - d. Narcotic Drugs and Psychotropic Substances Act, 1985
 - e. Patents Act, 1970
 - f. Essential Commodities Act, 1995
 - g. National Pharmaceutical Policy, 2012
 - h. Labour Laws (wages, bonus, provident fund, gratuity etc)
 - i. Environment Protection Act, 1986
 - j. The Payment of Gratuity Act, 1972
 - k. Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - l. Employees State Insurance Act, 1948

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has not complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above including the following:

- a. During the year the Company has conducted 3 meetings of the Board of Directors, 3 meetings of the Audit committee, 1 meeting of Nomination and Remuneration committee, 1 meeting of the Stakeholders Relationship Committee and 1 meeting of Independent Directors. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company secretaries of India.
- b. As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that
 - i. The provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
 - External Commercial Borrowings were not attracted to the Company under the financial year under report;
 - Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
 - Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.
 - ii. As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

We further report that:

- The Company has a functional website but not updated as per applicable regulations.
- The Company has internal auditors namely M/s.Kavadapu & Associates, Chartered Accountants, Hyderabad.
- The Company has not filed the forms AOC – 4 (Financial Statements), MGT – 7 (Annual Return) and Form ADT – 1 and other applicable forms with Registrar of Companies, Hyderabad, MCA.

-
- The Company does not have a Company Secretary.
 - The Company does not have a Woman Director.
 - Non-compliance of all the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - BSE Limited has suspended trading of shares of the company due to penal reasons. The company has submitted all the information to resolve/ revoke the suspension.
 - The Board of Directors of the Company is not duly constituted. There is no proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Company does not have a Women Director. There are no changes in the composition of the Board of Directors during the period under review.
 - The Company has not conducted minimum four board meetings during the period under review.
 - The Company has not conducted Annual General Meeting during the period under review.
 - Adequate notice of board meeting is given to all the directors along with agenda 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 meaningful participation at the meeting.
 - As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
 - We, further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
 - The compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

- We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For M.SRINIVASARAO & ASSOCIATES
Company Secretaries

Sd/-
CS Srinivasarao Mandarapu
Proprietor
M. No.59962, CP: 22557
UDIN: A059962D000929974

Date : 06.09.2022
Place: Hyderabad

Annexure A

To,
The Members of
Venmax Drugs and Pharmaceuticals Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
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.

For M.SRINIVASARAO & ASSOCIATES
Company Secretaries

Sd/-
CS Srinivasarao Mandarapu
Proprietor
M. No.59962, CP: 22557
UDIN: A059962D000929974

Date: 06.09.2022
Place: Hyderabad

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Venmax Drugs and Pharmaceuticals Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Venmax Drugs and Pharmaceuticals Limited ("the Company"), which comprise the balance sheet as at 31st March 2022, 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, 2022, and its profit, total comprehensive income, 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.

Key Audit Matter	How the Matter was addressed in Audit
<p>Borrowings of the company</p> <p>The borrowings of the company constitute a major portion of the liabilities, non-compliance of terms and conditions of borrowings may lead to significant risk in operations of the company.</p> <p>During the year ended 31.03.2022 the company has written off the borrowings amounting to Rs. 1,98,30,267/- in the financial statements.</p>	<p>Our audit procedures include review the terms and conditions of the agreements, review of the underlying supporting documents to ensure the compliance of terms of agreements, confirmation of account balances, review of the internal controls such authorization controls, timely processing of transactions and recording and their treatment in the financial statements etc. Our audit procedures indicate that there were not material misstatements in these matters in the financial reports.</p>

Information other than the financial statements and Auditor’s Report thereon

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.

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

Management’s Responsibility for the 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 Company's Board of Directors is 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.
- We have obtained sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the standalone financial statements of which we are the independent auditors. For the other entities included in the standalone financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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, 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 Indian 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds(which are material either individually or in the aggregate) have
-

been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

For NSVR & ASSOCIATES LLP
Chartered Accountants
Firm Registration. No: 008801S/S200060

Sd/-
SURESH GANNAMANI
Partner
ICAI Membership No: 226870
UDIN: 22226870AMSCQU8173

Place: Hyderabad
Date: 28/05/2022.

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")

Opinion

We have audited the internal financial controls over financial reporting of Venmax Drugs And Pharmaceuticals Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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.

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.

For NSVR & ASSOCIATES LLP
Chartered Accountants
Firm Registration. No: 008801S/S200060

Sd/-
SURESH GANNAMANI
Partner
ICAI Membership No: 226870
UDIN: 22226870AMSCQU8173

Place: Hyderabad
Date : 28/05/2022.

Annexure – B to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Venmax Drugs and Pharmaceuticals Limited on the Financial Statements for the period ended 31st March 2022, we report that:

- i. In respect of the Company's Property, Plant and Equipment:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company has maintained proper records of intangible assets showing full particulars.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant, and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment.
 - (e) There are no proceedings initiated or pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.
 - ii. The company does not have the inventory and hence reporting requirement under this clause is not applicable.
 - iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, reporting under the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.
 - iv. The company has not advanced any loans, guarantees to directors of the company. Hence, reporting under this clause is not applicable to the company.
 - v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of
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Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable. Accordingly, reporting requirements under this clause is not applicable.

- vi. As per information & explanation given by the management, the Central Government of India has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the order is not applicable to the Company.
- vii. (a) 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.
- (b) 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.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, reporting requirements under this clause is not applicable.
- ix. a. The Company has not defaulted in repayment of Loans or borrowings from any lender. Hence reporting under clause 3(ix) (a) of the Order is not applicable.
- b. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c. The company has not obtained any term loans during the year. Hence reporting under clause 3(ix) (c) of the Order is not applicable.
- d. On an overall examination of the financial statements, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- f. According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

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- x. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x) (a) of the Order is not applicable.

During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x) (b) of the Order is not applicable.

- xi.
- a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.
 - b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - c) No whistle blower complaints received by the Company during the year (and up to the date of this report).
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.
- xiv. We were unable to obtain any of the internal audit reports of the company. Hence, the internal audit reports have not been considered by us.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.
- a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a) of the Order is not applicable.
 - b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
 - c) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
 - d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
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- xviii. There has been no resignation of the statutory auditors of the Company during the year accordingly, this clause is not applicable to the company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions we report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under subsection (5) of section 135 of the Act pursuant to any project. Hence, reporting under clause 3(xx)(a) of the order is not applicable for the year. The Company does not have any ongoing projects relating to CSR. Hence, reporting under clause 3(xx)(b) of the order is not applicable.

For NSVR & ASSOCIATES LLP
Chartered Accountants
Firm Registration. No: 008801S/ S200060

Sd/-
SURESH GANNAMANI
Partner
ICAI Membership No: 226870
UDIN: 22226870AMSCQU8173

Place: Hyderabad
Date: 28/05/2022.

Venmax Drugs and Pharmaceuticals Limited			
Balance Sheet as at March 31, 2022			
Particulars	Note No	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current Assets			
(a)Property, Plant and Equipment	3	5,56,470	6,21,062
(b)Investment Property	3(i)	-	-
(c) Intangible Assets	3(ii)	2,54,521	2,81,239
(d)Financial Assets			
(i)Investments	4(i)	-	-
(ii)Loans and Advances	5	-	-
(e)Deferred Tax Assets (Net)	-	-	-
(f)Other Non-current Assets	-	-	-
Total Non-current Assets		8,10,991	9,02,301
Current Assets			
(a)Inventories	6	-	-
(b)Financial Assets			
(i)Investments	4(ii)	-	-
(ii)Trade Receivables	7	3,63,535	3,62,089
(iii)Cash and Cash Equivalents	8	2,493	7,51,911
(iv)Bank Balances other than above (iii)	9	984	984
(v)Other Financial Assets	10	-	-
(c)Current Tax Assets (Net)	22	-	-
(d)Other Current Assets	11	9,58,173	10,58,173
Total Current Assets		13,25,185	21,73,157
Total Assets		21,36,177	30,75,459
Equity and Liabilities			
Equity			
(a)Equity Share Capital	12	5,23,89,300	5,23,89,300
(b)Other Equity	13	(6,17,89,810)	(8,02,52,262)
Total Equity		(94,00,510)	(2,78,62,962)
Liabilities			
Non-current Liabilities			
(a)Financial Liabilities			
(i)Long-term borrowings	14	-	-
(b)Provisions	15	-	-
(c)Deferred Tax Liabilities (Net)	16	45,574	42,288
Total Non-current Liabilities		45,574	42,288
Current liabilities			
(a)Financial Liabilities			
(i)Short-term borrowings	17	34,89,757	2,32,90,024
(ii)Trade payables - total dues of:			
:small and micro enterprises	-	-	-
: others than small and micro enterprises	18	47,06,056	46,47,449
(iii)Other financial liabilities	19	24,19,858	19,51,458
(b)Other current liabilities	20	7,57,113	5,77,513
(c)Provisions	21	1,18,329	4,29,690
(d)Current Tax Liability (Net)	22	-	-
Total Current Liabilities		1,14,91,113	3,08,96,134
Total Liabilities		21,36,177	30,75,459
Corporate Information			
Summary of significant accounting policies	1		
	2		
The accompanying notes form an integral part of the Ind AS financial statements			
This is the Balance Sheet referred to in our report of even date			
As per our report of even date For NSVR & ASSOCIATES LLP Chartered Accountants FRN: 008801S/S200060		For and on behalf of the Board of Directors of Venmax Drugs and Pharmaceuticals Limited	
Sd/- Suresh Gannamani Partner Membership No: 226870 UDIN: 22226870AMSCQU8173	Sd/- Raj Kumar Rai Managing Director DIN: 00009207	Sd/- N Krishnaiah Director DIN: 07279009	Sd/- G Pradeep Kumar CFO
Place: Hyderabad Date: 28/05/2022			

Venmax Drugs and Pharmaceuticals Limited			
Statement of Profit and loss for the period ended March 31, 2022			
Particulars	Note No	For the period ended March 31, 2022	For the period ended March 31, 2021
Revenue			
Revenue from operations	23	-	16,78,764
Other income	24	1,98,30,267	18,14,343
Total Revenue		1,98,30,267	34,93,107
Expenses			
Raw Material Consumed	25	-	7,85,797
Changes in inventories of Finished Goods	26	-	21,57,955
Employee benefits	27	1,20,000	6,26,500
Finance cost	28	-	-
Depreciation	3	91,311	1,03,434
Other expenses	29	11,53,218	14,37,405
Total expenses		13,64,529	51,11,091
Profit before tax		1,84,65,738	(16,17,983)
Tax expense:			
Current tax		-	-
Deferred tax		3,286	6,645
Tax expense		3,286	6,645
Profit for the year		1,84,62,452	(16,24,628)
Other comprehensive income			
a) (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
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		-	-
Total Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year, net of tax		1,84,62,452	(16,24,628)
Earnings per share:			
Basic earnings per share of Rs.10/-each		3.52	(0.31)
Diluted earnings per share of Rs.10/- each		3.52	(0.31)
Corporate Information	1		
Summary of significant accounting policies	2		
The accompanying notes form an integral part of the Ind AS financial statements			
This is the Balance Sheet referred to in our report of even date			
As per our report of even date For NSVR & ASSOCIATES LLP Chartered Accountants FRN: 008801S/S200060 Sd/- Suresh Gannamani Partner Membership No: 226870 UDIN: 22226870AMSCQU8173 Place: Hyderabad Date: 28/05/2022		For and on behalf of the Board of Directors of Venmax Drugs and Pharmaceuticals Limited Sd/- Raj Kumar Rai Managing Director DIN: 00009207 Sd/- N Krishnaiah Director DIN: 07279009 Sd/- G Pradeep Kumar CFO	

Venmax Drugs and Pharmaceuticals Limited
Cash Flow statement for the period ended 31 March 2022

Particulars	For the year ended 31 March, 2022	For the Period ended 31 March , 2021
A. Cash Flow from Operating Activities:		
Profit before tax for the year	1,84,65,738	(16,17,983)
Adjustments for:		
Depreciation	91,311	1,03,434
Finance Charges	-	-
Operating Profit before working capital changes	1,85,57,049	(15,14,549)
Adjustments for:		
(Increase) / Decrease in Inventory	-	21,57,955
(Increase) / Decrease in Trade receivables	(1,446)	17,721
(Increase) / Decrease in Other Current assets	1,00,000	(55,937)
(Decrease) / Increase in Trade payables	58,607	6,26,079
(Decrease) / Increase in Provision	(3,11,361)	4,29,690
(Decrease) / Increase in Current Financial liabilities	4,68,400	3,37,000
(Decrease) / Increase in Other liabilities	1,79,600	6,40,798
Cash Generated from Operations	1,90,50,849	26,38,756
Taxes Paid (Net)	-	-
Net Cash (used) / from Operating Activities (A)	1,90,50,849	26,38,756
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets including Capital Advances and Capital Credits	-	-
Investments	-	-
Interest Received	-	-
Net Cash from / (used) Investing Activities (B)	-	-
C. Cash Flow from Financing Activities:		
Receipt / (Repayment) of short term borrowings	(1,98,00,267)	(18,99,341)
Net Cash from / (used) Financing Activities (C)	(1,98,00,267)	(18,99,341)
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	(7,49,418)	7,39,415
Cash and Cash equivalents at beginning of the year	7,52,895	13,480
Cash and Cash equivalents at end of the year	3,477	7,52,895

Corporate Information 1
Summary of significant accounting policies 2
The accompanying notes form an integral part of the Ind AS financial statements

1) Cash and Cash equivalents includes:

Particulars	For the year ended 31 March, 2022	For the Period ended 31 March , 2021
Cash on hand	2,493	7,51,911
Cash Equivalents		
- Current accounts	984	984
	3,477	7,52,895

As per our report of even date
For NSVR & ASSOCIATES LLP
Chartered Accountants
FRN: 008801S/S200060
Sd/-
Suresh Gannamani
Partner
Membership No: 226870
UDIN: 22226870AMSCQU8173

For and on behalf of the Board of Directors of
Venmax Drugs and Pharmaceuticals Limited

Sd/-
Raj Kumar Rai
Managing Director
DIN: 00009207

Sd/- Sd/-
N Krishnaiah G Pradeep Kumar
Director CFO
DIN: 07279009

Place: Hyderabad
Date: 28/05/2022

NOTES TO FINANCIAL STATEMENTS

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

1. General Information

Venmax Drugs and Pharmaceuticals Limited ('the Company') is a Public Limited Company incorporated in India, having its registered office at Hyderabad, India. The Company is primarily engaged in the manufacturing and sale of bulk drugs. The Company is listed in the Bombay Stock Exchange (BSE).

2. Significant Accounting Policies

2.1 Basis of preparation and presentation of Financial Statements

Statement of compliance

These financial statements as of and for the year ended 31 March 2022 comply in all material aspects with the Indian Accounting Standards ("Ind AS") notified under 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 2021.

In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

These financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective or elected for early adoption at the Company's annual reporting date, 31 March 2022.

These financial statements were authorized for issuance by the Company's Board of Directors on 28 May 2022.

The financial statements of Venmax Drugs and Pharmaceuticals Limited ('the Company') have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules 2015, as amended and as per other relevant provisions of the Act. The presentation of financial statements is based upon Ind AS Schedule III of Companies Act, 2013.

a. Basis of Measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- a. Certain financial assets are measured either at fair value or at amortized cost depending on the classification;

-
- b. 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, and

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2,or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realization/settlement within twelve months period from the balance sheet date.

2.2 Use of estimates and judgment

The preparation of 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:

a. Revenue recognition

Determining whether the revenue shall be recognized over a period of time or at a point in time:

Determining the revenue to be recognized in case of performance obligation satisfied over a period of time;

Measuring the progress towards complete satisfaction of performance obligation;

Determining the method to be applied to arrive at the variable consideration requiring an adjustment to the transaction price.

b. Depreciation and amortization

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.

c. Employee Benefits

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) includes the discount rate, wage escalation and employee attrition. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

d. Provision and contingencies

Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

e. Fair valuation

Fair value is the market based measurement of observable market transaction or available market information. All financial instruments are measured at fair value as at the balance sheet date, as provided in Ind AS 109 and 113. Being a critical estimate, judgment is exercised to determine the carrying values. The fair value of financial instruments that are unlisted and not traded in an active market is determined at fair values assessed based on recent transactions entered into with third parties, based on valuation done by external appraisers etc.

f. Deferred taxes

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

2.3 Functional and presentation currency

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

2.4 Current and non-current 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.

Assets: 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;

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- 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.

Liabilities: 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

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as noncurrent. 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.

2.5 Foreign Currency Transaction

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the statement of profit and loss in the period in which they arise.

2.6 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 a straight line basis over the estimated useful lives of property, plant and equipment 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
Plant & Machinery	25
Plant & Machinery (IML)	25
Plant & Machinery (Vinegar)	25
Electrical Installations	25
Furniture & Fixtures	10
Office Equipment	5
Computers	6
Vehicles	8

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.

2.7 Intangible assets

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. 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:

Type of Asset	Estimated useful life
Computer Software	3

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

2.8 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

Debt instrument at FVTPL

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss. The Company has not designated any debt instrument as at FVTPL.

Investment in Preference Shares and Unquoted trade Investments

Investment in Preference Shares and Unquoted trade Investments are measured at amortized cost using Effective Rate of Return (EIR).

Investment in equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are 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.

Impairment of trade receivables

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

Expected credit loss model takes into consideration the present value of all the cash shortfalls over the expected life of a financial instrument. In simple terms, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate.

For the purpose of identifying the days of delay, the Company took into consideration the weighted average number of delays taking into consideration the date of billing, the credit period and the collection days.

In accordance with Ind AS 109, the company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset.

As Company trade receivables are realized within normal credit period adopted by the company, hence the company trade receivables are not impaired.

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, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized 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 amortization is included as finance costs in the statement of profit and loss.

Fair value measurement

Fair value of financial assets and liabilities is normally determined by references to the transaction price or market price. If the fair value is not reliably determinable, the Company determines the fair value using valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2.9 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.

2.10 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.

2.11 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.

2.12 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.

2.13 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.

2.14 Revenue Recognition

Sale of goods:

Revenue is recognized when the company substantially satisfies 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 recognized 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.

Other Income

Interest Income

Interest Income mainly comprises of interest on Margin money deposit with banks relating to bank guarantee. Interest income should be recorded using the effective interest rate (EIR). However, the amount of margin money deposits relating to bank guarantee are purely current in nature, hence effective interest rate has not been applied. Interest is recognized using the time-proportion method, based on rates implicit in the transactions.

Dividend

Dividend income is recognized when the Company's right to receive dividend is established.

2.15 Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing cost also include Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

2.16 Tax Expenses

Tax expense consists of current and deferred tax.

Income Tax

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit;
- temporary differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising upon the initial recognition of goodwill.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. 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 utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

Any deferred tax asset or liability arising from deductible or taxable temporary differences in respect of unrealized inter-company profit or loss on inventories held by the Company in different tax jurisdictions is recognised using the tax rate of the jurisdiction in which such inventories are held. Dividend distribution tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Company and all such taxes are recognised in the statement of changes in equity as part of the associated dividend payment.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Current and deferred tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in OCI or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

Accruals for uncertain tax positions require management to make judgements of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the tax positions will probably be accepted by the tax authorities. This is based upon management's interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

2.17 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.

2.18 Trade receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment, if any.

2.19 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.20 Determination of fair values

The Company's accounting policies and disclosures require the determination of fair value, for certain financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. 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.

(i) Property, plant and equipment

Property, plant and equipment, if acquired in a business combination or through an exchange of non-monetary assets, is measured at fair value on the acquisition date. For this purpose, fair value is based on appraised market values and replacement cost.

(ii) Intangible assets

The fair value of brands, technology related intangibles, and patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of these brands, technology related intangibles, patents or trademarks being owned (the "relief of royalty method"). The fair value of customer related, product related and other intangibles acquired in a business combination has been determined using the multi-period excess earnings method after deduction of a fair return on other assets that are part of creating the related cash flows.

(iii) Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of

completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

(iv) Investments in equity and debt securities and units of mutual funds

The fair value of marketable equity and debt securities is determined by reference to their quoted market price at the reporting date. For debt securities where quoted market prices are not available, fair value is determined using pricing techniques such as discounted cash flow analysis.

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

(v) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements. In respect of the Company's borrowings that have floating rates of interest, their fair value approximates carrying value.

2.21 Note on "Code on Security, 2020"

The Indian Parliament has approved the Code on Social Security, 2020 ("the Code") which would impact the contributions by the company towards Provident Fund and Gratuity. The purpose of the Code on Social Security, 2020 is to amend and consolidate the laws relating to social security with the goal to extend social security to all employees and workers either in the organized or unorganized or any other sectors or for matters connected therewith or incidental thereto. The Code was passed by the Lok Sabha on September 22, 2020 and subsequently, by the Rajya Sabha on September 23, 2020 with a view to amalgamate, simplify and rationalize the relevant provisions of the nine central labour enactments relating to social security. The Code is yet to receive assent of the President of India. The Code shall come into force on such date as the Central Government may, by notification appoint and different dates may be appointed for different provisions of the SS Code. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

2.22 Impact of uncertainties in preparation of financial statements

The Company has considered the possible effects that may result from the pandemic relating to Covid-19 in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions

because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of Covid-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

2.23 New Accounting pronouncements

The Ministry of Corporate Affairs (MCA) vide notification dated 23 March 2022 issued the Companies (Indian Accounting Standards) Amendment Rules, 2022. These rules notify certain amendments to Indian Accounting Standards (Ind AS). These amendments are effective from 1 April 2022.

Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

As per Ind AS 37, a contract is 'onerous' when the unavoidable costs of meeting the contractual obligations (i.e. the lower of the costs of fulfilling the contract and the costs of terminating it) outweigh the economic benefits. Ind AS 37 did not define what the costs of fulfilling a contract are.

The amendments have clarified the types of costs a company can include as the 'costs of fulfilling a contract' while assessing whether a contract is onerous as under:

- (a) The incremental costs of fulfilling that contract—for example, direct labour and materials; and
- (b) An allocation of other costs that relate directly to fulfilling contracts— for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others.

The amendments apply for annual reporting periods beginning on or after 1 April 2022 to contracts existing at the date when the amendments are first applied. At the date of initial application, the cumulative effect of initially applying the amendments is recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not required to be restated.

Ind AS 16, Property, Plant and Equipment

Amendments to Ind AS 16 have clarified the accounting treatment for sale proceeds of items produced by PPE while preparing it for its intended use.

These amendments have clarified that excess of net sale proceeds of items produced over the cost of testing, if any, would not be recognised in the statement of profit or loss, but deducted from the directly attributable costs considered as part of cost of an item of PPE.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022

The aforesaid amendments do not have any material impact on the consolidated financial statements of the Company.

Venmax Drugs and Pharmaceuticals Limited			
Statement of changes in equity for the period ended 31/03/2022			
Equity Share Capital			
Equity share capital	Opening balance as at 1 Apr 2021	Changes in equity share capital during the year	Closing balance as at 31 Mar 2022
52,38,930 Equity Shares of Rs.10 each, fully paid up	5,23,89,300	-	5,23,89,300
	5,23,89,300	-	5,23,89,300

Equity share capital	Opening balance as at 1 Apr 2020	Changes in equity share capital during the year	Closing balance as at 31 Mar 2021
52,38,930 Equity Shares of Rs.10 each, fully paid up	5,23,89,300	-	5,23,89,300
	5,23,89,300	-	5,23,89,300

Other Equity					
Particulars	Retained Earnings	General Reserve	Securities Premium	Other Comprehensive Income	Total Equity
Balance as at 1/4/2021	(8,75,55,462)	-	73,03,200.00	-	(8,02,52,262)
Profit for the year	1,84,62,452	-	-	-	1,84,62,452
Additions during the year	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-
Balance as at 31/03/2022	(6,90,93,010)	-	73,03,200.00	-	(6,17,89,810)

Particulars	Retained Earnings	General Reserve	Securities Premium	Other Comprehensive Income	Total Equity
Balance as at 1/4/2020	(8,59,30,834)	-	73,03,200	-	(7,86,27,634)
Profit for the year	(16,24,628)	-	-	-	(16,24,628)
Additions during the year	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-
Balance as at 31/03/2021	(8,75,55,462)	-	73,03,200	-	(8,02,52,262)

As per our report of even date	For and on behalf of the Board of Directors of	
For NSVR & ASSOCIATES LLP	Venmax Drugs and Pharmaceuticals Limited	
Chartered Accountants		
FRN: 008801S/S200060		
Sd/-	Sd/-	
Suresh Gannamani	Raj Kumar Rai	
Partner	Managing Director	
Membership No: 226870	DIN: 00009207	
UDIN: 22226870AMSCQU8173		
	Sd/-	Sd/-
	N Krishnaia	G Pradeep Kumar
Place: Hyderabad	Director	CFO
Date: 28/05/2022	DIN: 07279009	

Venmax Drugs and Pharmaceuticals Limited
Note No.3 Property, Plant and Equipment (All amounts in INR, unless otherwise stated)

Particulars	Computers	Furniture and Fixtures	Total
Gross Block			
As at 31 March 2020	72,839	7,54,187	8,27,026
Additions during the Year	-	-	-
Deductions during the Year	-	-	-
As at 31 March 2021	72,839	7,54,187	8,27,026
Additions during the Year	-	-	-
Deductions during the Year	-	-	-
As at 31 March 2022	72,839	7,54,187	8,27,026
Depreciation			
As at 31 March 2020	35,975	95,989	1,31,964
For the Period	11,643	62,358	74,001
On deductions	-	-	-
As at 31 March 2021	47,618	1,58,347	2,05,965
For the Period	7,988	56,605	64,593
On deductions	-	-	-
As at 31 March 2022	55,606	2,14,952	2,70,558
Net Block			
As at 31 March 2020	36,864	6,58,198	6,95,062
As at 31 March 2021	25,221	5,95,840	6,21,061
As at 31 March 2022	17,233	5,39,235	5,56,470

Note:3(ii) Intangible Assets

Particulars	Amount
As at 1 April, 2020	3,62,644
Additions during the Period	-
Deductions during the Period	-
As at 31 March 2021	3,62,644
Additions during the Period	-
Deductions during the Period	-
As at 31 March 2022	3,62,644
Depreciation	
As at 1 April, 2020	51,972
For the Period	29,433
On deductions	-
As at 31 March 2021	81,405
For the Period	26,718
On deductions	-
As at 31 March 2022	1,08,123
As at 31 March 2020	3,10,672
As at 31 March 2021	2,81,239
As at 31 March 2022	2,54,521

Venmax Drugs and Pharmaceuticals Ltd
Note No.12 Equity Share Capital

Particulars	As at March 31, 2022		As at 31 March, 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised:				
Equity Shares of INR 10 each.	80,00,000	8,00,00,000	80,00,000	8,00,00,000.00
Issued, subscribed and paid up:				
Equity Shares of INR 10 each fully paid up	52,38,930	5,23,89,300	52,38,930	5,23,89,300
Total	52,38,930	5,23,89,300	52,38,930	5,23,89,300

i. Details of share holders holding more than 5% of total number of shares

Name of the Share Holder	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	%	Number of Shares	%
NV Narender	9,17,430	17.51%	9,17,430	17.51%
Nitesh Vijay Vargiya	1,00,000	1.91%	1,00,000	1.91%
Raj kumar rai	3,00,000	5.73%	3,00,000	5.73%
Shree India Securities Ltd. (Corporate)	3,66,061	6.99%	3,66,061	6.99%

Details of shares held by promoters

Name of the Promoter	As at March 31, 2022		As at March 31, 2021		% Change during the year
	Number of Shares	%	Number of Shares	%	
NV Narender	9,17,430	17.51%	9,17,430	17.51%	0.00%
Raj kumar rai	3,00,000	5.73%	3,00,000	5.73%	0.00%

ii. Reconciliation of Number of Shares Outstanding:

Name of the Share Holder	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	52,38,930	5,23,89,300	52,38,930	5,23,89,300
Balance at the end of the year	52,38,930	5,23,89,300	52,38,930	5,23,89,300

Note No.13 Other Equity

Particulars	General Reserve	Retained Earnings	Securities Premium	Other comprehensive income	Total
Balance as at March 31, 2020	-	(8,59,30,834)	73,03,200	-	(7,86,27,634)
Add: Profit upto 31.03.2021	-	(16,24,628)	-	-	(16,24,628)
Actuarial gain/(loss) on post-employment benefit obligations,	-	-	-	-	-
Additions during the year	-	-	-	-	-
Balance as at March 31, 2021	-	(8,75,55,462)	73,03,200	-	(8,02,52,262)
Add: Profit upto 31.03.2022	-	1,84,62,453	-	-	1,84,62,453
Actuarial gain/(loss) on post-employment benefit obligations,	-	-	-	-	-
Balance as at March 31, 2022	-	(6,90,93,009)	73,03,200	-	(6,17,89,810)

Note No.4(i) Non Current Investments							
Particulars	As at March 31, 2022	As at March 31, 2021					
Deposit accounts	-	-					
Total	-	-					
Note No.5 Loans and Advances							
Particulars	As at March 31, 2022	As at March 31, 2021					
Loans and advances to others	-	-					
Total	-	-					
Note No.6 Inventories							
Particulars	As at March 31, 2022	As at March 31, 2021					
Finished Goods	-	-					
Total	-	-					
Note No.4(ii) Current Investments							
Particulars	As at March 31, 2022	As at March 31, 2021					
Fixed Deposits with Banks	-	-					
Total	-	-					
Note No.7 Trade Receivables							
Particulars	As at March 31, 2022	As at March 31, 2021					
Unsecured, Considered Good Trade Receivables	3,63,535	3,62,089					
Total	3,63,535	3,62,089					
Trade Receivables hypothecated as security for availing working capital facilities							
The credit worthiness of Trade Receivables and the credit terms set are determined on a case to case basis and the Management has factored in the uncertainties arising out of COVID-19 as applicable. Considering all the other internal and external sources of information as determined by the Management, the Company has concluded that there is a low probability of default on Trade Receivables.							
The fair values of Trade Receivables are not considered to be significantly different from their carrying values, given their generally short period to maturity, with impairment reviews considered on an individual basis rather than when these become overdue.							
Trade Receivables Ageing Schedule							
As at 31 March 2022							
Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	3,63,535	-	-	-	3,63,535
Less: Allowance for credit losses	-	-	-	-	-	-	-
Total Trade Receivables	-	-	3,63,535	-	-	-	3,63,535
As at 31 March 2021							
Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	3,62,089	-	-	-	3,62,089
Less: Allowance for credit losses	-	-	-	-	-	-	-
Total Trade Receivables	-	-	3,62,089	-	-	-	3,62,089
Note No.8 Cash and Cash Equivalents							
Particulars	As at March 31, 2022	As at March 31, 2021					
Cash on hand	2,493	7,51,911					
Balances with banks in							
- Current accounts	984	984					
Total	3,477	7,52,895					
Note No.9 Bank Balances other than above							
Particulars	As at March 31, 2022	As at March 31, 2021					
Balances with banks (Restricted Use)							
- Margin money deposits	-	-					
Total	-	-					
Note No.10 Other Financial Assets							
Particulars	As at March 31, 2022	As at March 31, 2021					
Other Receivables	-	-					
Total	-	-					
Note No.11 Other Current Assets							
Particulars	As at March 31, 2022	As at March 31, 2021					
Advance for Expenses	18,500	18,500					
Other Current Assets	9,39,673	10,39,673					
Total	9,58,173	10,58,173					

Note No.14 Long-term borrowings					
Particulars	As at March 31, 2022	As at March 31, 2021			
Long term maturities of finance lease obligations	-	-			
Total	-	-			
Note No.15 Long Term Provisions					
Particulars	As at March 31, 2022	As at March 31, 2021			
Other provisions	-	-			
Total	-	-			
Note No.16 Deferred Tax Liabilities (Net)					
Particulars	As at March 31, 2022	As at March 31, 2021			
Deferred Tax Liabilities (Net)	45,574	42,288			
Total	45,574	42,288			
Note No.17 Short-term borrowings					
Particulars	As at March 31, 2022	As at March 31, 2021			
Unsecured Loan repayable on demand from directors	34,89,757	2,32,90,024			
Total	34,89,757	2,32,90,024			
Note No.18 Trade payables					
Particulars	As at March 31, 2022	As at March 31, 2021			
Dues to: Small and Micro Enterprises	-	-			
: Other than Small and Micro Enterprises	47,06,056	46,47,449			
Total	47,06,056	46,47,449			
Trade Payables Ageing Schedule					
As at 31 March 2022					
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	47,06,056	-	-	-	47,06,056
(iii) Disputed dues - MSME	-	-	-	-	-
(ii) Disputed dues - Others	-	-	-	-	-
	47,06,056	-	-	-	47,06,056
As at 31 March 2021					
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	46,47,449	-	-	-	46,47,449
(iii) Disputed dues - MSME	-	-	-	-	-
(ii) Disputed dues - Others	-	-	-	-	-
	46,47,449	-	-	-	46,47,449
Note No.19 Other financial liabilities					
Particulars	As at March 31, 2022	As at March 31, 2021			
Other Financial Liabilities	24,19,858	19,51,458			
Total	24,19,858	19,51,458			
Note No.20 Other current liabilities					
Particulars	As at March 31, 2022	As at March 31, 2021			
Employee Benefits payable	6,05,513	4,85,513			
Other Current liabilities	1,51,600	92,000			
Total	7,57,113	5,77,513			
Note No.21 Short Term Provisions					
Particulars	As at March 31, 2022	As at March 31, 2021			
Provisions : Others	1,18,329	4,29,690			
Total	1,18,329	4,29,690			
Note No.22 Current Tax Liability (Net)					
Particulars	As at March 31, 2022	As at March 31, 2021			
Current Tax Liability (Net)	-	-			
Total	-	-			

Note No.23 Revenue from Operations		
Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Revenue from Sale of Products	-	16,78,764
Total	-	16,78,764
Note No.24 Other income		
Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Related to business activity		
Other Operating Income	-	18,14,343
Revalidation of liabilities	1,98,30,267	-
Total	1,98,30,267	18,14,343
Note No.25 Raw Material Consumed		
Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Opening Stock of Raw Materials	-	-
Add: Purchases during the year	-	7,85,797
Less: Closing stock of Raw Materials	-	-
Total	-	7,85,797
Note No.26 Changes In Inventories of Finished Goods		
Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Opening Stock of Finished Goods	-	21,57,955
Closing stock of Finished Goods	-	-
Total	-	21,57,955
Note No.27 Employee benefits		
Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Salaries and Wages	1,20,000	6,26,500
Total	1,20,000	6,26,500
Note No.28 Finance costs		
Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Finance Charges	-	-
Total	-	-
Note No.29 Other Expenses		
Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Legal Expenses	95,000	80,000
AGM expenses and Audit fee	76,000	76,000
SAT filing Fee	30,000	-
BSE Expenses	4,10,000	4,23,900
Share transfer charges	1,02,000	80,000
Professional Fee	96,000	34,000
Rent	72,000	3,71,500
Depository Services	55,968	55,968
Travelling & Fuel Expenses	90,250	80,000
Office Expenses	72,000	60,000
Other expenses	54,000	1,68,780
ROC Filing Charges	-	6,000
Bank charges	-	1,257
Total	11,53,218	14,37,405

30. Additional information to the financial statements

30.1 Auditors Remuneration

Particulars	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
a) Audit fees	50,000	50,000
b) Other charges		
Taxation matters	-	-
Certification fee	-	-
c) Reimbursement of out of pocket expenses	-	-
TOTAL	50,000	50,000

30.2 Earnings per Share

Particulars	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
Earnings		
Profit attributable to equity holders	1,84,62,452	(16,24,628)
Shares		
Number of shares at the beginning of the year	52,38,930	52,38,930
Add: Equity shares issued	-	-
Less: Buy back of equity shares	-	-
Weighted average number of equity shares outstanding during the year – Basic	52,38,930	52,38,930
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EP	-	-
Weighted average number of equity shares outstanding during the year – Diluted	52,38,930	52,38,930
Earnings per share of par value ` 10/- -Basic (`)	3.52	(0.31)
Earnings per share of par value ` 10/- – Diluted (`)	3.52	(0.31)

30.3 Related Parties

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

Rama Krishnaiah Appanaboyana	Director
N Krishnaiah	Director
G Pradeep Kumar	Chief Financial officer
Rajkumar	Managing Director

Details of Remuneration to Key managerial Personnel as follows:

S No	Particulars	As at 31-Mar-22	As at 31-Mar-21
1	N.V Narender	--	3,00,000
2	Raj Kumar	3,00,000	3,00,000
3	G Pradeep Kumar	1,20,000	-
	Total	4,20,000	6,00,000

Details of balances receivable from and payable to related parties are as follows:

S No	Particulars	As at 31-Mar-22	As at 31-Mar-21
	Unsecured Loan:		
1	N.V Narender	34,89,757	59,59,757
2	Raj Kumar	-	34,17,000
	Total	34,89,757	93,76,757

30.4 Segment Reporting:

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

30.6 Income Taxes:

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

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

Particulars	For the Year Ended 31 st March	
	2022	2021
Current taxes expense		
Domestic	-	-
Deferred taxes expense/(benefit)		
Domestic	3,286	6,645
Total income tax expense/(benefit) recognized in the statement of profit and loss	3,286	6,645

a) Reconciliation of Effective tax rate

Particulars	For the Year Ended 31 st March	
	2022	2021
Profit before income taxes	1,84,65,738	(16,17,983)
Enacted tax rate in India	25.17%	25.17%
Computed expected tax benefit/(expense)	46,47,826	-
Effect of:		
Expenses not deductible for Tax purposes	-	-
Expenses deductible for Tax purposes	(49,91,278)	-
Taxable at Special Rate	-	-
Exempted income form SEZ	-	-
Reversal of excess provision created in previous years	-	-
Income tax benefit/(expense)	-	-
Effective tax rate	-	-

b) Deferred tax assets & Liabilities:

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

Particulars	For the Year Ended 31 st March	
	2022	2021
<u>Deferred tax assets/(liabilities):</u>		
Property, plant and equipment	(45,574)	(42,288)
Others	-	-
Net deferred tax assets/(liabilities)	(45,574)	(42,288)

30.7 Financial Risk Management:

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

a. Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has the following categories of financial assets that are subject to credit risk evaluation:

Trade Receivables- The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Reconciliation of allowance for credit losses

The details of changes in allowance for credit losses during the year ended 31st March 2022 and 31st March 2021 are as follows:

Particulars	For the Year Ended 31 st March	
	2022	2021
Balance at the beginning of the year	3,63,535	3,62,089
Impairment of Trade receivables	-	-
Balance at the end of the year	3,63,535	3,62,089

a. Liquidity Risks:

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

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2022:

Particulars	2023	2024	2025	Thereafter	Total
Trade payables	47,06,056	-	-	-	47,06,056
Borrowings	34,89,757	-	-	-	34,89,757
Other liabilities	32,95,300	-	-	-	32,95,300

a. Market Risks

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Company's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Drugs and Pharma Industry is dependent on nature, making it susceptible to climate vagaries.

Commodity Price Risk

The Company exposure to Market risk for commodity prices can result in changes to realisation for its Cost of Production for its products..

Interest rate risk

Interest rate risk refers to risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market interest rates.

30.8 Financial Instrument:

The carrying value and fair value of financial instruments as at 31 March 2022 and 31 March 2021 were as follows:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Total carrying value	Total fair value/ amortised cost	Total carrying value	Total fair value/ amortised cost
Financial assets				
Cash and cash equivalents	2,493	2,493	7,51,911	7,51,911
Other bank balances	984	984	984	984
Investments	-	-	-	-
Trade receivables	3,63,535	3,63,535	3,62,089	3,62,089
Loans	-	-	-	-
Other financial assets	-	-	-	-
Total	3,67,012	3,67,012	11,14,984	11,14,984
Financial liabilities				
Trade payables	47,06,056	47,06,056	46,47,449	46,47,449
Long-term borrowings	-	-	-	-
Short-term borrowings	34,89,757	34,89,757	2,32,90,024	2,32,90,024
Lease Liabilities	-	-	-	-
Other financial liabilities	24,19,858	24,19,858	19,51,458	19,51,458
Total	1,06,15,671	1,06,15,671	2,98,88,931	2,98,88,931

30.9 Capital Management

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

The company's Debt Equity ratio is as follows:

Particulars	2022	2021
Total Debt	1,14,91,113	3,08,96,134
Total Equity	(94,00,509)	(2,78,62,962)
Debt Equity Ratio	(1.22)	(1.11)

30.10 Contingent Liabilities and Commitments:

The following are the details of contingent liabilities and commitments:

Particulars	2022	2021
Contingent Liabilities		
a) Claims against the company/disputed liabilities not acknowledged as debts		
Income Tax	-	-
Service Tax	-	-
Sales Tax	-	-
b) Guarantees		
Bank Guarantee	-	-
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

30.11 Ratio Analysis

Ratio	Numerator	Denominator	FY 22	2021-21	FY 21	2020-20	Variance (%)
Current ratio	Current Assets	Current Liabilities		0.12		0.07	63.96% ¹
Debt-Equity Ratio	Total Debt	Shareholder's Equity		(1.22)		(1.11)	10.24%
Debt Service Coverage ratio	Earnings for debt service	Debt service		0.00		0.00	0.00%
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity		(0.99)		0.06	(17.50)%
Inventory Turnover ratio	Cost of goods sold	Average Inventory		0.00		0.00	0.00%
Trade Receivable Turnover Ratio	Revenue	Average Trade Receivable		0.00		4.53	(100.00)% ²
Trade Payable Turnover Ratio	Net credit purchases	Average Trade Payables		0.00		0.18	(100.00)% ³
Net Capital Turnover Ratio	Revenue	Working capital		(1.95)		(0.12)	(15.03)%
Net Profit ratio	Net Profit	Revenue		0.93		(0.47)	300.18% ⁴
Return on Capital Employed	Earnings before interest and taxes	Average Capital Employed		(1.97)		0.06	(15.92)%
Return on Investment	Income generated from investments	Time weighted average investments		0.00		0.00	0.00%

1. Reduction of Current Liabilities
2. No revenue from operations during the year
3. No purchases during the year
4. Write off of unsecured loans.

30.12 Other statutory information:

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

- a. The Company does not have any transactions with struck off companies.
- b. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- c. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- d. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- e. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- f. The Company has not entered in to any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- g. The Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- h. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
 - i. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the year.

As per our report of even date	For and on behalf of the Board of Directors of	
For NSVR & ASSOCIATES LLP	Venmax Drugs and Pharmaceuticals Limited	
Chartered Accountants		
FRN: 008801S/S200060		
Sd/-	Sd/-	
Suresh Gannamani	Raj Kumar Rai	
Partner	Managing Director	
Membership No: 226870	DIN: 00009207	
UDIN: 22226870AMSCQU8173	Sd/-	Sd/-
	N Krishnaiah	G Pradeep Kumar
Place: Hyderabad	Director	CFO
Date: 28/05/2022	DIN: 07279009	

Form No. MGT -11

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name : VENMAX DRUGS AND PHARMACEUTICALS LIMITED
 CIN : L24230TG1988PLC009102
 Regd. Off. : Shed No.22, Plot No.84, Phase – 1, IDA Cherlapally,
 Hyderabad, Rangareddi TG 500051.

Name of the member(s):	
Registered address:	
E- mail Id:	
Folio No.	
DP ID:	

I/We being a member(s) of _____ shares of the above-named company, hereby appoint

1. Name : _____
 Address: _____
 E-mail Id: _____
 Signature: _____ or failing him

2. Name : _____
 Address: _____
 E-mail Id: _____
 Signature: _____ or failing him

3. Name : _____
 Address: _____
 E-mail Id: _____
 Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company, to be held on Friday, 30th day of September, 2022 at 4.30 P.M. at J.S. Krishnamurthy Hall, FATPCCI Building, Red Hills, Hyderabad – 500004 at and at any adjournment thereof in respect of such resolutions as are indicated below:

*I wish my above proxy to vote in the manner as indicated below:

solutions	For	Against
1. To consider and adopt the Audited Balance Sheet as at 31st March, 2022, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto along with the Reports of Auditors and Directors thereon		
2. To appoint a director in place of Mr.N.Krishnaiah (DIN: 07279009), who retires by rotation and being eligible, offers himself for re-appointment.		

Signed this ____ day of _____ 2022.

Signature of shareholder

Signatures of proxy holders

1. _____

2. _____

3. _____

Affix Rupee 1/- Revenue Stamp
--

Notes:

1. The proxy form duly signed across the Revenue Stamp must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.
2. A proxy need not be a member of the Company.
3. * This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

VENMAX DRUGS AND PHARMACEUTICALS LIMITED

CIN: L24230TG1988PLC009102

Regd. Off.: Shed No.22, Plot No.84, Phase – 1, IDA Cherlapally, Hyderabad Rangareddi TG 500051.

ATTENDANCE SLIP

I hereby record my presence at 33rd Annual General Meeting of the Company, to be held on Friday, 30th day of September, 2022 at 4.30 P.M. at J.S. Krishnamurthy Hall, FATPCCI Building, Red Hills, Hyderabad – 500004.

Full name of the shareholder _____

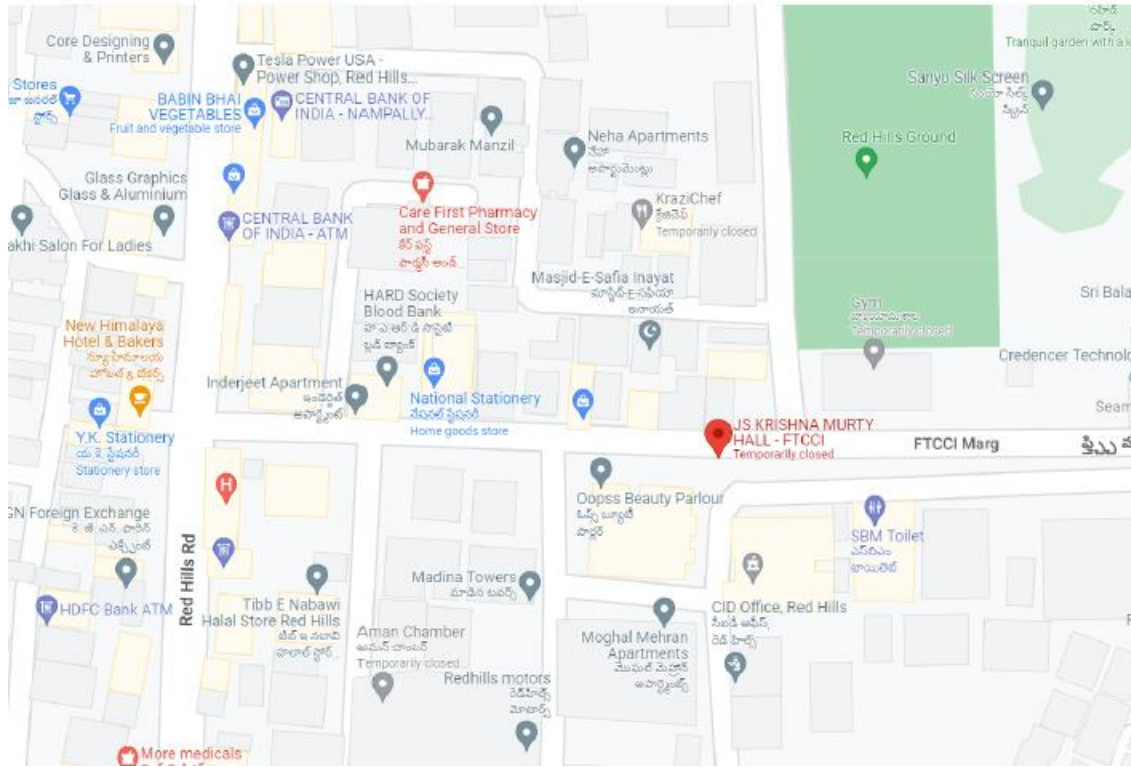
Signature _____

Folio No. _____

Full name of the Proxy _____

Signature _____

ROUTE MAP FOR AGM VENUE



If undelivered please return to:
VENMAX DRUGS AND PHARMACEUTICALS LIMITED
Shed No.22, Plot No.84, Phase – 1, IDA Cherlapally,
Hyderabad Rangareddi TG 500051 IN