SUVEN PHARMA

CSD/NSE&BSE/AR2022/2022-23
July 26, 2022

To
The Manager
Department of Corporate Services
BSE Limited
25th Floor, P. J. Towers,
Dalal Street, Mumbai - 400 001

Scrip Code: 543064

To
The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai – 400 051

Scrip Symbol: SUVENPHAR

Dear Sir/Madam,

Sub: Notice of the Fourth Annual General Meeting (AGM) and Annual Report 2021-22

With reference to the above subject, pursuant to Regulation 34 of the SEBI ((Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Notice convening the 4th AGM of the Members of the Company and the Annual Report for the fiscal 2022 which is simultaneously circulated to the shareholders through electronic mode.

The 4th AGM will be held on Thursday, August 18, 2022 at 11:30 a.m. IST through Video Conference (VC) / Other Audio Visual Means (OAVM). The Notice and Annual Report will also be hosted on the Company's website at: https://www.suvenpharm.com/index.php/investors/financial-info/annual-reports.

The schedule of the AGM is set out below:

Event	**Event details**
Date and time of AGM	Thursday, August 18, 2022 at 11:30 a.m. IST
Mode	Video Conference (VC)/Other Audio Visual Means (OAVM)
Cut-off date for e-voting	Thursday, August 11, 2022
E-voting start date and time	Sunday, August 14, 2022 at 9:00 a.m. IST
E-voting end date and time	Wednesday, August 17, 2022 at 5:00 p.m. IST
E-voting website of KFinTech	https://evoting.kfintech.com/

This is for your information and record.

Thanking you,
Yours faithfully,
For **Suven Pharmaceuticals Limited**

K Hanumantha Rao
Company Secretary

Encl: as above

SUVEN PHARMA

SUVEN PHARMACEUTICALS LIMITED
4TH ANNUAL REPORT 2021-22

EMBRACING
OPPORTUNITIES
EXPLORING
POSSIBILITIES

OPPORTUNITIES
NEVER GO
ABEGGING...

EITHER YOU TAKE IT, OR...

SOMEBODY ELSE WILL...

IN today's fast-changing world, everything is and will change at an unprecedented pace.
Business relations. Business models. Business strategies.

Enterprises will need to mix things up to sustain business growth in the face of change.

Opportunities and possibilities will appear on the horizon.
Either with a bang or with a whisper...

Entrepreneurs need to be alive and agile to envision and enact them.

At Suven Pharma, while we continue to embrace opportunities that strengthen our existing edifice, we remain agile in exploring new possibilities that fortify our relevance in our enduring relationships.

These challenging moves, we are confident, will take us to

greater heights...


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EMBRACING OPPORTUNITIES

DEEP AND WIDE CHEMISTRY SKILLS AND THEIR APPLICATION TO THE CUSTOMERS' REQUIREMENT IS OUR COMPETITIVE EDGE.

Armed with intellectual capital and capability matrix, we realise that we can partner with any global player anywhere across the pharma value chain. Hence, we moved from working on intermediates to developing formulation.

Our initial success with Mailthaion, which we developed and **partnered with Taro** spurred us on to establish a more meaningful presence in this space.

We took up the opportunity...

We have filed 17 ANDAs (up to March 31, 2022) of which we have got approval for 9 products and launched 8 products. In the last 3 years, our revenue has moved up steadily from ₹6.50 crores to ₹45.69 crores.

Along the way, interesting opportunities came up in the formulation ecosystem...

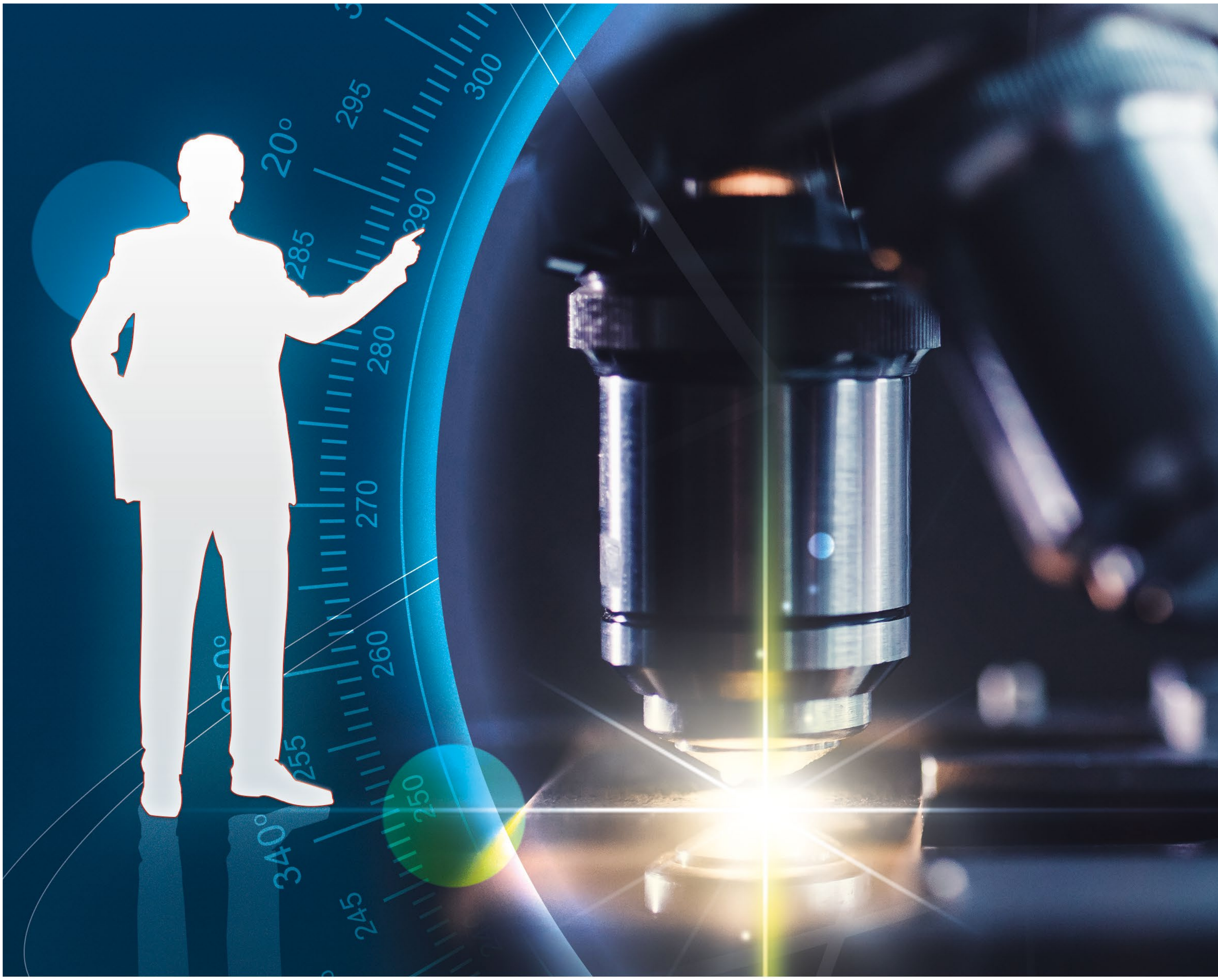
We clasped onto one of them, namely Rising Pharma which opened the doors to the US formulation distribution space. The value-accretion from this investment led to another exciting prospect in the form of Casper Pharma.

We took the plunge...

Casper Pharma came with a new manufacturing facility. Casper has agreement with Rising Pharma for next 7 years with 2 ANDAs filed and ready for US-FDA inspection anytime soon. With the addition of Casper Pharma, our portfolio of offering under formulations segment will improve in the next 3 to 5 years.

There is more on the anvil!

At Suven Pharma, we are embracing new opportunities that fit into our capability matrix and add wings to our growth aspirations.



EXPLORING POSSIBILITIES

IN OUR KIND OF BUSINESS RELATIONS ARE EVERYTHING. UNDERSTANDING THIS REALITY, WE HAVE WORKED PATIENTLY, DAY AFTER DAY, PROJECT AFTER PROJECT TO BUILD BONDS WITH GLOBAL INNOVATORS.

Demonstrating our service capability. Living up to our commitments. Going beyond commitment.

We deliver for more than 25 years...

We have worked with large innovators, we have partnered with start-up innovators in their journey. And in doing so, we have transformed our position with leading innovators of today from being outside vendors to inside business partners.

This is our most prized intangible asset which has been appreciated in every single year of our business journey...

With this, we became preferred vendor to four global players which will enhance the new business opportunities and expansion of our offerings into forward integration of the product development.

At Suven Pharma, we are exploring new possibilities that will continue to enrich our business relations with global innovators.

THIS IS SUVEN PHARMA

OUR BUSINESS
Suven Pharma is an integrated CDMO company with strong capabilities from process research & development to late-stage clinical and commercial manufacturing.

OUR CUSTOMERS
Suven Pharma partners leading Global Life Science and Fine Chemical majors in their innovation journey.

OUR SERVICES
Suven Pharma's services include Custom Synthesis, Process R&D, Scale Up and Contract Manufacturing of intermediates, APIs and formulations.

OUR NICHE
Suven has established its core competency in cyanation and heterocyclic chemistry, including pyrimidines, quinolones, thiazoles, and imidazoles, in addition to demonstrating our proficiency in Carbohydrate and Chiral chemistry including tetrahydrofurans, amino acids and sulfoxides and dabbled into each and every chemistry except fluorination and phosgenation from gram to multi-ton scale.

OUR PRESENCE

Headquartered in Hyderabad, India, Suven Pharma has its R&D and manufacturing facilities proximate to Hyderabad. It also has a business development office in New Jersey, USA.

OUR FOCUS

A full-fledged biopharmaceutical solutions provider for global pharmaceutical companies.

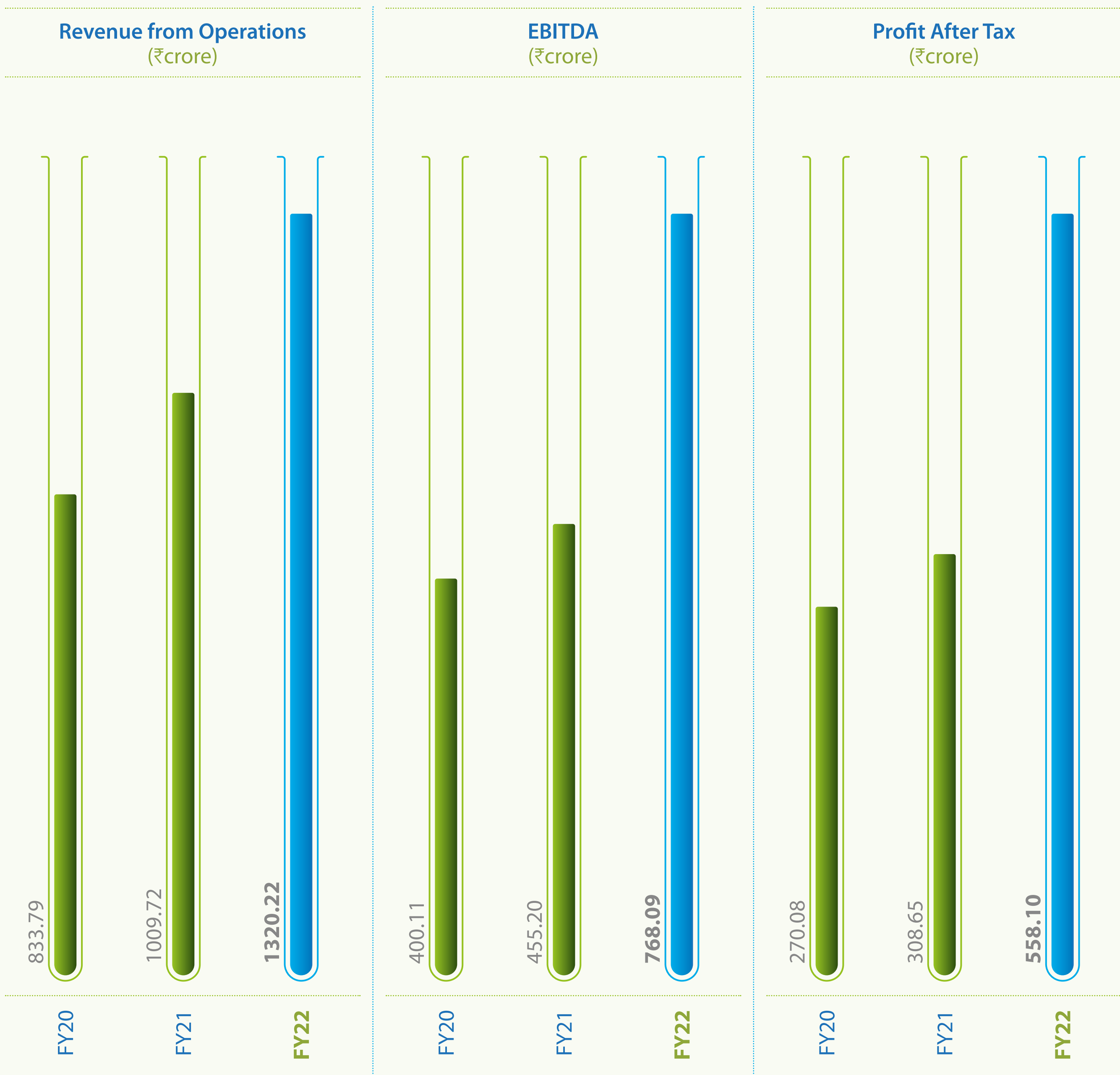
OUR EDGE

- Present across the entire CDMO value chain - intermediates & APIs
- Working with innovator companies in developed markets having stringent regulations
- Long-term commercial supply with the launch of the product by global innovators
- Repeat business owing to long-standing preferred relationships with MNC companies

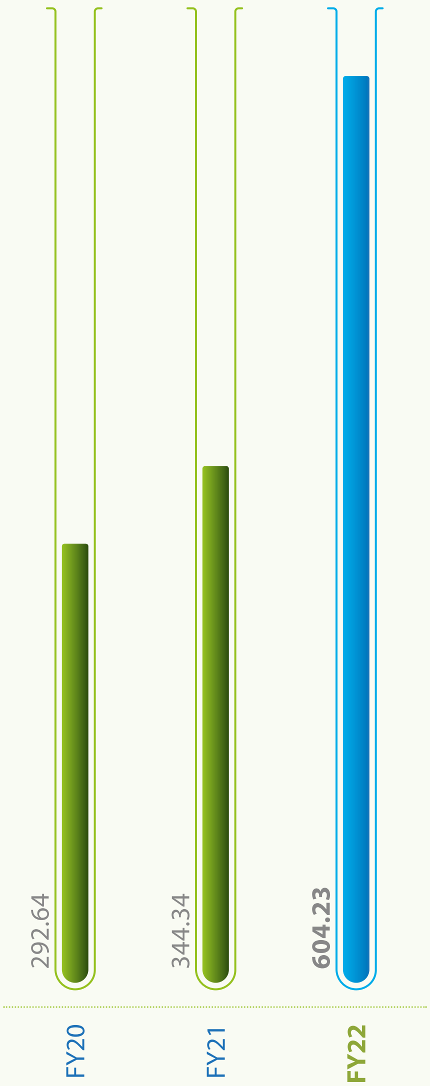
90%plus

Revenue from regulated markets

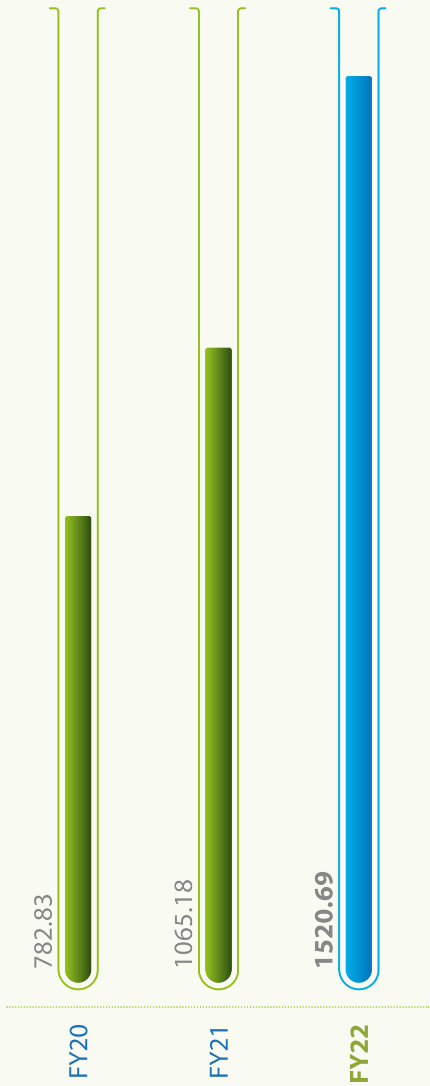
KEY PERFORMANCE INDICATORS



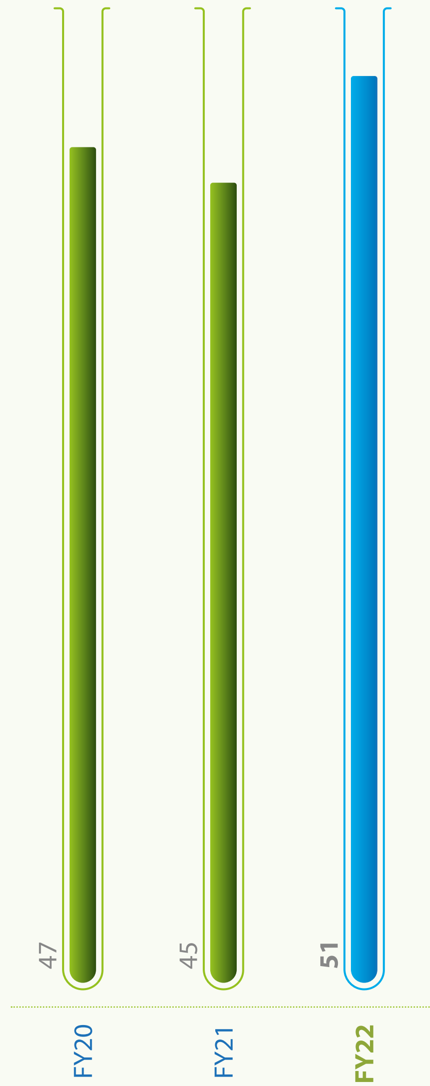
Net Cash from Operations
(₹crore)



Networth
(₹crore)



EBITDA margin
(%)



WE ARE EXPANDING OUR SERVICES MODEL, WHICH SHOULD CREATE IMMENSE VALUE FOR OUR CUSTOMERS AND THE COMPANY

DEAR **SHAREHOLDERS,**

FY22 was an outstanding year for the Company, our clients, our customers and our shareholders. Once again, we outpaced our performance estimates on all parameters.

We did more work, we did better work and we bettered our customer relations. That for me is critical for sustaining our business growth over the foreseeable future. Our top-line grew by 47% on a higher base. Our EBITDA margin scaled the 50% mark despite the inflationary pressure that prevailed during the year. Our Net Profit increased by 80%.

I am immensely proud of the Suven Pharma team, who have made it a habit to outdo their previous performance, each year.

THE PROMISING DEAL

FY22 was an important milestone from our strategic investment perspective. We liquidated one investment and got into another, both of which have been very promising for Suven Pharma.

We had invested US$35 million in Rising Pharma in 2019. In FY22, Rising Pharma was acquired by HIG, we sold our entire stake to the acquirer for which we received US$41.55 million in cash and a 7% stake in Rising Aggregator (a holding Company created by HIG to manage Rising Pharma and other acquisitions that would happen in future).

We used US$ 20.50 million to acquire Casper Pharma, which has a large manufacturing unit in Hyderabad dedicated to the manufacture of solid and liquid oral pharmaceuticals for USA and regulated markets and ready for USFDA inspection. They have filed 2 ANDA's, which should see the light of day in the medium term. Moreover, Casper has a seven-year contract with Rising Pharma to manufacture and supply formulations for all products developed by Rising Pharma.

In a nutshell, an investment of US$35 million has given the Company US$41.55million in cash, a 7% stake in Rising Aggregators and 100% stake in Casper Pharma, which promises to bolster our formulation vertical significantly.

To put things in perspective, today as I pen this statement, we have put in place three out of the four wheels in our formulation vehicle.

Wheel 1: Our existing formulation's piece under Suven Pharma.

Wheel 2: Our stake in Rising Aggregator. The value of our stake in Rising is expected to rise over the coming years as HIG is focused on new acquisitions to more than double the enterprise value of Rising Aggregators in future.

Wheel 3: Our acquisition of Casper Pharma and their contract with Rising Pharma should generate interesting returns.

Wheel 4: We plan to manufacture KSM and API for formulation for some of our clients. This will take some time to materialise.

When all the four wheels fit it, we expect our formulations vertical to transform into an important growth and profitability driver.

THE NEW SERVICE OFFERING

In addition to this, we are expanding our services model, which should create immense value for our customers and the Company.

This strategic direction is an outcome of our multiple and intense interactions with the global innovator community, most of whom are also our clients. They want us to extend the runway of our services. They wish that we walk the extra mile. For this, we have contoured two prospective service options.

One, forward integration service,where we extend our services to develop and manufacture products further ahead in the value chain - from say, one intermediate (currently) to more intermediates and KSM (Key Starting Material) and APIs and Formulations.

Two, life cycle management service, where we contour the prospects of working with the innovator on a product that will genericise in future. We will develop and manufacture everything (intermediate to formulation) for the innovator.

We had been in conversation with a couple of clients about engaging with us for these services. The prospect of moving ahead on the discussion was thwarted by the pandemic and travel restrictions. We will resume the dialogue once again in the current year. I remain hopeful of some positive response in this direction in the medium term.

To support this aspiration, we are working on our capital investment of upgrading our R&D and manufacturing infrastructure, which should be complete in the next 18-24 months.

In closing, I on behalf of the Board, take the opportunity to acknowledge all our employees, customers, supplier partners and shareholders for their support and faith in Suven Pharma.

Thank you for being a part of our exciting journey.

Going forward, we will bring in the power of disciplined creativity to find newer and newer ways to grow.

And then seize these opportunities with determination, one day at a time, one relationship at a time.

WARM REGARDS,

VENKATESWARLU JASTI
MANAGING DIRECTOR

HAVING ACHIEVED HEALTHY GROWTH IN FY22, WE ARE WORKING TO **SUSTAIN THE MOMENTUM IN THE CURRENT YEAR**

Q Suven keeps outperforming itself every year. How do you manage that?

A: All I can say is that the global innovation space has been good to us. Success of the molecules in the clinical trials and in the market after launch allows us to garner larger opportunities. We had committed a growth of about 10-15% on the topline in FY22, we finished the fiscal with a topline growth of about 47%. This is a satisfying performance.

Q The other income component has increased substantially. Could you please explain this?

A: The other income increased substantially owing to dividend received from Suven Pharma, Inc., USA amounting to ₹150.80 crore and income on investments and deposits.

Q The CDMO business witnessed a healthy uptick. Could you throw some light on the same?

A: The CDMO business registered a healthy double-digit growth in FY22 driven by the success of molecules in clinical trials with conversion to next stage and good volumes for some commercial CDMO projects. We had a good number of projects in the Phase 2 and 3 categories which resulted in higher volumes and hence better billing. In the Commercial CDMO piece, supplies were robust, and the combination of these factors helped in elevating the performance of the CDMO vertical.

Q What reasons would you ascribe for the stellar performance of the specialty chemical vertical?

A: The speciality chemical vertical reported the highest growth among all business verticals. This growth was primarily driven by respectable demand of the intermediate for the first commercial molecule. The volume picked up because this molecule came out of patents in some countries during the year under review. But our partner developed a robust life cycle management which generated good volumes. Also, there was a commercialization of 3rd molecule during the year which also helped the growth.

Q In the speciality chemical space, one more molecule was commercially launched by the customer. How does that augur for the business going forward?

A: One molecule for which developed the intermediate made it through to the commercial launch stage. While this is something to cheer about, it does not immediately translate into business volumes for us. Repeat volumes for the intermediate supplied by us could accrue in the next 12-18 months after successful launch of the product.

Q How did the formulation piece pan out during FY22?

A: The formulation piece generated decent revenue in FY22 as it cushioned the drop in revenue from other services. We filed17 ANDAs of which 9 have received approvals and 8 were launched. In FY22, we witnessed healthy traction for four of the launched products which boosted revenue from the formulations vertical.

Q How do you plan to grow revenue from the formulation vertical?

A: Suven Pharma is a unique organisation. We prefer to undertake complex products. We thrive in challenges. These factors apply to our formulations vertical too. We have chosen to develop small and niche products which are generally out of the radar of most large pharmaceutical players owing to their small opportunity size and complex development effort. Hence, growth of this vertical will take some time.

For facilitating growth, we are planning to maintain a steady pace of ANDA filings over the next 3-4 years. We plan to file about 6-8 ANDA's in FY23 which should hopefully start generating returns 18-24 months thereafter.

Q You bought the Casper unit. How does that help you in growing your formulation piece?

A: We took 100% stake in Casper Pharma for ₹156 crore. Casper Pharma is into manufacturing solid and liquid oral pharmaceuticals for USA and regulated market. They have a new manufacturing facility (approximate capacity of 1.20 billion doses) located in GMR SEZ (outside Hyderabad airport). They have filed 2 ANDAs which have triggered a US FDA audit which is likely to happen anytime soon. Besides, they have 15 ANDAs which they plan to file in FY23. When these get approved by the regulated authority, it will strengthen our position in the formulation space.

Q The Company is undertaking a large capex to the tune of ₹600 crore. By when will the project be completed and how will it benefit the Company?

A: The capex is mainly a replacement capex. We will invest ₹200 crores for the replacement of a block at Suryapet which is more than 35 years old. This plan should be completed by March 2023.

We have allocated another ₹200 crore for relocating our R&D centre at Jeedimetla since we need to move out of the Inner Ring Road to outside of the Outer Ring Road in the next 2to 3 years in keeping with the State Government amendment. The last piece in our capex plan is the additional block at Pashamylaram for which we will invest ₹200 crore. We plan to undertake this project in 2023-24.

Q What is your estimate for FY23?

A: With the slowdown in pharma business globally we hope to sustain business growth in the current year. While the speciality chemicals and formulations verticals would remain stable at best, we expect the CDMO piece to drive moderate business growth.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20

MANAGEMENT DISCUSSION & ANALYSIS

1) THE ECONOMIC OVERVIEW

Global economy: In 2021, the global economy made a strong comeback as it grew by 6.1%, the highest growth rate recorded in more than four decades. The major drivers of this growth were an increase in output, improved consumer spending, higher investments, and an unprecedented increase in trade of goods, exceeding pre-pandemic trade levels.

The early recovery in 2021 was marred by the new Omicron variant of Covid-19 which led to the re-imposition of restrictions, disrupting supply chains, causing bottlenecks and higher than expected inflation. The Omicron variant had a short-lived impact on the economy, and the projected global economic recovery is majorly affected by the Russia-Ukraine crisis.

Due to the heightened geopolitical tensions, there has been a sharp increase in fuel and food prices across the globe.

As per the latest IMF estimates, the global economy is expected to grow by 3.6% in 2022 and 2023. The deceleration in 2022 is primarily due to the elevated inflation levels on account of supply chain disruptions and high energy prices.

Growth Projections - Region-wise

	2021	2022	2023
Global	6.1	**3.6**	3.6
United States	5.7	**3.7**	2.3
Latin America & Caribbean	6.8	**2.5**	2.5
Euro Area	5.3	**2.8**	2.3
Sub Saharan Africa	4.5	**3.8**	4.0
The Middle East & Central Asia	5.7	**4.6**	3.7
Emerging & Developing Asia	7.3	**5.4**	5.6

Indian economy: After contracting in FY21 (ending March 31, 2021), the Indian economy grew by 8.7% in FY22, according to revised estimates, as compared to the contraction of 6.6% in FY21 suggesting that economic activity in India has surpassed pre-pandemic levels. Early in FY22, India was impacted by the "second wave" of the Covid-19 pandemic; however, its economic impact was modest vis-a-vis FY21.

This was partly supported by timely interventions and relief measures announced by the government and regulators like an extension of the Emergency Credit Line Guarantee Scheme in May 2021 to certain impacted industries, creation of employment and building of healthcare infrastructure.

The three key sectors that support the Indian economy; agriculture and allied industries, industry and services are estimated to grow by 3.9%, 11.8% and 8.2% respectively in FY22. Additional factors contributing to the high growth rate in FY22 include an increase in demand for consumption by 7.0%, an increase in exports by 16.5% and imports by 29.4%. This was even witnessed in total GST collections which increased by 30% to ₹14.8 lakh crore in FY22 from ₹11.4 lakh crore in FY21.

As recovery efforts continue, supply-side reforms take effect and the economy stabilises from the post-pandemic boom, early estimates imply India is expected to be one of the fastest-growing major economies in the world in FY23 with a real-GDP growth above 7%.

As per CRISIL, this would be led by sustained demand amid increased vaccinations, gains from supply-side reforms, robust export growth and fiscal space to ramp up deferred capex. Nevertheless, downside risks like the current inflationary environment, and elevated commodity.

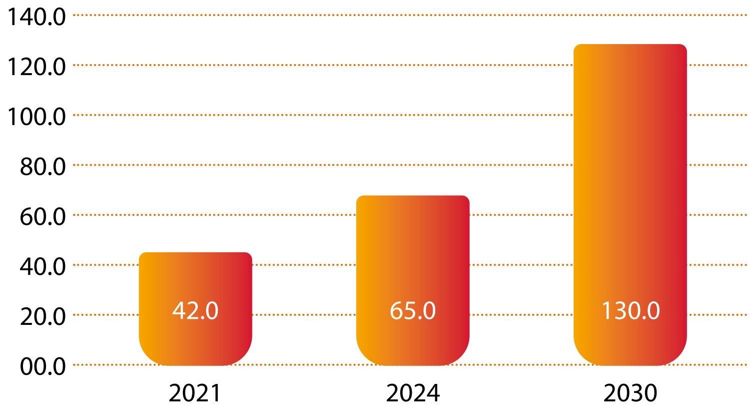
2) THE PHARMACEUTICAL SECTOR

Global pharma sector: The global pharmaceutical industry has seen substantial growth over the last two years owing to the Covid-19 pandemic due to an increase in spending on vaccines and therapeutics. The global pharmaceutical industry is currently valued at US$1.4 trillion and is further expected to grow at a CAGR of 3-6% and expand to $1.8 trillion through 2026. The key driver for this growth will be technological advances. As artificial intelligence and R&D evolve; it will propel the pharmaceutical industry to innovate and explore new revenue streams. With an aging global population, the demand for pharmaceutical products is on the rise which will contribute healthily to the growth of the industry.

Indian pharma sector: Labeled as the **Medicine Box of the World**, and rightly so, India's pharmaceutical industry is witnessing remarkable growth. It is valued at US$42 Billion (2020-21), with a growth rate of 10-12%against a mere 3% growth last year - a large part of this growth can be attributed to the medication to combat the pandemic.

According to the Indian Economic Survey 2021, the Indian pharmaceutical market is expected to grow three times in the next 10 years. The sector is expected to touch US$65 billion by 2024 and further expand to reach US$120-130 billion by 2030.

Indian Pharmaceutical Market (US$ billion)



3) THE CDMO SPACE

The global contract development and manufacturing organisation (CDMO) market attained a value of US$ 177.1 billion in 2020. Aided by the rising demand for pharmaceutical products, the market is projected to further grow at a CAGR of 8.4% between 2021 and 2026 to reach a value of US$ 302 billion by 2026[1].

What will drive this growth? The expanding pharmaceutical sector will augment the demand for the CDMO outsourcing market. To meet the high-volume demand for medications, pharma and biotech companies must have the manufacturing capacity to deliver the projected quantity while maintaining quality levels at a low cost.

Through the optimisation of the supply chain and the enhancement of pharmaceutical companies' marketing capacities, the CDMO industry has been able to offer novel and effective pharmaceuticals to the market. This is increasing demand for the CDMO market.

The growing global population is accompanied by an increase in acute and chronic diseases. People's disposable income has increased as their understanding of healthcare has grown. This is fueling the market need for pharmaceutical items, resulting in the rapid rise of the CDMO industry. The increased investment of the industry in drug research and development and production is propelling the industry demand.

[1]https://www.globenewswire.com/en/news-release/2021/09/21/2300316/28124/en/Global-CDMO-Market-to-Witness-a-CAGR-of-8-4-Between-2021-2026-Key-Insights-by-Service-Region-and-Competitive-Landscape.html

The North American market is one of the leading industries for contract development and manufacturing organisations (CDMO). This is due to the region's active CDMO key players, who are expanding partnerships and offering different service features.

Because of the large workforce with high capabilities and the reduced cost advantage in R&D and production, Asia-Pacific is projected to see substantial growth in CDMO. The CDMO industry in this region has also benefited from government regulations and an increased emphasis on off-patent medications.

CDMO & India: The Indian CRO/CDMO industry has come a long way from its early days. It is no longer the low-cost chemistry-focused service provider; rather the sector has evolved to offer a wide range of integrated services that cater to the entire value chain of drug discovery, development and manufacturing for both, small molecules and biologics. Indian CRO/CDMOs offer not just cost arbitrage but also operate at global standards in terms of science, quality, safety, business processes, technology, and operating models and are making strategic investments in these areas. However, given the challenge that there's not enough capacity to bring all the products back to the US, CDMO marketing is witnessing a mixed approach with US-based CDMOs doing the final steps in-house and sourcing earlier steps in Asia.

Asia-Pacific's pharmaceutical CDMO market will grow by 8.3% annually with a total addressable market cap of US$725.2 billion over 2020-2030 owing to the rising demand for biological therapies and specialty medicines, rising demand for cost control in drug development, and rising healthcare expenditures.

(Source: https://www.researchandmarkets.com/reports/5232505/asia-pacific-pharmaceutical-contract-development)

4) SWOT ANALYSIS

Strength

- Globally-approved infrastructure
- Deep skills in a wide array of capabilities
- A large pool of research scientists
- Cost-effective and reliable services
- Sustained business relations with respected global innovators

Weakness

- The paucity of adequate world-class capacity to attract large business
- Dependence on import for KSM and APIs

Opportunity

- A significant surge in innovation owing to the need for new ailments, in the aftermath of the pandemic
- The Western world is looking up to Asia, more particularly India, for partnering their innovation ambition

Threat

CDMO has become a generic term; a majority of the pharma companies use it loosely - tarnishing India's respect globally.

5) THE COMPANY & ITS PERFORMANCE

About the Company: Suven Pharma, a Hyderabad-based pure-play CDMO player offers its niche expertise to global pharmaceutical and agrochemical majors in their innovation endeavours. It partners with them at various stages of their molecule development and even undertakes the manufacturing of intermediates for approved molecules. Its services include custom synthesis, process R&D, scale-up and contract manufacturing of intermediates, APIs and formulations.

Operational performance: The Company is a research-based company that leverages its research capabilities to partner with global majors in their search for novel molecules.

For a more focused approach, the Company has segmented its business into three SBUs-Core CDMO (development projects and commercial supplies), Specialty Chemicals and Contract Technical Services.

CDMO: The Company has been undertaking CDMO projects for global innovators in the pharmaceutical and fine chemicals space for more than two decades. The expertise and experience in this space position Suven as the partner of choice for leading global innovators, and the business vertical as the flagship revenue earner and profitability driver for the Company. The business comprises clinical and commercial CDMO projects.

In base CDMO projects, the Company partners with large global innovators by developing and supplying intermediates. In this space, the success of the innovator is the Company's success. As the molecule progresses across the development journey, it generates superior returns for the Company.

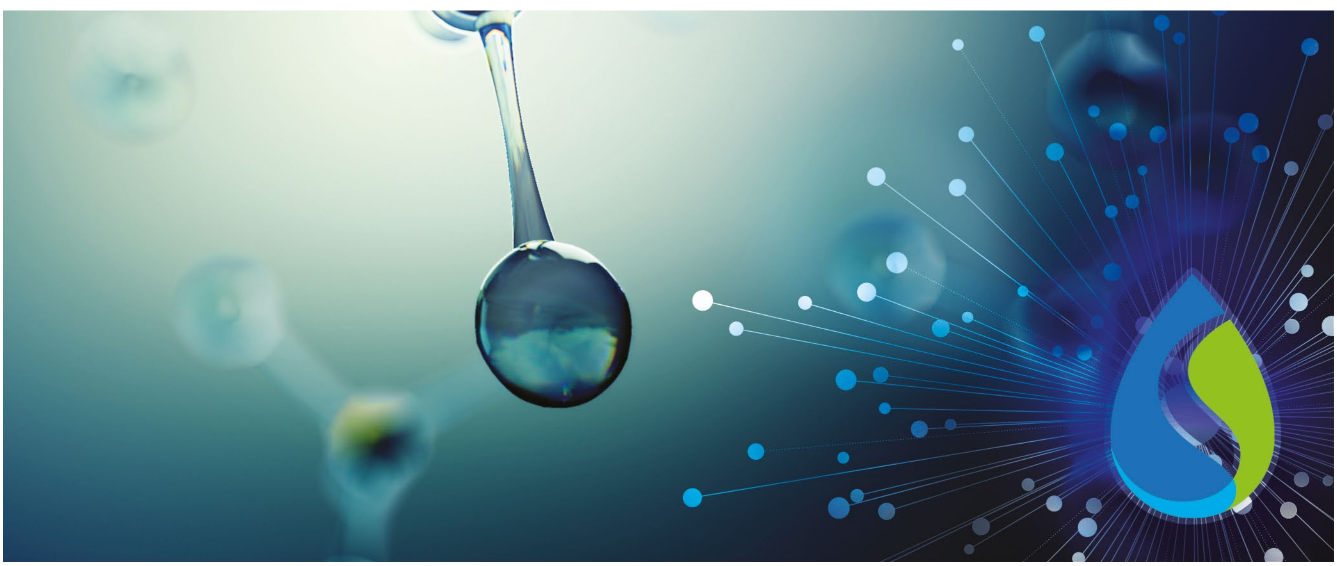
This commercial supply pieces a high-value, high-margin business, involving the supply of intermediates for NCEs that are launched by its innovators'. The Company supplies intermediates on a commercial scale for five molecules to clients based in the US and EU.

Phase 1
R&D expenses are large as the development takes place at this stage. These expenses are charged to the financial statements. Volumes are very less at this stage

Phase 2
The volume of intermediates despatched to the client is higher compared to Phase 1 supplies. Optimisation of the process occurs here with better margins

Phase 3
The volumes are even higher. And the scale of operations allows us with better margins

Phase 4
This provides long-term visibility as the innovator needs to buy the intermediate through the life of the product patent. The margins are also good



During FY22, the vertical reported a stellar performance as existing research projects advanced up the innovation journey and the Company added new projects to its existing portfolio. Revenue from the business grew from ₹624 crore in FY21 to ₹773 crore in FY22 - a jump of 24%.

Specialty Chemicals: Leveraging its chemistry skills, development capabilities and relations with global innovators, Suven Pharma developed intermediates for three global agrochemical majors. Revenue from this vertical grew by 51% over the previous year owing to a healthy volume offtake for the three intermediates. The Company is also working on the development of a fourth intermediate which holds the possibility of seeing the light of day in the next 18-24 months. This should help in sustaining the growth momentum.

Formulation & other services: This piece combines three subsegments - revenue from technical and analytical services, the royalty fee for a commercial formulation and formulation development as sales. The overall revenue from this segment increased by 5% over the previous year.

Financial performance: Suven Pharma continued to scale new heights despite the headwinds that prevailed during the period under review, in India and across the globe.

Standalone Revenue from operations stood at ₹1,320.22 crore in FY22 against ₹1,009.71 crore in FY21 - a growth of 30.75%. This growth was primarily owing to the growth in CDMO and specialty chemicals divisions which reported a better than budgeted performance.

The Consolidated EBITDA grew from ₹508.89 crore in FY21 to ₹713.23 crore in FY22 - a jump of 40.15% over the previous year. This was primarily owing to the growing value-addition in the business which more than covered the inflationary pressures that prevailed during the year. Alongside the growth in EBITDA, the operating margin improved from 47.22% in FY21 to 51.04% in FY22.

Profit After Tax increased from ₹362.34 crore in FY21 to ₹453.80 crore in FY22, which Net Operating Cash Flow from operations grew by 40.48% (FY 21 ₹504.15 crore , FY 22 ₹708.22 crore) over the previous year.

The net surplus of consolidated was ploughed into the business which resulted in an increase in the Net worth from ₹1,180.79 crore as on March 31, 2021, to ₹1,527.18 crore as on March 31, 2022. The Company prudently deployed operating liquidity to reduce debt and invest in strategic growth initiatives.

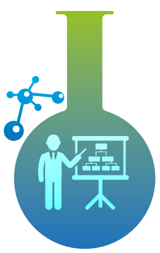
The overall debt burden dropped from ₹141.23 crore as on March 31, 2021, to ₹95.57 crore as on March 31, 2022; the debt-equity ratio improved from 11.4% to 3.3% over the same period. The Company invested ₹65.42 crore in the business as part of its ongoing planned capital expenditure.

The Company parked a large part of its business liquidity in secure mutual fund investment to generate safe and secure returns. As a result, the investments (under the Current Assets) increased from ₹180.59 crore as on March 31, 2021, to ₹481.22 crore as on March 31, 2022.

The Company's strong financial position and bright prospects hold promise for even better performance in the current year.

Significant changes (i.e. change of 25% or more as compared to the immediately previous financial years) in Key Financial Ratios, along with explanation are as under:

	2022	2021	% change	Reason for change
Stability Ratios				
Debt Equity Ratio	**6.28**	13.26	52.60	Change is due to repayment of loans
Debt Service Coverage Ratio	**7.54**	3.03	149%	Change is due to decrease in debt and increase in EBIDTA
Interest Coverage Ratio	**123.27**	49.78	148%	Profitability improved along with reduction in debt
Liquidity Ratios				
Current Ratio	**5.31**	2.57	107%	With the improved profitability, the company's liquidity also improved
Debtor Turnover Ratio (days)	**66**	38	75%	Change is due to increase in sales and credit period
Inventory Turnover Ratio (days)	**79**	73	8%	Negligible change
Profitability Ratios				
Operating Profit Margin (%)	**56%**	44%	27%	Due to increase in turnover as well as product mix
Net Profit Margin (%)	**43%**	30%	43%	Due to increase in turnover as well as product mix

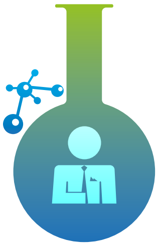


Internal control & its adequacy: The Company is committed to ensuring an effective Internal Control System and Internal Control Environment that will help in preventing and detecting errors, irregularities and frauds, thus ensuring the security of the Company's assets and efficiency of operations.

The Company has an internal control system and mechanism which is commensurate with the size and complexity of the business and aligned with evolving business needs.

The Company has laid down Internal Financial Controls as detailed in the Companies Act, 2013 and has covered major processes commensurate with the size of the business operations.

Internal Controls have been established at the entity level and process levels and are designed to ensure compliance with internal control requirements, regulatory compliance and appropriate recording and reporting of financial and operational information.



Human resources: At Suven Pharma, its intellectual capital plays a fundamental role in sustaining profitable business growth. In keeping with this conviction, the Company continues to invest in dedicated programs for its people to nurture skills and build capabilities that will help them in addressing current and future business needs.

With an average age of 41 years, the 1,193 strong team (March 31, 2022) represents an invigorating combination of energy and experience.

The Management continues to deploy engagement initiatives to enable the team to make a more meaningful contribution to operational improvement. In addition, the management team members periodically interact with the team to update them on the Company's performance and prospects going forward.

Managing business risks: In a rapidly changing business environment with dynamic customer requirements, business risks are constantly evolving. As a result, there is significant variation in the emerging risks landscape across businesses. We, at Suven Pharma, continuously monitor the internal and external environment to identify potential, emerging risks and their impact on our business. The risk mitigation measures of the Company are placed before the Board periodically for review and their alignment with sectoral dynamics and evolving trends.

1) The need for new drugs may drop

Mitigation measure: New age ailments will continue to arise, the pandemic being the most recent and significant, which led to a surge in innovation in the pharmaceutical world. Moreover, even as drugs are increasing, there are huge areas where the need for medication continues to remain unmet. These spaces continue to grow. Also, as medical solutions evolve, so do viruses and bacteria, which makes it imperative to develop and deliver better solutions that can address new-age ailments.

2) The CDMO business space is getting increasingly competitive

Mitigation measure: Suven Pharma is in this space for close to two decades during which it has demonstrated its innovation capabilities to meet the expectations of global innovators. This has established its respect as a partner of choice among global players. As such, the Company continues to receive innovation projects - this is reflected in its ability to grow the CDMO business each year for the last five years.

3) Revenue stability cannot be predicted

Mitigation measure: Akin to any other manufacturing company, Suven Pharma through its dedication and unwavering passion has amply demonstrated that the CDMO space can emerge as a business space with stable revenue - by increasing the inflow of research projects and by increasing the number of molecules for which it partners with global innovators for commercial supplies of intermediates.

4) Inflationary headwinds could impact business margins

Mitigation measure: The Company operates in a knowledge-driven business space that demands extensive experience and expertise. In today's world, both of these are invaluable resources for which global innovators generally do not cut corners. Moreover, Suven, being based in India offers its clients the best of both worlds - expertise of the West at the cost of the East. Additionally, its proven skills in the business space allow it to command a premium over other in the business space. As such; the Company has consistently reported a 40% plus EBITDA margin for the last five years.

SUSTAINABILITY & SOCIAL RESPONSIBILITY

SUVEN PHARMA is a successful manufacturer of critical medicines that secure lives. But Suven Pharma doesn't stop at healing lives; it is also committed to give people a better life.

Over the years, Suven Pharma has earned the reputation of a socially responsible organisation with an uncompromising commitment towards upgrade of human lives and environment.

As a socially responsible organisation, the Company works for upgrading life in communities living around its facilities. The Company has a well laid-out Corporate Social Responsibility framework.

The framework is a mixture of charitable and educational programmes and a host of community services by supporting a wide range of socio-economic and demand-driven initiatives that run through the year.

It prioritises the promotion of education, healthcare, women empowerment, environmental sustainability, rural development, safe drinking water and protection of environment and mid-day meal Programs.

The Company also works to empower and integrate the underprivileged into the mainstream and enable them for a better living.

The Company spent ₹620.08lakhs on its social and environmental commitments in 2021-22 to make the business sustainably profitable.

Healthcare & Disaster Management

Suven Pharma has helped Covid-19 related activities and Disaster Management, to tide over the crisis to obviate unprecedented pain, uncertainty, and suffering that the pandemic is causing. And helped under privileged children with congenital heart diseases (CHD) to undergo heart surgeries with financial support thus saving their lives and putting a smile back on their faces through Hrudaya - Cure A Little Heart Foundation, Hyderabad.

Safe Drinking Water

Suven has set up purified drinking water RO plants and also supplies drinking water to neighbouring villages suffering from scarcity of water.

Education

Educational Scholarships, tuition assistance to underprivileged and science on wheel mobile lab.






In 2021-22, Suven continued its contribution towards 'Science on Wheel Mobile Lab' to promote science education among students. It also provided educational scholarships and tuition assistance, and funded mid-day meal programmes for the unprivileged students.

Science on Wheels Program: April 2021 to March 2022		
Quantitative Exposure Data 2021-22		
Program	**Activities**	**Deliverables Achieved**
Face to face sessions	No. of Sessions	859
	Total Student Exposures	31813
	Total Teacher Exposures	905
Science Fair	No. of Fairs conducted	1
	Total Student Exposures	3460
	No. of Young Instructors	135
	No. of Teachers	115
Community Visits	No. of Visits	2
	No. of Children	35580
	No. of Community members	39564

Environmental Sustainability

The sustainability ethos at Suven ensures the protection of the surrounding environment and natural resources. With a vision to safeguard the environment, the Company continues to contribute towards various sustainability goals.

Board's Report

To the Members of,

Suven Pharmaceuticals Limited

Your Company's Board of Directors has pleasure in presenting this 4th Annual Report together with Ind AS compliant Audited Financial Statements of the Company for the financial year ended 31st March, 2022.

Financial Performance

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	Financial Year 2021-22	Financial Year 2020-21	Financial Year 2021-22	Financial Year 2020-21
Revenue from operations	1,32,022	100,972	1,32,022	100,972
Other income	18,779	1,424	9,238	1,424
Total income	1,50,801	102,396	1,41,260	102,396
Operating expenditure	74,023	56,920	74,080	56,924
Depreciation and amortization	3,910	3,164	3,910	3,164
Operating profit	72,868	42,312	63,271	42,308
Finance cost	623	914	623	914
Share of Profit/(Loss) of Associates	-	-	4,111	5,374
Profit before Tax (PBT)	72,245	41,398	66,759	46,767
Tax expenses	16,435	10,533	21,378	10,533
Profit for the year	55,810	30,865	45,380	36,234
Other Comprehensive Income				
Items that will not be reclassified to profit or loss	(102)	(112)	(102)	(112)
Income tax relating to items that will not be reclassified to profit or loss	26	28	26	28
Total Other Comprehensive Income	(76)	(84)	(76)	(84)
Total Comprehensive Income	55,734	30,781	45,304	36,150
Retained earnings - opening balance	83,587	56,852	93,649	61,544
Add: Profit for the year	55734	30,781	45,304	36,150
Less: Dividend paid	(10,183)	(2,546)	(10,183)	(2,546)
Transfer to General Reserve	(1,500)	(1,500)	(1,500)	(1,500)
Retained earnings - closing balance	1,27,638	83,587	1,27,271	93,649

Review of Operations

On a standalone basis, during the fiscal 2021-22 under review your Company performed well and recorded revenue of ₹1,32,022 lakhs, higher by 30.75 percent over the previous year's revenue of 100,972 lakhs. The Profit after Tax (PAT) of the Company is recorded at ₹55,810 lakhs in fiscal 2021-22 registering a growth of 80.82 percent over the PAT of 30,865 lakhs in fiscal 2020-21. The Earnings Per Share (EPS) of your Company is at ₹21.92 in fiscal 2021-22 per share.

On a bottom line consolidation basis, the profit after tax (PAT) for Fiscal 2021-22 has gone up to the order of ₹45,380 lakhs due to inclusion of ₹4,111 lakhs of unrealized share of profit for the half-year ended 30th September, 2021 from Rising Pharma Holdings, Inc., the associate company through the WOS - Suven Pharma, Inc., in USA. On 13th December, 2021 the WOS of your company has divested its entire 25% stake in the said associate company to HIG Capital through a structured deal, hence share of profit for 1st half year is considered. The Earnings per Share (EPS) of your Company is recorded at ₹17.83 per share.

The consolidated financial statements of the Company prepared in accordance with Indian Accounting Standards as specified in the Companies (Indian Accounting Standards) Rules, 2015, form part of the Annual Report.

Impact of COVID-19 pandemic

The COVID-19 pandemic has affected the global economy from almost more than a year with the onset of second wave of the COVID-19 that resulted in continuous shortage of non-availability of vessels leading to delay in shipments, increase in transportation and distribution costs and timely non-availability of materials with increase in material costs during the year under are impacting our operations and profitability.

Exports

The exports of the Company remained the major chunk of revenue accounting for ₹1,27,593 lakhs, representing 96% of the total revenue of ₹1,32,022 lakhs during the year under review.

Dividend

Your Directors are pleased to inform you that the Board has declared 1st interim dividend of ₹1.00 per share and one-time special dividend of ₹2.00 per share totaling to ₹3.00/- (300%) per equity share of the face value of ₹1.00 each on February 08, 2022 and paid to the shareholders in February 2022. Further, the Board has declared 2nd interim dividend of ₹1.00 per share and one-time special dividend of ₹1.00 per share totaling to ₹2.00/- (200%) per equity share of the face value of ₹1.00 each on May 09, 2022. The total dividend for the financial year worked out to ₹5.00/- (500%) per equity share.

The 2nd interim dividend, will be paid on and from 25th May, 2022, to the Members whose names appear in the Register of Members, as on the Record date i.e. Tuesday, 17th May, 2022. In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Your Company shall, accordingly, make the payment of the Interim Dividend after deduction of tax at source.

Transfer to Reserves

The Company transferred ₹1500 lakhs to the general reserve during the current financial year.

Share Capital

The paid up Equity Share Capital as on March 31, 2022 was ₹2,545.65 lakhs. During the year under review, the Company has not issued any shares with differential voting rights nor granted stock options or sweat equity shares.

Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the Company's website and can be accessed at web link at https://www.suvenpharm.com/index.php/investors/financial-info/annual-reports

Number of Meetings of the Board and Audit Committee

During the year under review six Board Meetings were convened and held and five Audit Committee Meetings were convened and held. The details of Board meetings and Audit Committee meetings are presented in the Corporate Governance report, which forms part of this Annual Report.

The Audit Committee composed of independent and non-executive directors. Shri D. G. Prasad is the Chairperson of the Audit Committee and Shri V. Sambasiva Rao and Shri J. V. Ramudu are members of the Audit Committee. The time gap between the said meetings was within the period prescribed under the provisions of the Companies Act, 2013 and the SEBI guidelines thereof.

Directors Responsibility Statement

Your Directors state that:

(a) The applicable accounting standards have been followed in the preparation of the Annual Accounts and there were no material departures.

(b) Such accounting policies have been selected and applied consistently and judgments and estimates made when required 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 of the Company for that period.

(c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(d) The Directors have prepared the Annual Accounts on a going concern basis.

(e) Proper internal financial controls were in place to be followed by the Company and that the financial controls were adequate and were operating effectively.

(f) Proper systems devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Policy on Nomination & Remuneration

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report and forms part of this report and is also available on https://www.suvenpharm.com/images/pdf/policies/Remuneration_Policy.pdf

Dividend Distribution Policy

The Board has adopted a suitable Policy for Dividend Distribution as per the requirements of SEBI Guidelines. The policy is stated in the Annual Report and has been uploaded on the Company's website and can be accessed at https://www.suvenpharm.com/images/pdf/policies/dividend-distribution-policy.pdf

Particulars of Loans, Guarantees or Investments

Details of loans given, investments made, guarantees given and securities provided are furnished in the Standalone Financial Statement which can be referred at Note No. 6 and 31 to the Standalone Financial Statements.

Apart from this, the Company did not give any Loans, investments or provided Guarantees or any security during the year under the provisions of Section 186 of the Companies Act, 2013.

Subsidiary companies

Your Company has one international wholly owned subsidiary company as on 31st March, 2022. The consolidated financial statements of the Company prepared in accordance with Indian Accounting Standards as specified in the Companies (Indian Accounting Standards) Rules, 2015, form part of the annual report. Since Caper Pharma has become Wholly Owned Subsidiary (WOS) of your Company during the current financial year, the consolidated financial statements forming part of this new WOS will be presented in the next Annual Report 2022-23.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of financial statements of subsidiary in Form AOC-1 is attached to the financial statements of the Company. Further, pursuant to the provisions of Section 136 of the Act, separate audited financial statements in respect of the subsidiary company shall be kept open for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of the Annual General Meeting. Your Company will also make available these documents upon request by any Member of the Company interested in obtaining the same. The separate audited financial statements in respect of the subsidiary company is also available on the website of your Company at https://www.suvenpharm.com/index.php/investors/financial-info/subsidiary-accounts

Related Party Transactions

The Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed Form AOC-2 pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, forms part of this report as **"Annexure – A"**.

The Board has approved a policy for related party transactions and has been uploaded on the Company's website.

Casper Pharma acquisition

Your company has acquired 100% stake in Casper Pharma Private Limited a Hyderabad based SEZ unit engaged in formulations business for a purchase consideration of ₹15,680.45 Lakhs from the seller shareholders. The acquisition process was completed in all respects during the 1st quarter of FY 2022-23 and Casper Pharma is now a Wholly Owned Subsidiary of your company. USFDA inspection of this SEZ unit of Casper Pharma is expected to happen within next 6 months' timeframe.

Material Changes and Commitments Affecting Financial Position of the Company

There are no material changes and commitments, affecting the financial position of the Company, which has occurred between the end of the financial year of the Company i.e. March 31, 2022 and the date of the Directors' report i.e. May 9, 2022 except as stated in the preceding para titled "Casper Pharma acquisition".

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, forms part of this report as **"Annexure – B"**.

Risk Management Policy

Your Company has formulated a suitable risk management policy to take care of all aspects of Contract Development and Manufacturing Operations (CDMO) business model of your Company: viz., competitive position, capabilities, various risk covers and risk mitigation preparedness etc. Your Company operates with rich talent pool of scientists having 2 decades of experience in the form of expertise, capability and timely deliverables to global innovators to ensure smooth flow of CDMO projects to sustain steady revenues. In addition, your company regularly conducts safety and preventive audits in all plants and ensures that necessary safeguards are in place to protect the work force and assets against all perils with appropriate insurance policies.

Corporate Social Responsibility

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee composed of Shri J. V. Ramudu as Chairperson, Smt. Deepanwita Chattopadhyay, Dr. V. Sambasiva Rao and Shri Venkateswarlu Jasti as members. The CSR programs of the Company are being implemented by Suven Trust. As of 31st March, 2022 there were no amounts due payable to Suven Trust by your Company. In accordance with the amended rules your company does not require to undertake the impact assessment of CSR projects.

Annual Report on CSR Activities forms part of this Report as **"Annexure – C"**. The CSR Policy, Committee Composition and CSR programs details are available on the Company's website on https://www.suvenpharm.com/images/pdf/CSR_Policy_2021.pdf

Performance Evaluation of the Board

Pursuant to the provisions of the Companies Act, 2013 and as per the SEBI (LODR) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. The Independent Directors separately carried out evaluation of Chairperson, Non Independent Directors and Board as a whole. The performance of each Committee was evaluated by the Board, based on views received from respective Committee Members. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Directors and Key Managerial Personnel

During the year under review, based on the recommendation of Nomination and Remuneration Committee, the Board at its meeting held on July 23, 2021 appointed Dr. Vajja Sambasiva Rao (DIN: 09233939) as an Independent and Non-Executive Additional Director in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The shareholders approved his appointment as Independent Director in the 3rd Annual General Meeting (AGM) held on 31st August, 2021 not liable to retire by rotation for a term of 5 consecutive years upto July 22, 2026. Dr VS Rao was inducted as member of the Audit Committee of your Company.

In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, fulfill the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management and have also complied with the Code for Independent Directors as prescribed in Schedule IV of the Companies Act, 2013

Dr. S Chandrasekhar, Independent Director, resigned from the Directorship of the Company w.e.f. January 19, 2022. The Board placed on record its appreciation for the valuable contribution made by him during tenure as Director of the Company.

The Board of Directors has on the basis of recommendations of the Nomination and Remuneration Committee appointed Mr. J. V. Ramudu (DIN: 03055480), Non-Executive Director as Chairman of the Company with effect from February 09, 2022, Mr. Venkateswarlu Jasti would continue as the Managing Director of the Company with effect from February 09, 2022.

The Company did not appoint any Key Managerial Personnel during the year under review. None of the Key Managerial Personnel has resigned during the year under review.

Declaration by Independent Directors

All independent directors of the Company have given declarations under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI Listing Regulations and also affirmed compliance with Code of conduct as required under Regulation 26(3) of the Listing Regulations.

Directors Retiring by Rotation

In accordance with the provisions of the Companies Act, 2013, Dr. Jerry Jeyasingh, Director (DIN:08589727) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The brief profile(s) of the director(s) seeking appointment/ re-appointment at the ensuing Annual General Meeting are presented in the Annual Report.

Deposits

During the FY 2021-22, the Company has not accepted any fixed deposits, and, as such, no amount on account of principal or interest on deposits was outstanding as on the date of the balance sheet.

Internal Financial Control Systems and their Adequacy

Your Company has laid down set of standards which enables to implement internal financial control across the organization and ensure that the same are adequate and operating effectively (1) to provide reasonable assurances that: transactions are executed in conformity with generally accepted accounting principles/standards or any other criteria applicable to such statements, (2) to maintain accountability for assets; access to assets is permitted only in accordance with management's general or specific authorization and the maintenance of records that are in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the assets that could have a material effect on the financial statements. The Audit Committee of the Board reviews the reports submitted by the independent internal auditors and monitors the functioning of the system.

Vigil Mechanism

The Company promotes ethical behavior in all its business activities. Towards this, the Company has adopted a policy on Vigil Mechanism and Whistle Blower to deal with instance of fraud and mismanagement, if any. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company. https://www.suvenpharm.com/images/pdf/policies/whistle-blower-policy.pdf

Particulars of Employees and Remuneration

The information required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report as "**Annexure – D**".

Corporate Governance

A detailed Report on Corporate Governance prepared in substantial compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges together with the Auditors' Certificate regarding the compliance of conditions of corporate governance, is presented in a separate section forming part of the Annual Report.

Management's Discussion and Analysis

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (LODR) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

AUDITORS

Statutory Auditors

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed thereunder the Company in its 1st Annual General Meeting (AGM) held on 30th November, 2019 has appointed M/s. Karvy & Co., Chartered Accountants (Firm Registration No. 001757S) as statutory auditors for a period of 5 years from the conclusion of 1st AGM till the conclusion of the sixth AGM to be held in the year 2024. The Companies (Amendment) Act, 2017 dispensed the ratification of auditor's appointment at every Annual General Meeting. The Auditors' Report does not contain any qualifications nor adverse remarks.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. DVM & Associates LLP, Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report forms part of this report as "**Annexure – E**". It contains one comment on non-complaint composition of Nomination and Remuneration Committee (NRC) for the quarter ended 31 March 2022. The Company has taken corrective action and has achieved compliance of NRC composition w.e.f. 1st April 2022.

Cost Records and Audit

During the year under review, in terms of Cost (Records and Audit) Amendment Rules, 2014 dated 31st December 2014 issued by the Central Government, the requirement for Cost Audit is not applicable to the Company based on the export turnover criteria prescribed under Cost Audit Rules. However, the Company is maintaining such accounts and record as specified by the Central Government and as applicable to the Company under sub-section (1) of section 148 of the Companies Act, 2013.

Business Responsibility Report

Pursuant to the SEBI Listing Regulations, a detailed Business Responsibility Report (BRR) is prepared. As a green initiative, the BRR is placed on website of your company and can be accessed at web link at https://www.suvenpharm.com/index.php/investors/financial-info/annual-reports.

Employees Stock Option Scheme

The Company grants share-based benefits to eligible employees with a view to attracting and retaining the best talent, encouraging employees to align individual performances with Company objectives, and promoting increased participation by them in the growth of the Company.

Suven Pharma Employee Stock Option Scheme 2020 ("SPL ESOP 2020")

As per the approval given by the shareholders in the AGM held on 14th September 2020, the Board has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under the SPL ESOP 2020 scheme. In terms of the scheme the total number of options to be granted are 10,00,000 of face value of ₹1/- each.

The nomination and remuneration committee (NRC) has not granted any options under the SPL ESOP 2020 scheme during the year ended 31st March, 2022. Upon the granting of the options it shall vest in one or more tranches based on the achievement of defined annual performance parameters as determined by the administrator (the NRC).

The total number of equity shares to be allotted to the employees of the Company and its subsidiaries under the SPL ESOP 2020 does not cumulatively exceed 1% of the issued capital.

The SPL ESOP 2020 is drawn up in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time, and there has been no material change to the plans during the fiscal.

The SPL ESOP 2020 details, including terms of reference, and the requirement specified under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014, are available on the Company's website, at www.suvenpharm.com.

As the Company has not yet granted any options during the year ended 31st March, 2022, the details of the options granted, vested and exercised as per SPL ESOP 2020 is not available in the Notes to accounts of the financial statements in this Annual Report.

Transfer of Unpaid and Unclaimed amounts to Investor Education and Protection Fund (IEPF)

Your company will ensure compliance of the applicable provisions of IEPF Rules at appropriate time, since your company is incorporated in the year 2018.

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

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee as specified under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

General

During the FY2022, there is no change in the nature of business of the company or of its wholly owned subsidiaries. there are no other companies have become or ceased to be your Company's subsidiaries, joint ventures or associate companies during the year.

The Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India during the year under review. Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

(i). The details of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government

(ii). The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.

(iii). The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

(iv). There are no significant material orders passed by the regulators/courts/tribunals, which would be impact the going concern status of the company and its future operations.

Acknowledgements

Your Directors wish to place on record their gratitude to Shareholders for the confidence reposed by them and thank all the shareholders, customers, dealers, suppliers and other business associates for their contribution to your Company's growth. The Directors also wish to place on record their appreciation of the valuable services rendered by the executives, staff and workers of the Company.

Your Directors also thank the Central Government and State Government, the Financial Institutions and Banks for their support during the year and we look forward to its continuance.

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Managing Director
DIN: 00278028

D. G. Prasad
Director
DIN: 00160408

Place: Hyderabad
Date: May 9, 2022

Annexure – A to the Board's Report

Form No. AOC-2

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

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. There are no contracts/arrangements/transactions entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which are not at arm's length basis.
2. The following are the contracts/arrangements/transactions entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which are at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Ms. Kalyani Jasti – daughter of Shri Venkateswarlu Jasti, Managing Director	Serving the company as President (US Operations)	Permanent employment	Monthly salary of USD 38166/- being paid. She takes care of US Operations. Terms of employment are as per service rules of the company.	November 06, 2021	Nil
Suven Life Sciences Ltd: Entity under the control of Key Managerial Personnel	Lease Agreement	5 Years	Rent receivable ₹109.78 Lakhs for Discovery Lab facilities and its registered office.	January 27, 2020	Nil
Suven Life Sciences Ltd: Entity under the control of Key Managerial Personnel	Availing Analytical & Toxicology services / supply of manufacture materials	Continuous basis	Aggregate value of transactions shall be not exceeding ₹25.00 Crore in each financial year.	June 18, 2020	Nil

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Managing Director
DIN: 00278028

D. G. Prasad
Director
DIN: 00160408

Place: Hyderabad
Date: May 9, 2022

Annexure – B to the Board's Report

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

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY

(i). the steps taken or impact on conservation of energy;

During the FY2021-22, the Company has implemented energy conservation projects across its various business units. Installed new high efficiency Utility equipment & Improvise the existing utility system during the last fiscal and achieved significant savings.

(ii). the steps taken by the company for utilizing alternate sources of energy;

Identifying cheaper power sources both in-house and external and Utilizing the alternate sources of energy:

Around 10 percent of our energy needs are met by renewable sources which are cheaper and further efforts to increase the utilization of alternate sources of renewable energy is in progress.

(iii). the capital investment on energy conservation equipment's;

Optimization of designs for operational efficiencies Optimization of resources with cheaper power sources Replacement of old motors and replacement of lights with LED Lights and spent more than ₹1 crore.

(B) TECHNOLOGY ABSORPTION

(i). Efforts made towards technology absorption;

As part of the technology absorption, the Company engages in in-house development of bulk drugs & formulations, conducts pilot studies for potential scale-up so as to improve efficiency both in terms of time and productivity.

(ii). Benefits derived like product improvement, cost reduction, product development, import substitution;

Successful development of new products using in house R&D.

(iii). In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year).

a)	Technology imported	NIL
b)	Year of import	NA
c)	Whether the technology been fully absorbed	NA
d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	NA

(iv). Expenditure incurred on Research and Development: (₹ in lakhs)

Sr. No.	Particulars	2021-22	2020-21
(a)	Capital	Nil	Nil
(b)	Recurring	1035	1106
(c)	Total R&D expenditure	1035	1106
(d)	Total R&D and innovation expenditure as a percentage of total turnover	1%	1%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(₹ in lakhs)

Sr. No.	Particulars	2021-22	2020-21
(a)	Foreign Exchange earned	1,44,466	99,023
(b)	Foreign Exchange outgo	16,950	13,689

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Managing Director
DIN: 00278028

D. G. Prasad
Director
DIN: 00160408

Place: Hyderabad
Date: May 9, 2022

Annexure – C to the Board's Report

ANNUAL REPORT ON CSR ACTIVITIES

1. **Brief outline on CSR Policy of the Company.**

   Our Company recognizes that business enterprises are economic organs of society and part of society and draw on societal resources for their growth. We have a duty towards society and the communities and neighborhoods in whose vicinity we operate.

2. **Composition of CSR Committee:**

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri J. V. Ramudu	Chairman - Non-executive Director	3	3
2	Smt. Deepanwita Chattopadhyay	Member - Independent Director	3	1
3	Shri Venkateswarlu Jasti	Member – Executive Director	3	3
4	Dr V Sambasiva Rao #	Member - Independent Director	3	1

#Dr V Sambasiva Rao was appointed as a member of the committee effective November 06, 2021.

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

   Composition of the CSR committee shared above and is available on the Company's website on www.suvenpharm.com

   CSR policy - https://www.suvenpharm.com/images/pdf/CSR_Policy_2021.pdf

   CSR projects – https://www.suvenpharm.com/images/pdf/Approved_Projects_for_the_year_2021.pdf

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).** – Not Applicable

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
	-	NIL	NIL

6. **Average net profit of the company as per section 135(5):** ₹30,860.89 lakhs

7. **(a) Two percent of average net profit of the company as per section 135(5):** ₹617.22 lakhs

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

   (c) Amount required to be set off for the financial year, if any: NIL

   (d) Total CSR obligation for the financial year (7a+7b-7c): ₹617.22 lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ lakhs)	Amount Unspent (₹ lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount	Date of transfer
620.08	NIL	-	-	NIL	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Pro-ject.	Item from the list of activities in Sched-ule VII to the Act.	Local area (Yes/ No)	Location of the project		Project dura-tion	Amount allocated for the project (in ₹).	Amount spent in the cur-rent financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Imple-menta tion - Direct (Yes/ No).	Mode of Imple-mentation - Through Imple-menting Agency	
				State.	District.						Name	CSR Regis-tration number
	NIL	-	-	-	-	-	-	-	-	-	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹).	Mode of Imple-mentation - Direct (Yes/No).	Mode of implementation - Through implementing agency	
				State.	District.			Name	CSR Registration Number
1	Promoting health care including preventive health care	(i)	Yes	Telangana & Andhra Pradesh	Hyderabad, Nalgonda & Vizag	267.68	No	SUVEN TRUST	CSR00009097
2	Support to COVID Related activities to Govt. agencies and Private organizations	(xii)	Yes	Telangana & Andhra Pradesh	Hyderabad, Nalgonda & Vizag	165.69	No	SUVEN TRUST	CSR00009097
3	Rural Development Projects	(x)	Yes	Telangana	Hyderabad & Nalgonda	88.32	No	SUVEN TRUST	CSR00009097
4	Training to promote rural sports, nationally recognized sports	(vii)	Yes	Telangana	Hyderabad	30.00	No	SUVEN TRUST	CSR00009097

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹).	Mode of Imple-mentation - Direct (Yes/No).	Mode of implementation - Through implementing agency	
				State.	District.			Name	CSR Registration Number
5	Providing safe drinking water to community, installing RO plant, maintenance and water supply	(i)	Yes	Telangana	Suryapet	25.76	No	SUVEN TRUST	CSR00009097
6	Empowering women	(iii)	Yes	Telangana	Hyderabad & Nalgonda	20.39	No	SUVEN TRUST	CSR00009097
7	Educational Scholarship, Tuition Support	(ii)	Yes	Telangana & Andhra Pradesh	Hyderabad, Medak, Nalgonda & Vizag	10.23	No	SUVEN TRUST	CSR00009097
8	Protection of art and culture	(v)	Yes	Telangana	Hyderabad	5.00	No	SUVEN TRUST	CSR00009097
9	Environmental sustainability	(iv)	Yes	Telangana	Hyderabad	4.00	No	SUVEN TRUST	CSR00009097
10	Mid-Day Meal programme	(i)	No	Andhra Pradesh	Guntur	3.00	No	SUVEN TRUST	CSR00009097
TOTAL						**620.08**			

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹620.08 lakhs

(g) Excess amount for set off, if any:

Sr. No.	Particulars	Amount (₹ in lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	617.22
(ii)	Total amount spent for the Financial Year	620.08
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2.86
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2.86

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer	
	Nil	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹).	Amount spent on the project in The reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing
	Nil	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s): None

(b) Amount of CSR spent for creation or acquisition of capital asset: NIL

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Managing Director
DIN: 00278028

J. V. Ramudu
(Chairman CSR Committee)
DIN: 03055480

Place: Hyderabad
Date: May 9, 2022

Annexure – D to the Board's Report

Information required under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i). the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Sl. No.	Name of the Director	ratio of the remuneration to the median remuneration of the employees
1.	Shri Venkateswarlu Jasti – Managing Director	**34.57 : 1**

Shri D. G. Prasad, Dr S. Chandrasekhar, Smt. Deepanwita Chattopadhyay, Dr. V. Sambasiva Rao, Independent Directors and Shri J. V. Ramudu, Non-executive Directors were paid only sitting fees for attending the Board/ Committee Meetings.

(ii). the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sl. No.	Particulars	
1.	Managing Director	**15.00%**
2.	Chief Financial Officer	**10.13%**
3.	Company Secretary	**13.11%**

Shri D. G. Prasad, Dr S. Chandrasekhar, Smt. Deepanwita Chattopadhyay, Dr. V. Sambasiva Rao, Independent Directors and Shri J. V. Ramudu, Non-executive Director were paid only sitting fees for attending the Board/ Committee Meetings.

(iii). the percentage increase in the median remuneration of employees in the financial year; 10%

(iv). the number of permanent employees on the rolls of company;

There were 1193 permanent employees as on 31st March 2022

(v). average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was 10%. Whereas the remuneration of managerial personnel worked out to 14.39% for the same financial year. The increments to managerial personnel were considered based on the performance of the Company and in line with the limit approved by the shareholders in the general meeting.

(vi). Affirmation that the remuneration is as per the remuneration policy of the company. Yes

Statement of particulars of employees pursuant to the provision of Sec 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended. List of top ten employees in terms of remuneration drawn will be provided upon request by any Member of the Company interested in obtaining the same.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
name of the employee	**the age of employee**	**designation of the employee**	**gross remuneration received (₹in lakhs)**	**nature of employment, whether contractual or otherwise**	**qualifications of the employee**	**experience of the employee**	**date of commencement of employment**	**the last employment held by such employee before joining the company**
Shri Venkateswarlu Jasti	72 years	Managing Director	981.57	Regular	M. Pharma; M.S. (Indus. Pharmacy)	48 years	06-11-2019	Business in USA
Dr. Chinnapillai Rajendiran	61 years	Vice President (R&D)	143.23	Regular	M.Sc., Ph. D.	31 years	21-01-2002	Sun Pharmaceuticals Industries Ltd

None of the employee is related to the Directors except Dr Jerry Jeyasingh who is son in law of Mr. Venkateswarlu Jasti.

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Managing Director
DIN: 00278028

D. G. Prasad
Director
DIN: 00160408

Place: Hyderabad
Date: May 9, 2022

Annexure – E to the Board's Report

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2022

FORM NO. MR-3

[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
Suven Pharmaceuticals Limited
Hyderabad.

We have conducted the Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable statutory provisions and the adherence to good corporate practices by Suven Pharmaceuticals Limited (hereinafter called as the "Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minutes books, forms, returns filed and other records as maintained and facilitated by the Company, and also the information and according to the examinations carried out by us and explanations and information furnished and representations made to us by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the Audit Period covering the Financial Year ended on 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 hereinafter.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended 31st March, 2022 ("Audit Period") and we report that during the period under review the Company has complied with the provisions of the following Acts, Rules, Regulations, Guidelines and Standards:

   1.1. The Companies Act, 2013 (the Act) and the Rules made thereunder;

   1.2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

   1.3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

   1.4. The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment;

   1.5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

      1.5.1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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

      1.5.3. 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;

      1.5.4. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

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

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

1.6. The Secretarial Standards on the Meetings of the Board of Directors and the General Meetings issued by the Institute of Company Secretaries of India ('ICSI').

2. The Company is engaged in the business of Contract Development and Manufacturing Operations (CDMO). In view of the Management and on the basis of the Guidance Note issued by the ICSI, the following Industry Specific Acts are applicable:

2.1. Drugs and Cosmetics Act, 1940 read with the Drugs and Cosmetics Rules, 1945;

2.2. Narcotic Drugs and Psychotropic Substances Act, 1985 read with the Narcotic Drugs and Psychotropic Substances Rules, 1985;

2.3. Petroleum Act, 1934;

2.4. Inflammable Substances Act, 1952;

2.5. Explosives Act, 1884 read with Explosives Rules, 1983;

2.6. Poisons Act, 1919;

2.7. Indian Boilers Act, 1923; and

2.8. The Pharmacy Act, 1948.

Based on our verification and in reliance of the Compliance Certificates given by the respective Functional Heads, the Company has complied with the said Industry Specific Acts.

3. We report that:

3.1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Directors, except the composition of the Nomination and Remuneration Committee during the last quarter of the Audit Period. The changes in the composition of the Board of Directors during the period under review were carried out in accordance with the applicable provisions.

3.2. Adequate Notice along with agenda and detailed notes on agenda is given to all the Directors electronically to schedule the Board Meetings.

3.3. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting. Decisions at the meetings of the Board of Directors and the Committees of the Board of the Company were taken unanimously.

3.4. The Company has authorized the Company Secretary of the Company to approve the transfer of shares and to instruct/advise the Share Transfer Agent and attend Shareholders Grievances, from time to time and the Board has been taking note of the same.

3.5. The Company's Corporate Social Responsibility ('CSR') activities are carried on through "Suven Trust" – a registered Implementing Agency and requisite amount has been spent, and the Chief Financial Officer of the Company has provided a confirmation in this regard in terms of the Rule 4(5) of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

3.6. It is to be noted that for the Audit Period the following Acts are not applicable:

3.6.1. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

3.6.2. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

3.6.3. The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018;

3.7. There exist adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

4. We further report that during the audit period, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as provided in Auditor's Report.

For **DVM & Associates LLP**
Company Secretaries

DVM Gopal
Partner
M No: F6280
CP No: 6798
ICSI Peer Review UIN: L2017KR002100
UDIN: F006280D000291279

Place: Hyderabad
Date: May 9, 2022

Note: This letter is to be read with our letter of even date, which is annexed, and form an integral part of this report.

Annexure

To
The Members
Suven Pharmaceuticals Limited
Hyderabad.

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

1. Maintenance of secretarial records 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 contents of the secretarial records. The verification was done on the random 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 not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on a random test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **DVM & Associates LLP**
Company Secretaries

DVM Gopal
Partner
M No: F6280
CP No: 6798
ICSI Peer Review UIN: L2017KR002100
UDIN: F006280D000291279

Place: Hyderabad
Date: May 9, 2022

Report on
Corporate Governance

1. STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company firmly believes that good corporate governance practices are ingredients for the balanced development of an organization, which would not only maximize the shareholder's value but also contributed to sustained and long lasting development of the organization. The Board of Directors believes in ethical values and high moral standards in achieving the highest standards of corporate governance. All the SUVEN PHARMA activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices.

Simultaneously, in keeping with best practices, your Company committed to provide full spectrum of quality services and products in Contract Development and Manufacturing Operations (CDMO) by fulfilling customer's satisfaction.

2. BOARD OF DIRECTORS

Composition of Board

The Board represents an optimum mix of professionalism, knowledge and experience. As on March 31, 2022, your company had a total strength of six (6) Directors on the Board, comprising of: one (1) Executive Director, two (2) Non-executive Directors (i.e. 33%) and three (3) Independent Directors (i.e. 50%). The Company immensely benefits from the professional expertise of the Independent Directors. The Board has an adequate combination of Executive Directors, Non-Executive and Independent Directors including 1 Woman Independent Director.

None of the Directors on the Board is Member of more than ten Committees or Chairman of more than five Committees across all the public companies in which they are Directors. The Directors have made necessary disclosures regarding Committee positions in other public companies.

Key information pertaining to Directors as on 31st March, 2022

Name of the Director	Category	No. of Board Meetings		Attendance at the last AGM held on August 31, 2021	Director ship in other Public Companies	No. of Committee positions held in all companies	
		held	attended			Chairperson	Member #
Shri J. V. Ramudu*	Chairman & Non-Executive Director	6	6	Yes	2	1	3
Shri Venkateswarlu Jasti	Managing Director & Promoter	6	6	Yes	1	-	-
Shri D. G. Prasad	Independent Non-Executive Director	6	6	Yes	3	3	5
Dr. Srivari Chandrasekhar **	Independent Non-Executive Director	6	5	Yes	-	-	-

Name of the Director	Category	No. of Board Meetings		Attendance at the last AGM held on August 31, 2021	Director ship in other Public Companies	No. of Committee positions held in all companies	
		held	attended			Chairperson	Member #
Ms. Deepanwita Chattopadhyay	Independent Non-Executive Director	6	4	Yes	-	-	1
Dr. Jerry Jeyasingh	Non-Executive Director	6	4	Yes	-	-	1
Dr. Vajja Sambasiva Rao***	Independent Non-Executive Director	6	5	Yes	-	-	1

Committee membership includes chairperson position.
* With effect from 9th February, 2022 Shri J. V. Ramudu was appointed as Non-Executive Chairman of the company.
** Dr. Srivari Chandrasekhar has resigned from the office as independent director with effect from 19th January 2022.
*** Dr. Vajja Sambasiva Rao was appointed as independent director on 23rd July 2021.

Name of the other listed companies where the person is a director and the category of directorship

Name of the Director	Name of the other listed companies	Category
Shri Venkateswarlu Jasti	Suven Life Sciences Limited	Chairman & CEO
Shri D. G. Prasad	1) Gokak Textiles Limited	Independent director
	2) Natco Pharma Limited	Independent director
	3) Moschip Technologies Limited	Independent director
Dr. Vajja Sambasiva Rao	Nil	-
Ms. Deepanwita Chattopadhyay	Nil	-
Shri J. V. Ramudu	1) Avanti Feeds Limited	Chairman & Independent Director
	2) Krishna Institute of Medical Sciences Limited	Independent director
Dr. Jerry Jeyasingh	Nil	-

Meetings of the Board

The Board met six times during the Financial Year. The dates on which the meetings were held are as follows:

Sl. No.	Date of Meeting	Board Strength	No. of Directors Present
1	8th June, 2021	6	5
2	23rd July 2021	7	6
3	13th August 2021	7	7
4	6th November, 2021	7	6
5	14th December, 2021	7	6
6	8th February, 2022	6	6

The time gap between any two meetings did not exceed one hundred and twenty days as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the required information was suitably placed before the board meetings. The details relating to financial and commercial transactions where directors may have a potential interest, if any, were provided to the Board and interested directors abstained from the meetings.

Disclosure of relationships between directors inter-se

None of the Directors is related to other Directors, except Dr. Jerry Jeyasingh who is son-in-law of Shri Venkateswarlu Jasti.

No. of shares held by Non-Executive Directors

Sl. No.	Name of Director	No. of equity shares held as on 31st March 2022
1	Shri D. G. Prasad	NIL
2	Ms. Deepanwita Chattopadhyay	NIL
3	Shri J. V. Ramudu	NIL
4	Dr. Jerry Jeyasingh	NIL
5	Dr. Vajja Sambasiva Rao	NIL

There were no convertible instruments held by non-executive directors

Familiarization programmes imparted to the independent directors

Your Company endeavors to organize necessary familiarization programmes as and when required. The terms and conditions of appointment of the independent directors are disclosed on the website of the Company. The information on the familiarization programmes can be accessed from our Company's website at Web link: https://suvenpharm.com/images/pdf/corporate-governance/Familiarization_programmes_to_independent_directors.pdf

A Chart or a Matrix setting out the skills/expertise/competence of the board of directors

Your Company's Board identified certain multi-dimensional core skills/expertise as detailed below and available with the Board:

Name and Category of the Director	Skills / Expertise / Competencies
Shri Venkateswarlu Jasti Executive Director	Leadership, management and decision making skills, industry experience, Strategy development and governance
Shri D. G. Prasad Independent Director	Financial skills, Governance and professional skills for decision-making.
Smt. Deepanwita Chattopadhyay Independent Directors	Knowledge in sector, Financial skills, Governance and professional skills for decision making.
Shri J. V. Ramudu Non-Executive Director	Governance and Management skills
Dr. Jerry Jeyasingh Non-Executive Director	Knowledge in sector and governance
Dr. Vajja Sambasiva Rao Independent Director	Project and financial management skills.

Confirmation from the Board

The Board of Directors verified the veracity of declarations given by the Independent Directors and in the opinion of the Board, the Independent Directors fulfill the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management.

Dr. Srivari Chandrasekhar has resigned from the office as independent director with effect from 19th January 2022 due to his appointment as Secretary, Department of Science and Technology, Central Government at New Delhi.

Committees of the Board

The Board constituted various committees. The Role of Committees induced with necessary terms of references under the regulatory framework to function as per the Corporate Governance norms.

K. Hanumantha Rao, Company Secretary and Compliance Officer, is the secretary of all the Committees constituted by the Board.

3. AUDIT COMMITTEE

Composition and terms of reference

Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013 (the Act). The present Audit Committee comprises of two Independent Directors and one Non-executive director. All of whom possess accounting and financial management knowledge.

The terms of reference to the Audit committee given by the Board shall be as per the provisions of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and brief terms of reference are as viz. i) Oversight of financial reporting process, ii) Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, iii) Evaluation of internal financial controls and risk management systems, iv) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company and effectiveness of the audit process, v) Scrutiny of inter-corporate loans and investments. The Committee reviews the information as specified under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015.

The composition of the Audit Committee is as follows

Name of Director & Designation	Category of Director	No. of Meetings	
		Held	Attended
Shri D. G. Prasad – Chairman	Independent & Non-Executive Director	5	5
Shri Srivari Chandrasekhar – Member#	Independent & Non-Executive Director	5	4
Shri J. V. Ramudu – Member	Non-Executive Director	5	5
Dr. Vajja Sambasiva Rao – Member *	Independent & Non-Executive Director	5	2

*Appointed as member of Audit Committee of the Board w.e.f. 6th November, 2021.

Ceased to be member of the committee w.e.f. 19th January, 2022

In addition to the members of the audit committee, the Heads of Accounts & Finance, Internal Auditors and Statutory Auditors of the Company attend these meetings and the Company Secretary acts as the Secretary of the Audit Committee. The Chairman of the Audit Committee Shri D. G. Prasad attended the annual general meeting (AGM) held on 31st August, 2021.

Meetings and attendance during the year

During the year Audit Committee met five times on 8th June, 2021, 13th August, 2021, 6th November, 2021, 14th December, 2021 and 8th February, 2022. The attendance of the Committee Members was presented in the above table.

4. NOMINATION AND REMUNERATION COMMITTEE

Composition and terms of reference

The Nomination and Remuneration Committee (NRC) composed of Independent Directors, Non-executive Director and Chairman & Managing Director in accordance with the provisions of Regulation 19 of SEBI LODR Regulations as amended and Section 178 of the Act. Post appointment of non-executive chairperson of the Company w.e.f. 9th February, 2022, the company has reconstituted the composition of NRC w.e.f. 1st April, 2022 in compliance with the LODR Regulations as amended.

The terms of reference of the NRC given by the Board covers all aspects specified under the provisions of the Companies Act, 2013 and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. Brief terms of reference are viz. criteria for determining qualifications, independence of Directors, formulation of criteria for evaluation of performance of Board of Directors and independent Directors etc.

The composition of the Nomination and Remuneration Committee is as follows

Name of Director & Designation	Category of Director	No. of Meetings	
		Held	Attended
Shri D. G. Prasad – Chairman	Independent & Non-Executive Director	3	3
Ms. Deepanwita Chattopadhyay - Member	Independent & Non-Executive Director	3	2
Dr. Vajja Sambasiva Rao – Member *	Independent & Non-Executive Director	3	1
Shri J. V. Ramudu – Member	Non-Executive Director	3	3
Shri Venkateswarlu Jasti – Member #	Executive Director	3	3

*Appointed as member of the committee effective from 1st January, 2022.

#Ceased to be member of the Committee w.e.f. 1st April, 2022.

Meetings and attendance during the year

During the year Nomination and Remuneration Committee met three times on 23rd July, 2021, 6th November, 2021 and 7th February, 2022. The attendance of the Committee Members was presented in the above table.

The Chairman of the Nomination and Remuneration Committee Shri D. G. Prasad attended the Annual General Meeting (AGM) held on 31st August, 2021.

Performance Evaluation Criteria for Directors

The Board of Directors has carried out the annual performance evaluation of its own performance, committees and of the independent directors in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as per the criteria formulated by Nomination and Remuneration Committee for evaluation of independent directors and board of directors, on the parameters such as level of engagement, contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The Independent Directors carried out the performance evaluation of the Chairman and the Non Independent Directors. The Directors expressed their satisfaction with the evaluation process as well as the evaluation of the working of its Committees, information needs of the Board, execution and performance of specific duties, obligations and governance.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act.

The committee reviews Initiatives with respect to payment of dividends and review of other services related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

The Constitution of Stakeholders' Relationship Committee is as follows:

Name of Director	Category of Director	No. of Meetings	
		Held	Attended
Shri J. V. Ramudu – Chairman	Non-executive Director	1	1
Ms. Deepanwita Chattopadhyay – Member	Independent & Non-executive Director	1	1
Dr. Jerry Jeyasingh – Member	Non-executive Director	1	1
Dr. Srivari Chandrasekhar – Member*	Independent & Non-Executive Director	1	-

*Ceased to be member of the committee w.e.f. 19th January, 2022

During the year Stakeholders' Relationship Committee met on 7th February, 2022. The attendance of the committee members was presented in the above table. The Chairman of the Stakeholders' Relationship Committee Shri J. V. Ramudu attended the annual general meeting (AGM) held on 31st August, 2021.

Name and Address of Compliance Officer

CS K. HANUMANTHA RAO
Company Secretary & Compliance Officer
Suven Pharmaceuticals Limited
SDE Serene Chambers, 3rd Floor, Road No. 5
Avenue 7, Banjara Hills, Hyderabad – 500 034
CIN: L24299TG2018PLC128171
Tel: +91 40-2354 9414/ 3311, Fax: +91 40-2354 1152

Details of complaints/requests received and redressed during the year 2021-2022:

number of opening complaints	**1**
number of shareholders' complaints received	**92**
number of complaints resolved to the satisfaction of shareholders	**93**
number of pending/closing complaints	**0**

6. RISK MANAGEMENT COMMITTEE

Composition and terms of reference

The Committee is constituted in line with the provisions of Regulation 21 of SEBI Listing Regulations. The Risk Management Committee (RMC) comprises of Independent, Executive Directors and senior executives.

Brief terms of reference are viz. to formulate, monitor and review risk management policy and plan, inter alia, management of business risks, financial risks, foreign exchange risks, cyber security risks, and data privacy risks. The senior management has developed internally the risk management framework to work on mitigation process on various risks identified and necessary reporting will be done to the Committee for its review and recommendations to the Board.

The composition of the Risk Management Committee is as follows

Name of Director & Designation	Category of Director	No. of Meetings	
		Held	Attended
Shri Venkateswarlu Jasti - Chairman	Executive Director	2	2
Shri D. G. Prasad – Member	Independent & Non-executive Director	2	2
Ms. Deepanwita Chattopadhyay – Member	Independent & Non-executive Director	2	1
Shri V. Sunder - Member	Vice President - Corporate Affairs	2	2
Mr. P. Subba Rao - Member	Chief Financial Officer	2	2

Meetings and attendance during the year

During the year Risk Management Committee met two times on 06th November, 2021 and 7th February, 2022. The attendance of the Committee Members was presented in the above table.

7. REMUNERATION OF DIRECTORS

Remuneration Policy for selection and appointment of directors/ senior management and their remuneration

The Nomination and Remuneration (N&R) Committee has adopted a policy which, inter alia, deals with the manner of selection of all Directors and Senior management personnel and their remuneration as under: Policy enables the management to engage HR consultants whenever external advice needed in this behalf.

Criteria of selection of all categories of Directors and Senior Management Personnel

- The incumbent must be a graduate or above with ability to understand the Board procedures and having rudimentary knowledge over financial statements.
- Must possess reasonable experience at the Board/senior management level.
- Must have ethical behavior and willingness to comply with all applicable statutory requirements like declaring their interests in the companies/entities, following the requirements of Board procedures, attending Board/ Committee meetings and active participation in all matters placed before the Board.
- Must be able to exercise independent judgment over the matters reported to the Board.
- Where necessary recommend to the Board for an increase in the remuneration of non-executive directors subject to provisions of Companies Act, 2013.
- The Committee may review and give a guidance note on all salary increases and bonus payments for all direct reports to the MD in line with the industry standards. The Committee may review and give a general guidance note on the quantum of salary increases and bonus payments for all other staff in line with the industry standards.
- For criteria of making payments to non-executive directors please refer to web link at: https://suvenpharm.com/images/pdf/corporate-governance/Composition_of_Various_Committees_of_board_of_directors_2022.pdf.

Details of Remuneration paid to the Executive Directors and sitting fees paid to Non-Executive Directors during FY 2021-2022 is as under:

Executive Director (₹ In Lakhs)

Name of the Director	Shri. Venkateswarlu Jasti Managing Director
Salary & Allowances	439.88
Commission	415.74
Contribution to Provident Fund	52.79
Perquisites	73.16
Total	**981.57**

For details of other elements of remuneration please refer to Annual Return is available on the Company's website on www.suvenpharm.com. The services of Managing Director is governed by the resolution as approved by the shareholders in the general meeting for a period of 5 (five) years from 6th November, 2019. There is no separate provision for payment of severance fees and notice period for termination of services.

Non-Executive Directors

Name of the Director	Sitting fee (₹ in lakhs)#
Shri D. G. Prasad	5.60
Shri Srivari Chandrasekhar	3.80
Smt. Deepanwita Chattopadhyay	3.40
Shri J. V. Ramudu	6.00
Dr. Vajja Sambasiva Rao	3.80

Net of taxes

Except the above remuneration paid to the Directors, there were no other pecuniary relationships or transactions of Non-Executive Directors with the Company. The Company has not granted any stock options to its Non-Executive Directors.

8. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Committee is constituted in line with the provisions of Section 135 of the Act. The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

To review the existing CSR Policy and to monitor progress of CSR programs undertaken on priority basis by the Suven Trust as notified by CSR Committee of the Board from time to time.

The composition of the Corporate Social Responsibility Committee:

Name of Director	Category of Director	No. of Meetings	
		Held	Attended
Shri J. V. Ramudu – Chairman	Non-executive Director	3	3
Smt. Deepanwita Chattopadhyay – Member	Independent & Non-executive Director	3	1
Shri Venkateswarlu Jasti – Member	Executive Director	3	3
Dr. Vajja Sambasiva Rao – Member*	Independent & Non-Executive Director	3	1

*Appointed as a member of Committee effective 6th November, 2021.

Meetings and attendance during the year

During the year Corporate Social Responsibility Committee met three times on 8th June, 2021, 6th November, 2021 and 7th February, 2022. The attendance of the Committee Members was presented in the above table.

9. MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met on 7th February, 2022, carried out inter alia, the following process:

Evaluation of performance of Non Independent Directors and the Board of Directors as a whole; evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors and evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present at the Meeting.

10. GENERAL BODY MEETINGS

Annual General Meeting: Location, date and time of last three Annual General Meetings (AGMs) and Special Resolutions passed there at:

Year	Venue	Date and Time	No. of Special Resolutions passed
2020-21	Meeting conducted through VC / OAVM pursuant to the MCA Circular	31/08/2021 11:30AM	1
2019-20	Meeting conducted through VC / OAVM pursuant to the MCA Circular	14/09/2020 11:30 AM	2
2018-19	Registered Office of the Company at SDE Serene Chambers, 3rd Floor, Avenue 7, Road No 5, Banjara Hills, Hyderabad, Telangana, India, 500034	30/11/2019 11:30 AM	4

Postal Ballot:

(i). Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:

No postal ballot was conducted during the FY ended March, 31st 2022

(ii). Details of special resolution proposed to be conducted through postal ballot:

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

11. MEANS OF COMMUNICATION

Financial Results, Press Releases, Presentations and Publications:

Annual Reports, notice of the meetings and other communications to the Members are sent through e-mail, post or courier. However, this year as per the directions given in the circulars issued by Ministry Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI") companies are allowed to send Annual Report by e-mail to all the Members of the company. Therefore, the Annual Report for FY 2021-22 and Notice of 4th AGM of the Company is being sent to the Members at their registered e-mail addresses in accordance with MCA and SEBI Circulars. However, the company shall arrange hard copy of Annual Report to those shareholders who request for the same.

The quarterly results/half yearly/Annual Audited Financial Results are generally published in widely circulated national newspapers the Business Standard and in one vernacular Language newspaper Nava Telangana/Andhra Prabha (Telugu Daily). The Financial Results, official news releases, presentations made to the institutional investors/ analysts are also displayed on the Company's website www.suvenpharm.com.

The financial results, press releases and other reports/ intimations required under the SEBI (LODR) Regulations are filed electronically with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and also uploaded on the Company's website www.suvenpharm.com which may be accessed by the shareholders.

A Management Discussion and Analysis detailed report is forming part of this Annual Report.

12. GENERAL SHAREHOLDERS INFORMATION

(i) Annual General Meeting:

Financial Year	:	2021 – 2022
Day and Date	:	Thursday, August 18, 2022
Time	:	11:30 AM
Venue	:	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 and General Circular No. 02/2022 dated May 5, 2022 hence registered office address of the company shall be deemed to be the venue for the AGM. For details, please refer to the Notice of this AGM.

(ii) Financial Calendar (tentative)

Financial Year April 1, 2022 to March 31, 2023

Quarter Ending	Release of Results
June 30, 2022	latest by August 14, 2022
September 30, 2022	latest by November 14, 2022
December 31, 2022	latest by February 14, 2023
March 31, 2023	May 15, 2023*

*instead of publishing quarterly un-audited results, the Company may opt to publish Audited Annual Results within 60 days from the end of the financial year as per SEBI Listing Regulations.

(iii) Book Closure period: from August 16, 2022 to August 18, 2022, both days inclusive

(iv) Dividend payment date

During the year, the Board has declared 1st interim dividend in its meeting held on 8th February, 2022 and paid the dividend within 30 days from the date of declaration and further, the board has declared 2nd interim dividend in its meeting held on 9th May 2022 which will be paid on and from 25th May 2022 to the eligible shareholders as on Record Date.

Mode of Dividend payment

Dividend remitted through National Automated Clearing House (NACH) at approved locations, wherever NACH details are available with the Company; and in all other cases, through warrants payable at par. These warrants shall be valid for a period of 90 days. Post expiry of validity period, these may be sent to the Company's Office at # 8-2-334, SDE Serene Chambers, 3rd Floor, Avenue 7, Road No. 5, Banjara Hills, Hyderabad – 500034 for issue of demand drafts in lieu of expired dividend warrants.

Unclaimed Dividend

Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred by Company to the Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of Section 125 of the Companies Act, 2013.

Shareholders of the Company who have either not received or have not en-cashed their dividend warrants, for the financial years 2018-19, 2019-20, 2020-21 and 2021-22 are requested to claim the unpaid/ unclaimed dividend from the Company before transfer to the fund and further requested to submit the bank account details and email ID for recording in the RTA /Depository Participants systems for rendering better services to the shareholders.

(v) Listing on Stock Exchanges

The shares of the Company are listed on

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001
National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051

The Company confirms that it has paid annual listing fees due to the stock exchanges for the financial year 2021-2022.

(vi) Stock Code

Stock Exchanges	Scrip Code
BSE Limited	543064
National Stock Exchange of India Limited	SUVENPHAR

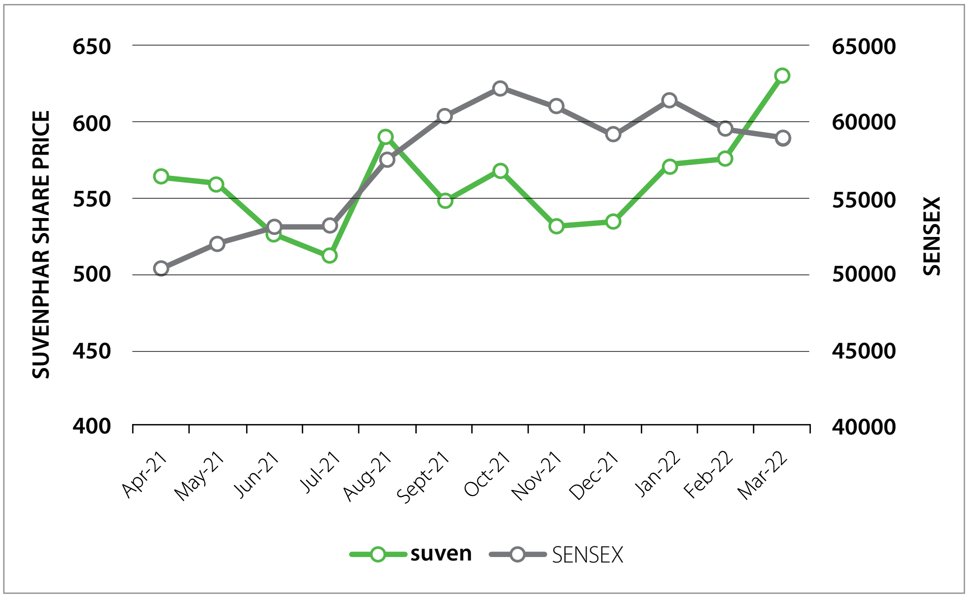
Depository for Equity Shares : NSDL and CDSL

Demat ISIN Number : INE03QK01018

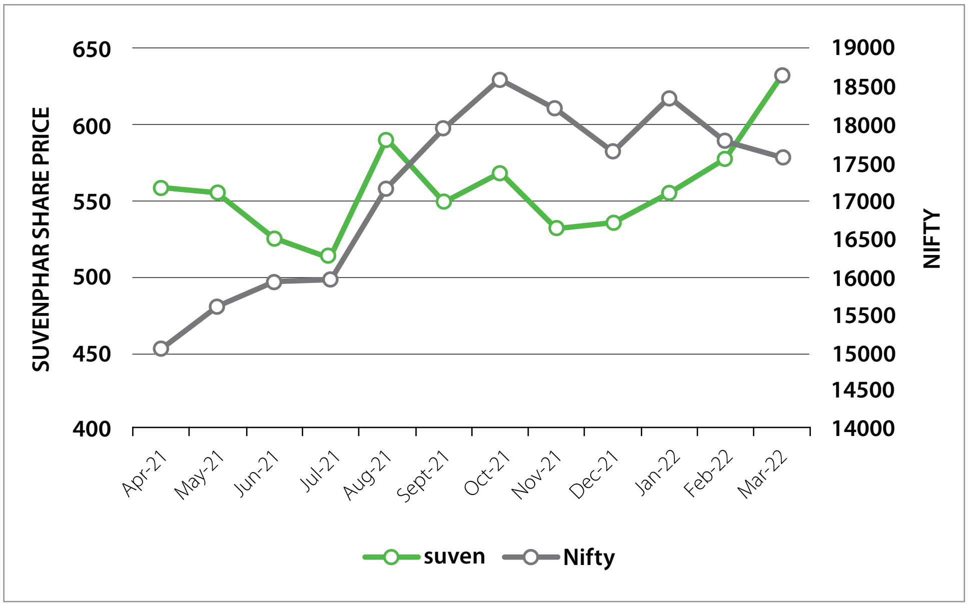
(vii) Stock Market Price Data BSE and NSE

Month		BSE Limited (BSE)			National Stock Exchange (NSE)		
		High ₹	Low ₹	Volume (No.)	High ₹	Low ₹	Volume (No.)
2021	April	565.00	469.95	4,66,427	559.35	470.30	77,82,177
	May	560.00	497.95	3,60,443	554.90	497.40	48,47,634
	June	526.90	460.00	6,69,544	524.90	461.00	81,98,885
	July	511.50	457.00	3,02,479	511.80	457.00	60,82,388
	August	589.80	506.95	6,80,505	590.00	506.30	1,09,89,956
	September	548.00	513.00	4,33,704	548.60	512.65	44,46,322
	October	567.50	497.20	1,81,802	568.00	497.10	47,85,056
	November	531.00	468.90	2,30,017	531.00	476.10	46,26,934
	December	535.00	458.60	2,15,139	535.00	456.00	50,59,336
2022	January	571.65	475.45	13,01,911	555.00	475.20	88,47,192
	February	576.00	473.70	3,75,968	577.35	425.70	57,82,472
	March	631.15	486.45	4,79,794	631.75	486.00	1,15,85,107

Stock Price Performance in comparison with BSE SENSEX



Stock Price Performance in comparison with NSE NIFTY



(viii) In case the securities are suspended from trading, the directors report shall explain the reason thereof

During the year under review there was no suspension of trading in the securities of the company.

(ix) Registrar to an issue and Share Transfer Agents (RTA)

KFin Technologies Limited
(formerly known as KFin Technologies Private Limited)
Unit: Suven Pharmaceuticals Limited
Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500032
Ph: 91-40-6716 1565/1559, Fax No 91-40 2300 1153
Email: einward.ris@kfintech.com
Toll free number: 1800 309 4001

(x) Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialised mode.

In terms of SEBI Circular, with effect from 25th January, 2022, listed companies shall issue securities in dematerialised mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/sub-division/splitting/consolidation of securities, transmission/transposition of securities.

The Board of Directors authorized the Company Secretary of the Company to monitor the Memorandum of Share Transfers (MOT) as and when reported by RTA (KFin Technologies Limited) and to approve the transmission or transposition of shares, if any. Company Secretary submits a comprehensive report to the Board every quarter covering various activities relating to investor services.

The Company has obtained and filed with the Stock Exchange(s), the yearly certificates from Company secretary in practice for due Compliance with the share transfer formalities as required under regulation 40(9) & (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(xi) Distribution of Shareholding Pattern as on 31st March 2022

Category (Amount)	Shareholders		Share Amount	
	Number	% to total	Amount	% to total
1 – 5,000	84,410	98.47	2,50,93,676.00	9.86
5,001 – 10,000	653	0.76	47,34,552.00	1.86
10,001 – 20,000	313	0.37	45,17,039.00	1.77
20,001 – 30,000	105	0.12	26,01,104.00	1.02
30,001 – 40,000	71	0.08	25,53,825.00	1.00
40,001 – 50,000	28	0.03	12,70,964.00	0.50
50,001 – 1,00,000	63	0.07	44,28,410.00	1.74
1,00,001 – and above	82	0.10	20,93,65,386.00	82.24
TOTAL	**85,725**	**100.00**	**25,45,64,956.00**	**100.00**

(xii) Categories of shareholders as on 31st March 2022

Sl. No.	Category	Cases	Holding	% To Equity
1	Promoters	6	15,27,40,000	60.00
2	Resident Individuals	79,596	4,20,54,721	16.52
3	Foreign Portfolio	115	2,17,90,764	8.56
4	Mutual Funds	14	1,50,41,821	5.91
5	Non Resident Indians	3,196	87,99,992	3.46
6	Qualified Institutional Buyer	4	50,92,776	2.00
7	Corporate Bodies	1,138	50,23,895	1.97
8	Others	1,656	40,20,987	1.58
	Total	**85,725**	**25,45,64,956**	**100.00**

(xiii) Dematerialisation of shares and liquidity

As on 31st March, 2022, 99.73% of the paid up equity capital of the Company has been dematerialised and the trading of Equity shares in the Stock Exchanges is under compulsory dematerialisation.

Shares held in demat and physical mode (folio-based) as on March 31, 2022 are as follows

Category	No. of Holders*	No. of Shares	% to Equity
Demat Holdings	88624	25,38,89,161	99.73%
Physical Holdings	179	6,75,795	0.27%
TOTAL	**88803**	**25,45,64,956**	**100.00%**

*The total number of holders will not tally with the number of shareholders, since shareholders can have multiple demat accounts with the same PAN. The number of shareholders based on PAN as on March 31, 2022 is 85725.

We request shareholders whose shares are in the physical mode to dematerialise their shares and update their bank accounts and email IDs with the respective depository participants to enable us to provide better service and to eliminate bad deliveries, forgery, fake transfers etc., in the market.

(xiv) Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments in the past and hence as on March 31, 2022, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

(xv) Commodity price risk or foreign exchange risk and hedging activities

Our Company is following the natural hedging only as our receipts are more than the payments and also some of the exports are covered under forward cover as such there are no foreign exchange risks.

(xvi) Plant Locations

Unit – 1 Dasaigudem Village, Suryapet Mandal, Suryapet Dist. Telangana – 508213	**Unit – 2** Plot No. 18, Phase III, IDA, Jeedimetla, Hyderabad Telangana –500055
Unit – 3 Plot No(s). 262 - 264 & 269 - 271, IDA, Pashamylaram, Sanga Reddy Dist. Telangana – 502307	**Unit – 4** Plot No(s). 65, 66 and 67, JN Pharmacity Parwada, Visakhapatnam, Andhra Pradesh – 531019
Formulation Development Centre Plot No(s). 265 to 268, IDA Pashamylaram Sanga Reddy Dist., Telangana – 502307	

(xvii) Address for Correspondence

Regd. Office: # 8-2-334, SDE Serene Chambers, 3rd Floor, Road No. 5, Avenue 7, Banjara Hills, Hyderabad – 500034 Telangana

CIN: L24299TG2018PLC128171

Tel: +91 40-2354 9414/2354 1142, Fax: +91 40-2354 1152

E-mail: info@suvenpharm.com/ investorservices@suvenpharm.com

Website: www.suvenpharm.com

(xviii) Credit Ratings

Your Company has engaged the services of CRISIL Rating agency for rating of borrowings availed from the Banks for the purpose of meeting business requirements of the Company. The present rating assigned to long term borrowings is "A+" and short term borrowings is "A1+" as of 31st March, 2022.

(xix) Reconciliation of Share Capital Audit Report

A qualified practicing Company Secretary carried out a quarterly share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/ paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

13. OTHER DISCLOSURES

(i) Related party transactions

All related party transactions with related parties during the financial year were done in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No materially significant transactions with related parties were entered during the financial year, which were in conflict with the interest of the Company. None of the Non-Executive Directors has any pecuniary material relationship or material transactions with the Company for the year ended March 31, 2022. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at Web link https://www.suvenpharm.com/images/pdf/policies/policy-on-related-party-transactions.pdf

(ii) Legal Compliance

There were no instances of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

(iii) Whistle Blower Policy

The Company has a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. Pursuant thereto, anyone can approach directly Chairman of the Audit Committee or through Company Secretary to report any suspected or confirmed incident of fraud/ misconduct it is affirmed that no personnel has been denied access to the audit committee and can be accessed at Web link https://www.suvenpharm.com/images/pdf/policies/whistle-blower-policy.pdf

(iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

Mandatory requirements

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is being reviewed from time to time.

Non-mandatory requirements

1. **The Board:**

   Office for non-executive Chairman at Company's expense: Not Complied

2. **Shareholder Rights:**

   Half-yearly declaration of financial performance to each household of shareholders: Not complied

3. **Modified opinion(s) in audit report:**

   Complied as there is no modified opinion in Audit Report

4. **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:** Complied

5. **Reporting of Internal Auditor:**

   The Internal auditors report directly to Audit Committee: Complied

(v) web link policy for determining 'material' subsidiaries

The Board has approved a policy for determining 'material' subsidiaries which has been uploaded on the Company's website and it can be accessed at Web link:

https://www.suvenpharm.com/images/pdf/policies/POLICY_FOR_DETERMINING_MATERIAL_SUBSIDIARIES_SPL.pdf

(vi) disclosure of commodity price risks and commodity hedging activities:

The Company did not undertake any commodity hedging activities during the year hence there were no commodity price risks involved.

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

The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) during the financial year 2021-22.

(viii) Certificate from a company secretary in practice

A certificate from Ms. D. Renuka, Practicing Company Secretary, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this section as **Annexure -A**.

(ix) Instances of not accepted any recommendation of any committee of the Board

There is no such instance where Board had not accepted any recommendation of any committee of the Board, which is mandatorily required, in the relevant financial year.

(x) Details of the fees paid to Statutory Auditors

The details of the total fees for all services paid by the company, on a consolidated basis, to the statutory auditor for the financial year.

Particulars	Amount (in lakhs)
Audit Fees	20.00
Tax audit fees	5.00
Certification and Limited Review Reports	5.00
Total	**30.00**

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

a.	number of complaints filed during the financial year	Nil
b.	number of complaints disposed of during the financial year	N.A.
c.	number of complaints pending as on end of the financial year.	N.A.

(xii) Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount:

During the year under review, the Company and its subsidiaries did not give any Loans and advances in the nature of loans to firms/companies in which directors are interested.

14. Non-compliance of any requirement of corporate governance report

Our company has complied with all requirements of corporate governance report for the year 2021-2022 except composition of Nomination and Remuneration Committee (NRC) as disclosed at point No 15 below.

15. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report

Our Company has complied with all the provisions of the above said Regulations of SEBI for the year 2021-2022 except regulation 19 with respect to composition of Nomination and Remuneration Committee for the quarter ended 31 March 2022. However, the company has achieved compliance of NRC composition w.e.f. 1 April 2022.

16. Disclosures with respect to demat suspense account/unclaimed suspense account

The Company does not have any Demat Suspense account/unclaimed suspense account.

17. Certificate of compliance on corporate governance

The certificate of compliance on corporate governance is provided as **Annexure B** to this corporate governance report.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

To
The Members of
Suven Pharmaceuticals Limited

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management and the same has been placed on the Company's website. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct in respect of the financial year ended 31st March, 2022.

For **Suven Pharmaceuticals Limited**

Venkateswarlu Jasti
Managing Director
DIN: 00278028

Place: Hyderabad
Date: May 9, 2022

Annexure – A CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Suven Pharmaceuticals Limited
Registered Office: # 8-2-334, SDE Serene Chambers,
3rd Floor, Road No. 5, Banjara Hills, Hyderabad-500034

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Suven Pharmaceuticals Limited having CIN: L24299TG2018PLC128171 and having registered office at 8-2-334, SDE Serene Chambers, 3rd Floor, Road No. 5, Banjara Hills, Hyderabad - 500034 Telangana (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of Director	DIN	Date of Appointment in Company
1	VENKATESWARLU JASTI	00278028	06/11/2019
2	D. G. PRASAD	00160408	06/11/2018
3	VAJJA SAMBASIVA RAO	09233939	23/07/2021
4	DEEPANWITA CHATTOPADHYAY	02357160	06/11/2019
5	J. V. RAMUDU	03055480	06/11/2019
6	JERRY JEYASINGH	08589727	06/11/2019

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

Name: **D. RENUKA**
Company Secretary in Practice
Membership No.: A11963
CP No.: 3460
ICSI PEER Review UIN: L2000TL172900
UDIN: A011963D000287766

Place: Hyderabad
Date : May 9, 2022

Annexure – B CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Suven Pharmaceuticals Limited

I, **D. Renuka**, Practicing Company Secretary, have examined the compliance of conditions of Corporate Governance by Suven Pharmaceuticals Limited ('the Company'), for the year ended on March 31, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. My responsibility is limited to examining the procedures and implementation thereof, as adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that except the composition of Nomination and Remuneration Committee in terms of Regulation 19 for the quarter ended 31st March, 2022 the Company has complied with the conditions of applicable Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

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

D. RENUKA
Company Secretary in Practice
Membership No.: A11963
ICSI PEER Review UIN: L2000TL172900
CP No.: 3460
UDIN: A011963D000287744

Place: Hyderabad
Date : May 9, 2022

Financial Statements

Independent Auditor's Report

To the Members,
Suven Pharmaceuticals Limited

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Suven Pharmaceuticals Limited ('the Company') which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, the profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS 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 Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules made thereunder, 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 audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended 31st March, 2022. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No	Key Audit Matters	Auditor's Response
1.	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard). The application of the revenue accounting standard involves certain key judgements relating to identification of the contract with a customer, identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized when a performance obligation is satisfied. Additionally, the revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer Notes 2v and 16 to the Standalone Ind AS Financial Statements.	**Principal Audit Procedures** Our audit approach consisted, testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures: - Read, analyzed and identified the distinct performance obligations in these contracts. - Compared these performance obligations with that identified and recorded by the Company. - Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.

S. No	Key Audit Matters	Auditor's Response
		- Tested Samples in respect of revenue recorded upon transfer of control/rights of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services, were tested using a combination of Master Service Agreements and Sales invoices including customer acceptances, subsequent commercial invoicing and historical trend of collections and disputes. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. We reviewed the collation of information and the logic of the report generated from the IT system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.
2.	**Investment in Subsidiary:** The carrying value of investment in the subsidiary as at 31st March, 2022 is ₹11867.29 Lakhs. This investment is reviewed at the end of each reporting period to determine whether there is any indication of impairment. If such evidence exists, impairment loss is determined and recognised in accordance with Note 2(p) of accounting policies to the standalone Ind AS financial statements. We have identified the assessment of impairment indicators and resultant provision, if any, in respect of investment in subsidiary as a key audit matter because of: • The significance of the amount of this investment in the Standalone Balance Sheet. • Performance and net worth of these entities and • The degree of management judgement involved in determining the recoverable amount of these investments including: – Valuation assumptions, such as discount rates. – Business assumptions used by management, such as sales growth and costs and the resultant cash flows projected to be generated from these investments.	Our audit procedures in respect of impairment of investment in subsidiary included the following: – Testing design, implementation and operating effectiveness of key controls over the impairment review process including the review and approval of forecasts and review of valuation models; – Assessing the valuation methodology used by management and management review control is around making the assessment and testing the mathematical accuracy of the impairment models; – Evaluating the reasonableness of the valuation assumptions, such as discount rates, used by management through reference to external market data; – Challenging the appropriateness of the business assumptions used by management, such as sales growth, cost and the probability of success of new products; – Evaluating past performances where relevant and assessed historical accuracy of the forecast produced by management; – Enquiring and challenging management on the commercial strategy associated with the products to ensure that it was consistent with the assumptions used in estimating future cash flows;

S. No	Key Audit Matters	Auditor's Response
		- Considering whether events or transactions that occurred after the balance sheet date but before the reporting date affect the conclusions reached and the associated disclosures; and - Performing sensitivity analysis of key assumptions, including future revenue growth rates, costs and the discount rates applied in the valuation models.
3.	**Identification and disclosures of Related Parties:** (as described in Note-31 of the standalone Ind AS financial statements) - The Company has related party transactions which include, amongst others, sale and purchase of goods/ services to its subsidiaries, and other related parties and lending and borrowing to its subsidiaries and other related parties. - We focused on identification and disclosure of related parties in accordance with relevant accounting standards as a key audit matter.	Our audit procedures amongst others included the following: - Evaluated the design and tested the operating effectiveness of controls over identification and disclosure of related party transactions. - Obtained a list of related parties from the Company's Management and traced the related parties to declarations given by directors, where applicable, and to Note 31 of the standalone Ind AS financial statements. - Read minutes of the meetings of the Board of Directors and Audit Committee - Tested material creditors/debtors, loan outstanding/ loans taken to evaluate existence of any related party relationships; tested transactions based on declarations of related party transactions given to the Board of Directors and Audit Committee. - Evaluated the disclosures in the standalone Ind AS financial statements for compliance with Ind AS 24.
4	**Inventory:** As at 31st March, 2022, the Company held inventories of ₹28,341.73 Lakhs as disclosed in Note 8 to the standalone financial statements. Inventories mainly consist of raw and packing material, work-in-progress, stock-in-trade, finished goods and stores, spares and consumables.	(a) Reviewed the management's process for ensuring that there was no movement of stock during the physical verification of inventory; (b) Recounted a sample of inventory items at each location to confirm management count; Based on the audit procedures performed, the management's assertion on existence of inventories was determined to be appropriate in the context of the standalone financial statements taken as a whole.

Information Other than the Standalone Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the 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 standalone Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Other Matters

We did not audit the financial statements of Suven USA branch included in the standalone Ind AS financial statements of the Company whose financial statements reflect total assets of ₹158.72 Lakhs as at 31st March, 2022 and total revenue- NIL and Net loss of ₹(833.96) Lakhs for the year ended on that date. The financial statements of this branch have been audited by the branch auditor, whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditor. Our opinion on the standalone Ind AS financial statements, and our Report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

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 Act, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

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-B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

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

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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements- Refer Note 32 to the financial statements

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. a) The management has represented that, to the best of its knowledge and belief, no funds 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 entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other person or entity 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 have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   c) Based on the audit procedures that were 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 (a) and (b) contain any material misstatement.

   v. a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

   b) The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

For **KARVY & CO.**
Chartered Accountants
ICAI Firm Regn. No.001757S

Ajay Kumar Kosaraju
Partner
Membership No.021989
UDIN: 22021989AKDFOV2569

Place: Hyderabad
Date: May 9th, 2022

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March, 2022, we report that:

Re: Suven Pharmaceuticals Limited ('the Company')

i. In respect of the Company's Property, Plant and Equipment (including right-of-use assets) and intangible assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) As explained to us, the management has physically verified a substantial portion of the Property, Plant and Equipment and right-of-use assets during the year and in our opinion frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on physical verification of Property, Plant and Equipment and right-of-use assets as compared to the books of account were not material and have been properly dealt with in the books of accounts.

(c) In our opinion and according to the information and explanations given to us, all the title deeds of immovable properties are held in the name of the Company except Title deeds for the freehold land that are in the name of Suven Life Sciences Limited (The Demerged Company). The same have been acquired by the Company pursuant to the Scheme of Demerger (refer note 35) and the same is pending as at 31st March, 2022 for mutation in the name of the Company.

Description of the property	Gross Carrying Value	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the company
Free Hold Land	15,04,63,695	Suven Life Sciences Limited	No	2Years	Pending completion of legal formalities relating to Registration

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

ii. (a) According to the information and explanations given to us, the inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable and the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on physical verification of inventory compared to the books of account were not material and have been properly dealt with in the books of accounts.

(b) The Company has been sanctioned working capital limits in excess of ₹500.00 lacs from banks on the basis of security of current assets of the Company. The quarterly returns or statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

iii. The Company has made investments in its wholly owned subsidiary company which in our opinion is, prima facie, not prejudicial to the Company's interest.

The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) to (f) of the Order is not applicable.

iv. There are no loans, guarantees and security in respect of which provisions of sections 185 and 186 of the Act are applicable. Investments in respect of which provisions of section 186 of the Act are applicable, have been complied with by the Company.

v. The Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the books of account and records maintained by the Company pursuant to the Rules made by the Central Government of India for the maintenance of cost records prescribed under sub-section (1) of section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. In respect of Statutory dues:

(a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods & Service Tax, duty of customs, cess and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us by management, there are no dues outstanding of provident fund, employees' state insurance, income-tax, Goods & Service Tax, duty of customs, cess and other statutory dues that have not been deposited on account of any 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 (43 of 1961).

ix. (a) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of loan or interest thereon to the bank. There are no dues to financial institutions or Government.

(b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and the outstanding term loans at the end of the year were applied for the purpose for which they were taken.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used 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 subsidiary. The Company does not have any associate or joint venture.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary company. Hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. (a) Based on the information and explanations given to us by the management, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Hence reporting on clause 3(x)(a) of the Order is not applicable.

(b) 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) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) No whistle blower complaints have been received during the year by the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Hence reporting under clause 3(xii) of the Order is not applicable.

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

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with 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), (b) and (c) of the Order is not applicable.

(b) 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.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios disclosed in note 37 to the Standalone Ind AS Financial Statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone Ind AS financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating 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 towards Corporate Social Responsibility (CSR) under sub-section (5) of Section 135 of the said Act pursuant to any project. Accordingly, reporting under clauses 3(xx)(a) and (b) of the Order is not applicable.

For **KARVY & CO.**
Chartered Accountants
ICAI Firm Regn. No.001757S

Ajay Kumar Kosaraju
Partner
Membership No.021989
UDIN: 22021989AKDFOV2569

Place: Hyderabad
Date: May 9th, 2022

Annexure - B to the Independent Auditors' Report

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

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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 standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 standalone Ind AS 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 standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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.

For **KARVY & CO.**
Chartered Accountants
ICAI Firm Regn. No.001757S

Ajay Kumar Kosaraju
Partner
Membership No.021989
UDIN: 22021989AKDFOV2569

Place: Hyderabad
Date: May 9th, 2022

STANDALONE BALANCE SHEET

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	53,055.19	43,706.51
Capital work-in-progress	3	2,999.38	9,614.91
Other Intangible assets	4	223.64	241.75
Intangible assets under development	4	-	17.30
Right of Use assets	5(a)	140.56	167.53
Financial assets		-	
(i) Investments	6(a)(i)	11,867.29	24,564.73
(ii) Loans	6(b)	6.95	6.20
(iii) Other financial assets	6(c)	539.21	495.18
Other non-current assets	7	760.56	599.21
Total Non-current assets		**69,592.77**	**79,413.32**
Current assets			
Inventories	8	28,341.73	20,108.04
Financial assets			-
(i) Investments	6(a)(ii)	48,122.24	18,059.38
(ii) Trade receivables	6(d)	23,637.23	10,238.21
(iii) Cash and cash equivalents	6(e)(i)	3,021.05	709.14
(iv) Bank balances other than (iii) above	6(e)(ii)	274.20	247.10
(v) Loans	6(b)	18.63	21.78
Current tax asset(net)	14	-	224.67
Other current assets	9	7,480.95	6,861.11
Total Current assets		**1,10,896.02**	**56,469.43**
TOTAL ASSETS		**1,80,488.79**	**1,35,882.76**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10(a)	2,545.65	2,545.65
Other equity	10(b)	1,49,523.67	1,03,972.68
Total Equity		**1,52,069.32**	**1,06,518.33**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	5(b)	46.29	73.90
(ii) Borrowings	13(a)	2,844.04	3,559.09
Provisions	11	889.45	664.60
Deferred tax liabilities (net)	12	3,739.55	3,093.29
Total Non-current liabilities		**7,519.33**	**7,390.88**
Current liabilities			
Financial liabilities			
(i) Lease liabilities	5 (b)	109.09	106.82
(ii) Borrowings	13(b)	6,713.31	10,563.76
(iii) Trade payables		-	-
(a) Total outstanding dues to Micro and Small Enterprises	13(c)	200.20	996.24
(b) Total outstanding dues to creditors other than Micro and Small Enterprises	13(c)	10,389.87	7,296.89
(iv) Other financial liabilities	13(d)	2,126.02	2,522.75
Current Tax Liabilities(net)	14	364.22	-
Provisions	11	407.53	260.72
Other current liabilities	15	589.93	226.36
Total Current liabilities		**20,900.15**	**21,973.55**
TOTAL LIABILITIES		**28,419.47**	**29,364.43**
TOTAL EQUITY AND LIABILITIES		**1,80,488.79**	**1,35,882.76**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the Standalone financial statements

As per our report of even date

for **KARVY & CO.**
Chartered Accountants
(Firm Reg. No.001757S)

Ajay Kumar Kosaraju
Partner
Membership No. 021989

Place : Hyderabad
Date : 09 May 2022

For and on behalf of the Board of Directors of
Suven Pharmaceuticals Limited

Venkateswarlu Jasti
Managing Director
DIN: 00278028

D.G.Prasad
Director
DIN: 00160408

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

STANDALONE STATEMENT OF **PROFIT & LOSS**

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	16	132,022.21	100,971.86
Other income	17	18,778.80	1,423.70
Total Income		**150,801.01**	**102,395.55**
Expenses			
Cost of materials consumed	18	45,945.64	31,031.51
Changes in Inventories of work-in-progress and finished goods	19	(6,035.21)	(837.30)
Manufacturing expenses	20	17,318.86	13,378.94
Employee benefits expense	21	10,048.39	7,623.30
Research & Development expenses	22	1,035.45	1,105.75
Finance costs	23	623.10	914.37
Depreciation and amortization expense	24	3,909.71	3,163.58
Other expenses	25	5,710.25	4,617.50
Total Expenses		**78,556.19**	**60,997.63**
Profit/(Loss) before tax		**72,244.82**	**41,397.92**
Tax expense			
Current tax	26	15,763.03	10,153.76
Deferred tax	26	671.91	361.72
Prior year tax		-	17.75
Profit/(Loss) for the year		**55,809.88**	**30,864.70**
Other Comprehensive Income			
Items that will not be reclassified to statement of profit or loss			
Remeasurements gains (losses) on defined benefit plans		(101.94)	(111.85)
Income tax relating to items that will not be reclassified to statement of profit or loss		-	-
Re-measurement gains (losses) on defined benefit plans		25.66	28.15
Other Comprehensive Income /(Loss) for the year, net of taxes		(76.29)	(83.70)
Total Comprehensive Income for the year		**55,733.59**	**30,780.99**
Earnings per Equity share (Par value of ₹1 each)			
Basic	34	21.92	12.12
Diluted	34	21.92	12.12
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the Standalone financial statements

As per our report of even date

for **KARVY & CO.**
Chartered Accountants
(Firm Reg. No.001757S)

Ajay Kumar Kosaraju
Partner
Membership No. 021989

Place : Hyderabad
Date : 09 May 2022

For and on behalf of the Board of Directors of
Suven Pharmaceuticals Limited

Venkateswarlu Jasti
Managing Director
DIN: 00278028

D.G.Prasad
Director
DIN: 00160408

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

STANDALONE STATEMENT OF CHANGES IN EQUITY

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

a. Equity share capital

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Number of Shares	Amount	Number of Shares	Amount
As at 01 April,2020	254,564,956	2,545.65	127,282,478	1,272.82
Add: Issue of Bonus Shares	-	-	127,282,478	1,272.82
	254,564,956	**2,545.65**	**254,564,956**	**2,545.65**

b. Other Equity

Particulars	Note	Reserves & surplus			
		Securities Premium	General reserve	Retained earnings	Total other Equity
Balance at 01 April, 2020		**12,230.21**	**7,927.67**	**56,852.28**	**77,010.16**
Profit for the year	10(b)	-	-	30,864.70	30,864.70
Other comprehensive income	10(b)	-	-	(111.85)	(111.85)
Income tax relating to items of other comprehensive income		-	-	28.15	28.15
Issue of Bonus Shares		(1,272.82)	-	-	(1,272.82)
Transfer to General Reserve	10(b)	-	-	(1,500.00)	(1,500.00)
Transfer from Retained Earnings	10(b)	-	1,500.00	-	1,500.00
Total comprehensive income for the year		**(1,272.82)**	**1,500.00**	**29,280.99**	**29,508.17**
Dividend paid	10(b)	-	-	(2,545.65)	(2,545.65)
Tax on distributed profit		-	-	-	-
Balance at 31 March, 2021		**10,957.38**	**9,427.67**	**83,587.63**	**103,972.68**
Balance at 01 April, 2021		10,957.38	9,427.67	83,587.63	103,972.68
Profit for the year	10(b)	-	-	55,809.88	55,809.88
Other comprehensive income	10(b)	-	-	(101.94)	(101.94)
Income tax relating to items of other comprehensive income		-	-	25.66	25.66
Issue of Bonus Shares		-	-	-	-
Transfer to General Reserve		-	-	(1,500.00)	(1,500.00)
Transfer from Retained Earnings		-	1,500.00	-	1,500.00
Total comprehensive income for the year		**-**	**1,500.00**	**54,233.59**	**55,733.59**
Dividend paid		-	-	(10,182.60)	(10,182.60)
Tax on distributed profit		-	-	-	-
Balance at 31 March, 2022		**10,957.38**	**10,927.67**	**127,638.62**	**149,523.67**

Refer note 10(b) for nature and purpose of reserves

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

The accompanying notes are an integral part of the Standalone financial statements

As per our report of even date

for **KARVY & CO.**
Chartered Accountants
(Firm Reg. No.001757S)

Ajay Kumar Kosaraju
Partner
Membership No. 021989

Place : Hyderabad
Date : 09 May 2022

For and on behalf of the Board of Directors of
Suven Pharmaceuticals Limited

Venkateswarlu Jasti
Managing Director
DIN: 00278028

D.G.Prasad
Director
DIN: 00160408

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

STANDALONE STATEMENT OF CASH FLOW

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flow from operating activities			
Profit before tax		72,244.82	41,397.92
Adjustments :			
Depreciation and amortisation expense		3,825.50	3,122.07
Interest Income		(6.86)	(26.79)
Finance Cost		623.10	914.37
Gain on sale of Current Investment		(820.31)	(332.77)
Dividend received from WOS		(15,081.85)	-
Debit balances written off		-	72.16
Effects of foreign exchange rates (Unrealized)		442.01	(97.56)
Loss/(Profit) on disposal of Property, plant & equipment		(0.06)	(3.36)
Operating profit before working capital changes		**61,226.36**	**45,046.06**
Adjustments for (Increase)/decrease in operating assets			
Trade Receivables		(13,608.80)	1,336.08
Inventories		(8,233.69)	(2,620.82)
Other non current assets		26.97	(78.95)
Other current assets		(621.56)	(1,269.92)
Adjustments for Increase/(decrease) in operating liabilities			
Trade Payables		2,320.35	1,194.52
Long term provisions		224.85	(166.86)
Short term provision		44.86	(102.78)
Other financial liabilities		420.66	654.28
Other current liabilities		363.60	(164.48)
Cash generated from operating activities		**42,163.60**	**43,827.12**
Income taxes paid (net of refunds)		(15,174.14)	(10,943.58)
Net Cash flows from operating activities (Refer Note 1)	**(A)**	**26,989.46**	**32,883.54**

STANDALONE **STATEMENT OF CASH FLOW (Contd.)**

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars		**Year ended March 31, 2022**	**Year ended March 31, 2021**
B. Cash flow from Investing activities			
Payments for Purchase of property, plant and equipment		(7,518.67)	(11,084.60)
Proceeds from sale of Property, plant & equipment		0.06	3.36
Changes in Investments		12,697.44	-
Dividend received from WOS		15,081.85	-
Fixed deposits/margin money-placed/matured		(44.03)	(20.31)
Sale/(purchase) of mutual funds		(29,242.55)	(14,659.28)
Bank balances not considered as cash and cash equivalents		(10.47)	(5.12)
Net cash flow from /(used in) investing activities (B)		**(9,036.38)**	**(25,765.95)**
C. Cash flows from financing activities			
(Repayment)/Proceeds from long term borrowings		(959.73)	(5,472.65)
(Repayment)/Proceeds from short term borrowings		(3,859.71)	1,230.17
Other non current financial assets		(0.75)	(0.20)
Other current financial assets		3.15	(1.39)
Changes In Lease Liability		(25.34)	89.12
Finance Cost		(623.10)	(892.36)
Interest received		6.86	26.79
Dividends paid to equity holders (including dividend distribution tax)		(10,182.60)	(2,545.65)
Net cash flow from /(used In) financing activities	**(C)**	**(15,641.21)**	**(7,566.17)**
Net increase/(decrease) in cash and cash equivalents	**(A+B+C)**	**2,311.87**	**(448.57)**
Cash and cash equivalents as at the beginning of the year (Refer Note 6(e)(i))		709.14	1,157.68
Effect of exchange differences on restatement on foreign currency cash & cash equivalents		0.04	0.03
Cash and cash equivalents at the end of the year		**3,021.05**	**709.14**
Cash and cash equivalents (Refer Note 6(e)(i))		3,021.05	709.14
Balances per statement of cash flows		**3,021.05**	**709.14**

This is the Cash Flow Statement referred to in our report of even date

Note 1 -The above statement of cash flow has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS-7) "Statement of Cash Flows"

The accompanying notes are an integral part of the Standalone financial statements

As per our report of even date

for **KARVY & CO.**
Chartered Accountants
(Firm Reg. No.001757S)

Ajay Kumar Kosaraju
Partner
Membership No. 021989

Place : Hyderabad
Date : 09 May 2022

For and on behalf of the Board of Directors of
Suven Pharmaceuticals Limited

Venkateswarlu Jasti
Managing Director
DIN: 00278028

D.G.Prasad
Director
DIN: 00160408

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

NOTES TO THE STANDALONE FINANCIAL STATEMENT

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

1 Corporate Information

Suven Pharmaceuticals Limited (SPL) is a bio-pharmaceutical company, incorporated on 6th November, 2018 with the object of being engaged in the business of development and manufacturing of New Chemical Entity (NCE) based Intermediates, Active Pharmaceutical Ingredients (API), Specialty Chemicals and formulated drugs under contract research and manufacturing services for global pharmaceutical, biotechnology and chemical companies. Suven Pharma Inc., a Delaware Company, is a WOS (wholly owned subsidiary) of SPL, is a SPV (Special Purpose Vehicle) created on 9th March 2019, for undertaking various business opportunities in Pharma Industry.

2 Significant accounting policies

a) Basis of preparation of Financial Statements

(i) Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

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

The financial statements for the year ended March 31, 2022 were approved by the Board of directors on May 9, 2022.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost and on accrual basis, except for the following items in the balance sheet:

- Certain financial assets are measured either at fair value or at amortised cost depending on the classification
- Employee defined benefit assets/(liability) are recognised 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
- Share-based payments which are measured at fair value of the options
- Right-of-use the assets are recognised at the present value of lease payments that are not paid at that date. This amount is adjusted for any lease payments made at or before the commencement date, lease incentives received and initial direct costs, incurred, if any.

b) Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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.

c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chairman and Managing director has been identified as being the

Chief Operating Decision Maker. Refer note 30 for the segment information presented.

d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (₹), which is Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

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 determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non- monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

e) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above (refer note 27).

(All amounts in ₹ lakhs, unless otherwise stated)

f) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Capital Work-in-Progress represents Property, Plant and Equipment that are not ready for their intended use as at the balance sheet date.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Capital Work-in-Progress represents Property, Plant and Equipment that are not ready for their intended use as at the balance sheet date.

All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

On transition to Ind AS, the Company elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as at 1st April, 2015 ("transition date") measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Depreciation methods, estimated useful lives and residual value

Depreciation on Property, Plant & Equipment is provided on straight-line basis at the rates arrived at based on the useful lives prescribed in Schedule II of the Companies Act, 2013. The company follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed off during the year. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. 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. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in Statement of profit or loss when the assets is derecognised.

Estimated useful life :

- Factory buildings	25 - 30 years
- Roads	3 - 10 years
- Machinery	8 - 20 years
- Furniture, fittings and equipment	3 - 10 years
- Vehicles	8 - 10 years

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Estimated useful lives by major class of finite life intangible assets are as follows:

Estimated useful life :

Software	3 - 10 years

(i) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use or sell it
- There is an ability to use or sell the software
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available and;
- The expenditure attributable to the software during its development can be reliably measured Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 01, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

(ii) Amortization methods and periods

Intangible assets with finite useful live are amortized over their respective individual estimated useful lives (3-10 years in case of computer software's) on a straight line basis.

(iii) Research and development

Research expenditure and development expenditure that do not meet the criteria in (i) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in the subsequent period.

h) Capital work in Progress and Intangible assets under development

Projects under commissioning and other CWIP/ intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost

Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefit associated with these will flow to the Company and the cost of the item can be measured reliably.

Advances given to acquire property, plant and equipment are recorded as non-current assets and subsequently transferred to CWIP on acquisition of related assets

i) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognised in the statement of profit and loss, and reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

j) Inventories

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials comprise of cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first-in-first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

k) Trade receivables

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

l) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts, if any, as they are considered an integral part of the Company's cash management

m) Income Taxes

Income tax comprises of current and deferred income tax. Income tax expense is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity in which case it is recognised in other comprehensive income. Current income tax for current year and prior periods is recognised at the amount expected to be paid or recovered from the tax authorities, using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when:

- taxable temporary differences arising on the initial recognition of goodwill;
- temporary differences arising 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 or loss at the time of transaction; and
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future

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 realised

Deferred income tax assets and liabilities are measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or substantive enactment date. A deferred income tax assets is recognised to the extent it is probable that future taxable income will be available against which the deductible temporary timing differences and tax losses can be utilised. The Company offsets income-tax assets and liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Dividend Distribution Tax:

Tax on Dividends declared by the Company are recognised as an appropriation of Profit. Dividend Distribution Tax is not applicable from April 1, 2020.

n) Equity

Ordinary shares are classified as equity share capital. Incremental costs directly attributable to the issuance of new ordinary shares, share options and buyback are recognized as a deduction from equity, net of any tax effects.

Retained earnings

Retained earnings represent the amount of accumulated earnings of the Company.

Securities premium

The amount received in excess of the par value of equity shares has been classified as securities premium.

o) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for Buildings and Facility charges.

The Company assesses whether a contract contains a lease at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low-value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

The Company as Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating lease

p) Investments and other financial assets

i) Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes."

ii) Measurement

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer Note 28 details how the Company determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) Income recognition

Interest income

Interest income from the debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

Royalty

Royalty revenue is recognized on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably). Royalty arrangements that are based on production, sales and other measures are recognized by reference to the underlying arrangement.

q) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised 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 recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- 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 recognise 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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Investment 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, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Investments in units of mutual funds

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.

r) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised 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, and derivative financial instruments.

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 amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

s) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity; and

(b) Defined contribution plans such as provident fund.

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the current in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. 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. Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Bonus plans

The group recognizes a liability and an expense for bonuses. The group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(v) Compensated absences

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

t) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

u) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

v) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates after taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company derives revenues primarily from manufacture and sale of Active Pharma Ingredients (API) including intermediates and Contract Research services (together called as "Pharmaceuticals")

The following is summary of significant accounting policies relating to revenue recognition.

The Company earns revenue primarily from sale of New Chemical Entity (NCE) based Intermediates, Active Pharmaceutical Ingredients (API) Specialty chemicals and formulated drugs under contract research and manufacturing services.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, we apply the following five step approach:

(1) Identify the contract with a customer,

(2) Identify the performance obligations in the contract,

(3) Determine the transaction price,

(4) Allocate the transaction price to the performance obligations in the contract, and

(5) Recognize revenues when a performance obligation is satisfied.

Sale of products The Company recognises revenue for supply of goods to customers against orders received. The majority of contracts that company enters into relate to sales orders containing single performance obligations for the delivery of pharmaceutical products as per Ind AS 115. Product revenue is recognised when control of the goods is passed to the customer. The point at which control passes is determined based on the terms and conditions by each customer arrangement, but generally occurs on delivery to the customer. Revenue is not recognised until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur

Sale of services Revenue from contract research operations is recognised based on services performed till date as a percentage of total services. The agreed milestones are specified in the contracts with customers which determine the total services to be performed.

Interest income For all debt financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the Statement of Profit and Loss

Export Incentives:Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds

w) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. Other borrowings costs are expensed in the period in which they are incurred.

x) Research and Development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate :

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development.

The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use.

y) Government Grants:

Government grants are recognised at fair value as and when there is a reasonable assurance that grant will be received and all attached conditions will be complied with. When the grant is related to an expense item, it is recognised as income on systematic basis over the period of related costs, for which it is intended to compensate, are expensed. when the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related assets.

The benefit of Government loan at a lower market rate of interest is treated as Government grant, measured as the difference between proceeds received and the fair value of loan based on prevailing market interest rates.

z) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

aa) Earning per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity

shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

ab) Cash flow statement

Cash flows are reported using the Indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, financing activities of the company are segregated.

ac) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

ad) Provisions, Contingent Liabilities, Contingent Assets and commitments

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities

Contingent liabilities are disclosed, unless the possibility of outflow of resources is remote, when there is

- A possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or
- A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or reliable estimate of the amount cannot be made

Contingent Assets

A contingent asset is disclosed, where an inflow of economic benefits is probable.

Commitments

- Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date (Refer Note 32 & 33).

ae) Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to the significance of their nature or amount.

af) Recent Accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

ag) Critical estimates and Judgements

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

The areas involving critical estimates or judgements are:

1. Estimation of current tax expense and payable
2. Estimated Useful life of Depreciable assets / intangible assets
3. Estimation of defined benefit obligation
4. Recognition of revenue
5. Recognition of deferred tax assets for carried forward losses
6. Recoverability of advances/receivable
7. Evaluation of indicators for Impairment of assets
8. Valuation of inventories
9. Determination of cost for right-of-use assets and lease term
10. Contingencies
11. Financial instruments
12. Fair value measurement of financial instruments
13. Share based payments
14. Depreciation on property, plant, equipment, and amortization of intangible assets

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

NOTES TO THE **STANDALONE FINANCIAL STATEMENT**

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 3: Property, plant and equipment

Particulars	Land - Free Hold *	Buildings - Office at Factory	Buildings - Factory (including roads)	Plant & Equip-ment	Furni-ture & Fixtures	Vehi-cles	Office Equip-ment's	Laborato-ry Equip-ment's	ETP Works	EDP Equip-ment's	Total	Capital work-in-progress
Gross carrying amount												
At 01 April, 2020	1,504.64	31.20	12,233.28	25,745.56	455.45	121.93	182.82	3,090.15	1,525.68	307.32	45,198.03	10,156.15
Exchange differences		-	-	-	-	-	-	-	-	-	-	
Additions	-	-	1,849.73	8,350.75	38.65	67.45	29.77	1,130.83	93.99	51.51	11,612.67	11,004.65
Assets damaged due to fire accident	-	-	-	186.31	23.12	-	2.62	229.93	-	20.51	462.49	
Transfers	-	-	-	-	-	-	-	-	-	-	-	11,545.88
Disposals	-	-	-	-	-	19.24	-	-	-	-	19.24	-
Balance as at 31st March, 2021	**1,504.64**	**31.20**	**14,083.01**	**34,282.62**	**517.21**	**208.62**	**215.21**	**4,450.91**	**1,619.67**	**379.34**	**56,329**	**9,615**
Accumulated depreciation												
Upto 01 April, 2020	-	3.75	1,981.61	5,499.73	254.86	63.85	139.92	1,402.79	300.83	244.51	9,891.83	-
Charge for the year	-	0.75	529.16	1,988.04	44.95	19.04	21.72	340.70	98.88	40.33	3,083.56	-
		-	-	118.31	13.47	-	2.15	179.90	-	19.86	333.68	
Disposals	-	-	-	-	-	19.24	-	-	-	-	19.24	-
Exchange difference	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2021	**-**	**4.49**	**2,510.76**	**7,606.08**	**313.28**	**102.12**	**163.78**	**1,923.39**	**399.71**	**304.70**	**12,622**	**-**
Gross carrying amount												
At 01 April, 2021	1,504.64	31.20	14,083.01	33,909.99	470.98	170.15	209.97	3,991.05	1,619.67	338.33	56,328.98	9,614.91
Exchange difference	-	-	-	-	-	-	-	-	-	-	-	
Additions	-	-	4,020.25	8,154.24	355.31	0.93	33.47	363.95	197.42	29.69	13,155.26	6,539.73
Assets damaged due to fire accident	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	13,155.26
Disposals	-	-	-	380.84	5.98	4.98	17.30	88.08	112.56	34.84	644.59	-
Balance as at 31st March, 2022	**1,504.64**	**31.20**	**18,103.26**	**41,683.39**	**820.31**	**166.09**	**226.14**	**4,266.91**	**1,704.53**	**333.18**	**68,839.65**	**2,999.38**
Accumulated depreciation												
Upto 1st April, 2021	-	4.49	2,510.76	7,369.46	286.34	63.65	159.49	1,563.59	399.71	264.98	12,622.47	-
Charge for the year	-	0.75	620.28	2,517.63	53.78	21.11	21.80	415.33	108.38	27.34	3,786.41	-
Assets damaged due to fire accident	-	-	-	-	-	-	-	-	-	-	-	
Disposals	-	-	-	362.18	5.98	4.98	16.86	87.02	112.56	34.84	624.41	-
Exchange difference	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2022	**-**	**5.24**	**3,131.05**	**9,524.91**	**334.15**	**79.78**	**164.43**	**1,891.90**	**395.53**	**257.48**	**15,784.46**	**-**
Net Book Value as at 31st March, 2022	**1,504.64**	**25.96**	**14,972.21**	**32,158.48**	**486.16**	**86.31**	**61.71**	**2,375.02**	**1,309.01**	**75.70**	**53,055.19**	**2,999.38**
Net Book Value as at 31st March, 2021	**1,504.64**	**26.70**	**11,572.25**	**26,676.55**	**203.93**	**106.50**	**51.43**	**2,527.52**	**1,219.96**	**74.65**	**43,706.51**	**9,614.91**

Notes:

Refer Note 13 (b) for information on property, plant and equipment pledged as security by the Company

Refer Note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(All amounts in ₹ lakhs, unless otherwise stated)

The below listed free hold lands were transferred in accordance with Scheme of Arrangement (Demerger) by the Order of Hon'ble NCLT Bench, Hyderabad

Details as on 31st March, 2022

Description of item of property	Gross Carrying value	Title deed held in name of	Wheather title deed holder is a promoter, director or relative/Employee of promoter/director	Property held since which date	Reason for not been held in the name of the company
Land Free hold	1,113.47	SUVEN LIFE SCIENCES	None	06th Janunary 2020	Mutation pending
Land Free hold	143.76	SUVEN NISHTAA PHARMA PVTLIMITED	None	06th Janunary 2020	
Land Free hold	17.58	SUVEN SYNTHESIS LIMITED	None	06th Janunary 2020	

Details as on 31st March, 2021

Description of item of property	Gross Carrying value	Title deed held in name of	Wheather title deed holder is a promoter, director or relative/Employee of promoter/director	Property held since which date	Reason for not been held in the name of the company
Land Free hold	1,113.47	SUVEN LIFE SCIENCES	None	06th Janunary 2020	Mutation pending
Land Free hold	143.76	SUVEN NISHTAA PHARMA PVTLIMITED	None	06th Janunary 2020	
Land Free hold	17.58	SUVEN SYNTHESIS LIMITED	None	06th Janunary 2020	

Capital Work-in-progress ageing

Amount in Capital Work-In-Progress for a year of

Particulars	Less than 1 year	Between 1-2 years	2-3 years	More than 3 years	Total
Balance as at March 31, 2022					
Projects in progress	2,999.38	-	-	-	2,999.38
Projects temporarily suspended	-	-	-	-	-
Total	**2,999.38**	**-**	**-**	**-**	**2,999.38**
Balance as at March 31, 2021					
Projects in progress	9,614.91	-	-	-	9,614.91
Projects temporarily suspended	-	-	-	-	-
Total	**9,614.91**	**-**	**-**	**-**	**9,614.91**

(All amounts in ₹ lakhs, unless otherwise stated)

Note 4: Intangible assets

Particulars	Software	Total	Intangible assets under development
Gross carrying amount			
At 01 April, 2020	379.05	379.05	14.38
Additions	0.67	0.67	2.93
Disposals	-	-	-
Balance as at 31st March, 2021	**379.71**	**379.71**	**17.30**
Accumulated amortisation			
Upto 01 April, 2020	99.45	99.45	-
Charge for the year	38.51	38.51	-
Balance as at 31st March, 2021	**137.97**	**137.97**	**-**
Gross carrying amount			
At 1st April, 2021	379.71	379.71	17.30
Additions	20.99	20.99	3.68
Transfers	-	-	(20.99)
Balance as at 31st March, 2022	**400.70**	**400.70**	**-**
Accumulated amortisation and impairment			
Upto 1st April, 2021	137.97	137.97	-
Charge for the year	39.10	39.10	-
Balance as at 31st March, 2022	**177.06**	**177.06**	**-**
Net Book Value as at 31st March, 2022	**223.64**	**223.64**	**-**
Net Book Value as at 31st March, 2021	**241.75**	**241.75**	**17.30**

Capital Work-in-progress ageing

Amount in Capital Work-In-Progress for a year of

Particulars	Less than 1 year	Between 1-2 years	2-3 years	More than 3 years	Total
Balance as at March 31, 2022					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**
Balance as at March 31, 2021					
Projects in progress	17.30	-	-	-	17.30
Projects temporarily suspended	-	-	-	-	-
Total	**17.30**	**-**	**-**	**-**	**17.30**

(All amounts in ₹ lakhs, unless otherwise stated)

Note 5: Leases

Note 5(a): Right of Use Assets

Particulars	31 March 2022	31 March 2021
Opening Balance	167.53	88.58
Addition on account of transition to IndAS 116	-	-
Addition	88.85	164.27
Less Depreciation expense	115.82	85.33
Closing Balance	**140.56**	**167.53**

Note 5(b): Lease Liabilities

Particulars	31 March 2022	31 March 2021
Opening Balance	180.72	91.59
Addition on account of transition to IndAS 116	-	-
Addition	88.85	164.27
Add: Accretion of interest	21.68	20.50
Less: Payments	135.86	95.65
Closing Balance	**155.38**	**180.72**

Maturity analysis of lease liabilities is as follows (Undiscounted Basis)

Particulars	31 March 2022	31 March 2021
Within one year	88.59	40.41
After one year but not more than three years	3.75	64.16

The following are the amounts recognised in statement of profit and loss:

Particulars	31 March 2022	31 March 2021
Depreciation expense on right-of-use assets	115.82	85.33
Interest expense on lease liabilities	21.68	20.50
Expense relating to short-term leases and low-value assets (included in other expenses)	0.61	34.79
Total amount recognised in statement of profit and loss	**138.11**	**140.62**

Note 6: Financial assets

6 (a) (i) Non-current investments

Particulars	Face Value	31 March 2022		31 March 2021	
		Shares	Amount	Shares	Amount
Investment carried at cost					
Unquoted Equity Instruments - (Fully paid up)					
a) In Subsidiary Companies					
Equity shares of Suven Pharma Inc. At par value UDS 0.01		1,500.00	0.01	1,500.00	0.01
-Additional paid in capital		NA	11,860.23	NA	24,557.67
b) Other Investments					
Jeedimetla Effluent Treatment Ltd	100.00	1,000.00	6.00	1,000.00	6.00
Patancheru Envirotech Pvt Ltd	10.00	10,487.00	1.05	10,487.00	1.05
Total Investments carried at cost		**12,987.00**	**11,867.29**	**12,987.00**	**24,564.73**
Total Non-Current investments		**12,987.00**	**11,867.29**	**12,987.00**	**24,564.73**
Aggregate amount of quoted investments & market value thereof					
Aggregate value of unquoted investments		-	11,867.29	-	24,564.73
Aggregate amount of impairement in value of Investment in unquoted equity investments		**-**	**-**	**-**	**-**

(All amounts in ₹ lakhs, unless otherwise stated)

The company has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act,2013 read with companies (Restriction on number of Layers) Rules,2017.

6 (a) (ii) Current investments carried at Fair value through Profit & Loss

Particulars	31 March 2022		31 March 2021	
	Units	Amount	Units	Amount
Investment in Mutual Funds- Unquoted (Fully paid up)				
Nippon India low duration Fund-Growth	212,365.82	6,729.42	71,568.88	2,092.47
Nippon India Liquid Fund-Growth	43,460.24	2,263.42	10,034.00	501.45
Nippon India Overnight Fund-Growth	3,067,581.33	3,500.70	-	-
IDFC Overnight Fund-Growth	308,715.13	3,500.16	-	-
IDFC Cash Fund-Growth	267,356.44	6,873.58	-	-
SBI Magnum Low Duration Fund	136,275.00	3,964.66	84,309.00	2,318.82
TATA Liquid Fund - Growth	104,518.51	3,512.29	57,126.00	2,096.46
SBI Overnight Fund-Growth	101,121.95	3,500.19	-	-
TATA Floating rate - Growth	19,935,903.89	2,050.83	-	-
TATA Money market - Growth	148,411.87	5,677.28	-	-
TATA Overnight Fund - Growth	312,112.15	3,500.15	-	-
PNB BONDS - 8.98%	104,518.51	1,046.45	-	-
BHARAT BOND FOF	17,155,626.51	2,003.11	-	-
IDFC Low Duration Fund	-	-	1,922,169.00	581.35
IDFC Floating Rate Fund	-	-	9,999,500.00	1,003.23
HDFC Short Term Debt Fund-Growth	-	-	16,907,505.42	4,153.70
SBI Liquid Fund -Growth	-	-	165,836.42	5,311.90
Total Current Investments		**48,122.24**		**18,059.38**
Aggregate amount of quoted investments & market value thereof				
Aggregate value of quoted investments	-	48,122.24	-	18,059.38
Aggregate amount of impairment in value of Investment in unquoted investments	-	-	-	-

6(b) Loans

Particulars	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loan to employees	18.63	6.95	21.78	6.20
Total loans	**18.63**	**6.95**	**21.78**	**6.20**

6(c) Other financial assets

Particulars	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Security Deposits	-	539.16	-	479.34
Interest accrued on deposit	-	0.05	-	15.84
Total Other financial assets	**-**	**539.21**	**-**	**495.18**

(All amounts in ₹ lakhs, unless otherwise stated)

6(d) Trade receivables

Particulars	31 March 2022	31 March 2021
(i) Trade receivables- considered good-Unsecured*	23,637.23	10,238.21
Less: Loss Allowance for doubtful receivables	-	-
Trade receivables- considered good-Unsecured	**23,637.23**	**10,238.21**
(ii) Trade receivables- Cedit Impaired-Unsecured	-	-
Less: Loss Allowance for doubtful receivables	-	-
Trade receivables- Credit Impaired-Unsecured	**-**	**-**

No Trade receivables are due from directors or other officers of the company either severally or jointly with any other person. Refer note:32 for dues from related parties.

Ageing for trade receivables - current outstanding as at March 31, 2022 is as follows :

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	17489.03	6148.20	-	-	-	-	23637.23
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
Total	**17489.03**	**6148.20**	**-**	**-**	**-**	**-**	**23637.23**
Less: Allowance for expected credit loss	-	-	-	-	-	-	-
Balance at the end of the year	**17489.03**	**6148.20**	**-**	**-**	**-**	**-**	**23637.23**

Ageing for trade receivables - current outstanding as at March 31, 2021 is as follows :

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	-	10238.21	-	-	-	-	10,238.21
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
Total	**-**	**10238.21**	**-**	**-**	**-**	**-**	**10,238.21**
Less: Allowance for expected credit loss	-	-	-	-	-	-	-
Balance at the end of the year	**-**	**10238.21**	**-**	**-**	**-**	**-**	**10,238.21**

6(e) (i) Cash and cash equivalents

Particulars	31 March 2022	31 March 2021
Balances with banks		
-in current accounts	2,486.86	620.68
-in EEFC account	490.72	77.48
-in Cash Credit account	34.65	1.70
-Deposits with maturity of less than three months	-	-
Cash on hand	8.82	9.29
Total cash and cash equivalents	**3,021.05**	**709.14**

6(e) (ii) Bank balances other than cash and cash equivalents

Particulars	31 March 2022	31 March 2021
Earmarked balances with banks:		
In unclaimed dividend accounts*	59.23	42.61
Deposits -LC & BG**	214.97	204.49
Total Other bank balances	**274.20**	**247.10**

*There are no amount due for payment to the Investor Education Protection Fund under sec 125 of Comapanies act 2013, as the year end.
**Margin Money deposits with carrying amount of ₹214.96 (March 2021 - ₹204.49 Lakhs) are subject to first charge against bank guarantees obtained.

Note 7: Other non-current assets

Particulars	31 March 2022	31 March 2021
Capital advances	760.56	599.21
Total other non-current assets	**760.56**	**599.21**

Note 8: Inventories (Valued at lower of cost or Net Realisable Value)

Particulars	31 March 2022	31 March 2021
Raw materials	7,182.71	5,127.73
Work-in-progress	13,175.05	9,820.06
Finished goods	5,992.39	3,312.17
Stores and spares	1,736.33	1,547.85
Packing materials	255.25	300.23
Total inventories	**28,341.73**	**20,108.04**

Note 9: Other current assets

Particulars	31 March 2022	31 March 2021
Unsecured, considered good		
MEIS receivable*	-	435.19
MEIS licenses on hand	145.63	1.52
Insurance claim receivable	128.80	128.80
Duty drawback receivable	172.75	177.97
GST Receivable	4,498.83	4,420.21
Pre paid expenses	639.99	439.68
Advances to Material Suppliers	1,659.93	1,163.86
Advances to service providers	190.24	61.46
Forward contracts receivable	0.14	-
Others advances	44.63	32.41
Total other current assets	**7,480.95**	**6,861.11**

*Incentive in the form of duty credit scrip upon sale of exports under merchandise Exports from india scheme under Foreign Trade Policy of India.

(All amounts in ₹ lakhs, unless otherwise stated)

Note 10: Equity share capital and other equity

10(a) Equity share capital

Particulars	31 March 2022	31 March 2021
(a). Equity Share Capital		
Authorised Capital		
400,000,000 Equity shares of ₹1 /- each	400,000,000	400,000,000
(400,000,000 Equity shares of ₹1 /- each)		
	400,000,000	**400,000,000**
Issued, Subscribed and fully paid up		
25,45,64,956 Equity shares of ₹1/- each	2,545.65	2,545.65
(March 31,2021:25,45,64,956 Equity shares of ₹1/- each)		
	2,545.65	**2,545.65**

10(a).1 Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	31 March 2022		31 March 2021	
	Number	Amount	Number	Amount
Issue of equity share capital	254,564,956	2,545.65	127,282,478	1,272.82
Add: Issue of bonus shares*	-	-	127,282,478	1,272.82
Outstanding at the end of the year	**254,564,956**	**2,545.65**	**254,564,956**	**2,545.65**

NOTE:

*The Board has allotted the bonus shares at 1:1 ratio in it's Board Meeting held on 29th Sept,2020. Accordingly the number of shares increased from 12,72,82,478 to 25,45,64,956. The paid-up capital on account of Bonus issue of ₹12,72,82,478 has been appropriated from Share Premium account.

10 (a).2 Terms/ rights attached to equity shares

Equity shares have a par value of ₹1. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportions to the number of equity shares held by the shareholders

10 (a). 3(i) Details of shares held by the promoter at the end of the year 31st March 2022

Name of the Promoter	No. of shares			% holding of equity shares	% change during the year
	31st March 2022	Change	31st March 2021		
Jasti Property and Equity Holdings Private Limited	152,730,000	-	152,730,000	59.9965%	-
Venkateswarlu Jasti	2,000	-	2,000	0.0008%	-
Sudha Rani Jasti	2,000	-	2,000	0.0008%	-
Kalyani Jasti	2,000	-	2,000	0.0008%	-
Madhavi Jasti	2,000	-	2,000	0.0008%	-
Sirisha Jasti	2,000	-	2,000	0.0008%	-

(All amounts in ₹ lakhs, unless otherwise stated)

Details of shares held by the promoter at the end of the year 31st March 2021

Name of the Promoter	No. of shares			% holding of equity shares	% change during the year
	31st March 2021	Change	31st March 2020		
Jasti Property and Equity Holdings Private Limited	152,730,000	76,365,000	76,365,000	59.9965%	-
Venkateswarlu Jasti	2,000	1,000	1,000	0.0008%	-
Sudha Rani Jasti	2,000	1,000	1,000	0.0008%	-
Kalyani Jasti	2,000	1,000	1,000	0.0008%	-
Madhavi Jasti	2,000	1,000	1,000	0.0008%	-
Sirisha Jasti	2,000	1,000	1,000	0.0008%	-

10 (a).4 Shares of the Company held by Trustee company

Promoter's Name	31 March 2022	31 March 2021
Jasti Property and Equity Holdings Private Limited		
15,27,30,000 Equity shares of ₹1/- each (Previous year: 15,27,30,000)	152,730,000	152,730,000

10(a).5 Details of shareholders holding more than 5% shares in the Company

Particulars	31 March 2022		31 March 2021	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Jasti Property and Equity Holdings Private Limited	152,730,000	60%	152,730,000	60%

10(b) Other equity

Particulars	31 March 2022	31 March 2021
Securities premium	10,957.38	10,957.38
General reserve	10,927.67	9,427.67
Retained earnings	127,638.62	83,587.63
Total other equity	**149,523.67**	**103,972.68**

(i) Securities premium

Particulars	31 March 2022	31 March 2021
Opening balance	10,957.38	12,230.21
Add: On issue of shares	-	-
Less: Issue of Bonus Shares	-	(1,272.82)
Closing Balance	**10,957.38**	**10,957.38**

(ii) General Reserve

Particulars	31 March 2022	31 March 2021
Opening balance	9,427.67	7,927.67
Transferred from Retained Earnings	1,500.00	1,500.00
Closing Balance	**10,927.67**	**9,427.67**

(All amounts in ₹ lakhs, unless otherwise stated)

(iii) Retained earnings

Particulars	31 March 2022	31 March 2021
Opening balance	83,587.63	56,852.28
Net profit for the year	55,809.88	30,864.70
Transferred to General reserve	(1,500.00)	(1,500.00)
Dividend paid	(10,182.60)	(2,545.65)
Tax on distributed profit	-	-
Other Comprehensive Income	-	-
- Remeasurements of post employment benefit obligation, net of tax	(76.29)	(83.70)
Closing balance	**127,638.62**	**83,587.63**

Nature and purpose of reserves

Securities premium reserve:

The amount received in excess of face value of the equity shares is recognised in securities premium reserve. The reserve is utilised in accordance with the provisions of companies Act 2013.

General Reserve:

General reserve is used from time to time to transfer the profits from retained earnings for appropriation purpose.

Retained Earnings:

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to share holders

Other Comprehensive Income:

Difference between the interest income on plan assets and the return actually achieved, any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and subsequently not reclassified into statement of profit and loss.

Note 11: Provisions

Particulars	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Provision for Employee benefits				
-Leave obligations*	260.10	778.53	148.68	448.87
-Gratuity**	147.43	110.92	112.04	215.73
	407.53	**889.45**	**260.72**	**664.60**

***The Compensated Absences (Leave Obligations)** covers the company's liability for earned leave which is classified as other long-term benefits. The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefit is discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations.

Employee Benefit Plans
(i) Defined Contribution plans

Particulars	31 March 2022	31 March 2021
Provident Fund	510.71	376.69
State Defined Contribution Plans		
Employees State Insurance	9.59	13.18

(All amounts in ₹ lakhs, unless otherwise stated)

(ii) Defined Benefit plan

Gratuity

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

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present Value of obligation	Fair Value of Plan Assets	Net Amount
01-Apr-20	1,204.49	665.52	538.98
Current service cost	163.02	-	163.02
Interest expense/(income)	78.99	56.02	22.97
Total amount recognized in profit or loss	**1,446.50**	**721.54**	**724.97**
Remeasurements			
- Experience adjustments	121.37	-	121.37
- Financials assumptions	(12.62)	-	(12.62)
Return on plan assets (excluding Interest Income)	-	(3.10)	3.10
Experience (gains)/loss	-	-	-
Total amount recognized in other comprehensive income	**1,555.26**	**718.44**	**836.82**
Employer contributions	-	325.00	(325.00)
Benefit payments	(89.16)	(10.86)	(78.30)
Others	-	105.75	(105.75)
Interest adjustment	-	-	-
31-Mar-21	**1,466.10**	**1,138.33**	**327.77**
01-Apr-21	1,466.10	1,138.33	327.77
Current service cost	191.25	-	191.25
Interest expense/(income)	30.13	71.65	(41.52)
Total amount recognized in profit or loss	**1,687.48**	**1,209.98**	**477.50**
Remeasurements			
- Experience adjustments	442.06	-	442.06
- Financials assumptions	(60.08)	-	(60.08)
Return on plan assets (excluding Interest Income)	-	222.43	(222.43)
Experience (gains)/loss	-	-	-
Total amount recognized in other comprehensive income	**2,069.46**	**1,432.41**	**637.05**
Employer contributions	-	1,339.29	(1,339.29)
Benefit payments	(392.74)	(215.00)	(177.74)
Others	-	(1,138.33)	1,138.33
Interest adjustment	-	-	-
31-Mar-22	**1,676.72**	**1,418.37**	**258.35**

(All amounts in ₹ lakhs, unless otherwise stated)

Reconciliation of Liability

Particulars	31 March 2022	31 March 2021
Present value of obligation as at the beginning of the period	1,466.10	1,204.49
Interest cost	30.13	78.99
Past service cost - (Vested Benefits)	-	-
Current service cost	191.25	163.02
Benefits paid	(392.74)	(89.16)
Increase / (Decrease) due to effect of any business combination / divesture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Financial Assumptions	(60.08)	(12.62)
Actuarial (gain)/loss on obligation	442.06	121.37
Present value of obligation as at the end of the period	**1,676.72**	**1,466.10**

Reconciliation of Plan Assets

Particulars	31 March 2022	31 March 2021
Fair value at beginning	1,138.33	665.52
Interest income	71.65	56.02
Employers contribution	1,339.29	325.00
Employer Direct Benefit Payments	177.74	78.30
Benefit Payments from Plan Assets	(215.00)	(10.86)
Benefit Payments from Employer	(177.74)	(78.30)
return on plan assets	222.43	(3.10)
Adjustment to Opening Balance, Other Expenses & Increase/Decrease due to Plan Combination	(1,138.33)	105.75
Fair value at the End	**1,418.37**	**1,138.33**

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	31 March 2022	31 March 2021
Discount rate	6.91%	7.33%
Salary growth rate	9.00%	9.00%
Attrition rate	6.50%	6.50%
Retirement age	58 Years	58 Years

(iv) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Discount rate	1%	1%	1,547.28	1,349.40	1,826.02	1,601.06
Salary growth rate	1%	1%	1,813.27	1,590.32	1,552.19	1,354.58
Attrition rate	1%	1%	1,662.62	1,450.42	1,692.56	1,483.79

Expected cash flows over the next (valued on undiscounted basis):	Amount (₹)
1 year	147.43
2 to 5 Years	571.76
6 to 10 years	753.97

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(v) Best estimate of Contribution during the next year

The recommended contribution is minimum of net liability (Defined Benefit obligation -Fund balance as at valuation date) =₹2,58,35,094.13 or 8.33% of the wage bill

Discontinuance Liability

Amount payable upon discontinuance of all employment is ₹14,62,33,976

(vi) Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. A portion of the fund is invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The company intends to maintain the investment mix in the continuing years.

Changes in bond yields: A decrease in bond yields will increase plan liabilities, although this will be partially off-set by an increase in the value of the plan's bond holdings.

Inflation risk: In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

Life expectancy: The pension obligation are to provide benefits for the life of the member, so increase in life expectancy will result in an increase in the plan's liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy

The company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long term investments that are in line with the obligations under the employee benefit plans. Within this framework, the company's ALM objective is to match the assets to the pension obligations by investing in long term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The company has not changed the processes used to manage its risks from previous periods.

A large portion of assets in 2021 consists of government and corporate bonds, although the company also invests in equities, cash and mutual funds. The company believes that equities offer the best returns over the long term with an acceptable level of risk. The majority of equities are in a globally diversified portfolio of international blue chip entities, with a target of 60% equities held in India. The plan asset mix is in compliance with the requirements of the respective local regulations.

(All amounts in ₹ lakhs, unless otherwise stated)

Interest Rate : A decrease in bond yields will increase plan liabilities, although this will be partially off-set by an increase in the value of the plan's bond holdings.

Investment Risk: If actual return on plan assets us below this rate, it will create a plan deficit

Salary Risk: Higher than expected increase in salaries increases the defined benefit obligations

Demographic Risk: The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plans liability

Other Long term benefit plans

Compensated Absences

The Company provides for accumulation of compensated absences in respect of certain categories of employees. Theses employees can carry forward a portion of the unutilized compensated absences and utilize them in future periods or receive cash in lieu there of as company policy

Actuarial valuation for compensated absences is done as at the year end and provision is made as per company policy wit corresponding (gain) / Charge to the statement of profit and loss amounting to ₹9,75,74,265 (March 31, 2021 : ₹3,24,62,908)

Note 12: Deferred tax assets /(liabilities)

The balances comprises temporary differences attributable to :

Particulars	31 March 2022	31 March 2021
Gratuity & leave Encashment	138.28	232.41
Demerger expenses	5.48	10.95
Ind AS 116	3.73	3.32
Others-MAT credit	-	-
Total Deferred tax assets	**147.49**	**246.68**
Set-off of deferred tax liabilities pursuant to set-off provisions		
- Depreciation	3,793.02	3,298.15
- Unrealised capital gains on MF	94.01	41.82
Total Deferred tax Liabilities	**3,887.03**	**3,339.97**
Total deferred tax assets/(Liabilities) (net)	**(3,739.55)**	**(3,093.29)**

13(a) Non-Current borrowings

Particulars	31 March 2022	31 March 2021
Secured		
FCNR(B) Term Loan from State Bank of India	2,844.04	3,559.09
Terms of repayment: The term loan is repayable in 20 equal quarterly installments starting from June 202. (refer note a(ii) below note 13(b))		
Total Non-Current Borrowings	**2,844.04**	**3,559.09**

(All amounts in ₹ lakhs, unless otherwise stated)

13(b) Current borrowings

Particulars	31 March 2022	31 March 2021
Secured		
Working Capital Loans from State Bank of India(refer note (i) below)	3,772.78	3,481.48
Working Capital Loans from Bank of Bahrain & Kuwait (refer note (i) below)	940.52	937.46
FCNR(B) Term Loan from State Bank of India (refer note(ii) below)	2,000.00	2,000.00
Unsecured	-	-
Working Capital Loans from Bank of Bahrain & Kuwait (refer note (i) below)	-	-
Loan from related party (refer note (b) below)	-	4,144.82
Total Current Borrowings	**6,713.31**	**10,563.76**

Notes:

a. Details of Current Borrowings

(i) Rate of Interest, Nature of Security and Terms of repayment of working capital loan

The loan is secured by hypothecation on stocks, Receivables and Other current assets of the company and second charge on fixed assets at Pashamylaram and FDC units of the company and interest rate 7.80% p.a with monthly rest charged by state bank of India and 7.55 % by Bank of Bahrain & Kuwait

(ii) Rate of Interest, Nature of security and Terms of repayment of Term Loan:

The loan is secured by Mortgage of land and building and plant and machinery embedded to earth, Hypothecation of moveable fixed assets like furniture, computers etc. Situated at Pashamylaram unit and FDC Block. Interest rate being 1.30% of MCLR-6M(6.95%) present effective rate being 8.25%.p.a with monthly rests. Interest will be reset every six months. FCNR(B) -6MLIBOR/SOFAR+200bps(for a period of 1 year)

b. Loan from related party represents loan taken from Suven Life Sciences Limited at the approved rate of Interest @8% per annum.

13(c) Trade payables

Particulars	31 March 2022	31 March 2021
Dues to micro enterprises and small enterprises (Refer Note below)	200.20	996.24
Dues to creditors other than micro enterprises and small enterprises	10,389.87	7,296.89
Total trade payables	**10,590.06**	**8,293.14**

Trade payables ageing schedule for the year ended as on March 31, 2022

Particulars	Not Due	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	-	200.20	-	-	-	200.20
(ii) Others	8,746.78	1,643.09	-	-	-	10,389.87
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

(All amounts in ₹ lakhs, unless otherwise stated)

Trade payables ageing schedule for the year ended as on March 31, 2021

Particulars	Not Due	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	-	996.24	-	-	-	996.24
(ii) Others	-	7,296.89	-	-	-	7,296.89
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

Dues to micro and small enterprises:

With the promulgation of the Micro, Small and Medium Enterprises Development Act, 2006, the Company is required to identify Micro, Small and Medium Suppliers and pay them interest on overdue beyond the specified period irrespective of the terms with the suppliers. The Company has circulated letter to all suppliers seeking their status. Response from few suppliers has been received and is still awaited from other suppliers. In view of this, the liability of interest calculated and the required disclosures made, in the below table, to the extent of information available with the Company.

Particulars	31 March 2022	31 March 2021
Principal amount remaining unpaid to any supplier as at the end of the accounting year	190.59	992.30
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	9.60	3.94
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	7.88	1.11
The amount of interest accrued and remaining unpaid at the end of the accounting year	1.73	2.84
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to small enterprises	-	-

13(d) Other Financial liabilities

Particulars	31 March 2022	31 March 2021
Current		
Liabilities for expenses	1,913.31	1,492.65
Payable for Capital Goods	153.48	987.49
Unpaid dividend on equity shares*	59.23	42.61
Total other current financial liabilities	**2,126.02**	**2,522.75**

*As at 31st March 2022, there has been no amount due and outstanding to be transferred to IEPF (Investor Education and Protection Fund).

(All amounts in ₹ lakhs, unless otherwise stated)

Note 14: Current tax asset (net)

Particulars	31 March 2022	31 March 2021
Prepaid Income taxes	13,722.60	10,400.44
Less: Provision for income tax	14,086.82	10,175.77
Total Current tax Asset / (liability)	**(364.22)**	**224.67**

Note 15: Other current liabilities

Particulars	31 March 2022	31 March 2021
Advance from customers	380.02	0.72
Statutory liabilities	209.91	225.64
Total other current liabilities	**589.93**	**226.36**

Note 16: Revenue from operations

Particulars	31 March 2022	31 March 2021
Sale of Products	125,336.83	94,933.39
Sale of Services	5,364.25	4,612.99
	130,701.07	**99,546.38**
Other Operating Income		
Export Incentives (MEIS)*	391.55	694.90
Duty Drawback Received	929.58	730.57
	1,321.13	**1,425.47**
	132,022.21	**100,971.86**

*Incentive in the form of duty credit scrip upon sale of exports under Merchandise Exports from India Scheme under Foreign Trade Policy of India

(a) Reconcilation of revenue from sale of products with contracted price

Particulars	31 March 2022	31 March 2021
Contracted price	125,426.65	94,933.39
Less:		
i) Sales returns	89.82	-
ii) Discounts and rebates	-	-
Revenue from Contracts with Customers	**125,336.83**	**94,933.39**

(b) Disagregation of Revenue based on location of customer

Region	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Related Party	Non Related Party	Related Party	Non Related Party
USA	-	5,853.28	184.24	6,991.16
Europe	-	110,480.23	-	82,702.18
India	514.87	3,914.38	248.46	4,059.31
Rest of the world	-	11,259.43	-	6,786.50
Total	**514.87**	**131,507.34**	**432.70**	**100,539.15**

NOTES TO THE **STANDALONE FINANCIAL STATEMENT**
for the year ended March 31, 2022
(All amounts in ₹ lakhs, unless otherwise stated)

Details of Deferred Revenue

Particulars	31 March 2022	31 March 2021
Balance at the begining	778.37	1,409.45
Add: Increase due to invoicing during the year	980.07	778.37
Less: Revenue recognised during the year	778.37	1,409.45
Balance at the end of the year	**980.07**	**778.37**
Expected revenue recognition from remaining performance obligations		
-with in one year (Current)	980.07	778.37
-more than one year(Non Current)	**-**	**-**

Changes in Contract liability	31 March 2022	31 March 2021
Balance at the end of the year	380.02	0.72

Note 17: Other income

Particulars	31 March 2022	31 March 2021
Interest income		
On fixed deposits	6.81	9.32
Others	0.05	17.46
Liabilities no longer required written back	37.30	-
Dividend Received - Suven Pharma Inc.,	15,081.85	-
Gain on Investment-Suven Pharma Inc.,	1,080.42	-
Facility Charges	109.78	104.87
Foreign Exchange Gain (Net)	1,642.08	955.92
Gain on Financial Assets	820.31	332.77
Forward Contracts Gain	0.14	-
Net gain on sale of Property,Plant and equipment	0.06	3.36
	18,778.80	**1,423.70**

Note 18: Cost of materials consumed

Particulars	31 March 2022	31 March 2021
Raw Materials		
Raw Material at the beginning of the year	5,127.73	3,451.56
Purchases during the year	47,495.41	32,269.44
Less: Raw Material at the end of the year	7,182.71	5,127.73
	45,440.43	**30,593.27**
Packing Materials		
Packing Material at the beginning of the year	300.23	185.88
Purchases during the year	460.24	552.59
Less: Packing Material at the end of the year	255.25	300.23
	505.21	438.24
	45,945.64	**31,031.51**

(All amounts in ₹ lakhs, unless otherwise stated)

Note 19: Changes in inventories of work-in-progress and finished goods

Particulars	31 March 2022	31 March 2021
Opening Balance:		
Work-in-progress	9,820.06	7,656.34
Finished Goods	3,312.17	4,638.59
Total opening balance	**13,132.23**	**12,294.93**
Closing Balance:		
Work-in-progress	13,175.05	9,820.06
Finished Goods	5,992.39	3,312.17
Total closing balance	**19,167.44**	**13,132.23**
	(6,035.21)	**(837.30)**

Note 20: Manufacturing expenses

Particulars	31 March 2022	31 March 2021
Power & Fuel	5,955.32	4,419.62
Consumable Stores	244.98	175.32
Factory Upkeep Expenses	4,003.79	3,320.33
Environment Management Expenses	3,019.76	1,698.67
Safety Expenses	173.10	172.98
Quality Control Expenses	1,720.70	1,552.78
Repairs & Maintenance:	-	-
Buildings	148.74	150.02
Plant & Machinery	2,052.47	1,889.21
	17,318.86	**13,378.94**

Note 21: Employee benefits expense

Particulars	31 March 2022	31 March 2021
Salaries & Wages	9,054.39	6,777.43
Contribution to Provident & other funds	520.57	418.34
Gratuity Expense	221.38	185.99
Staff Welfare Expenses	252.04	241.54
	10,048.39	**7,623.30**

Note 22: Research & Development expenses

Particulars	31 March 2022	31 March 2021
R & D Salaries	746.60	792.26
R & D Materials	0.04	0.07
Patent Related Expenses	10.14	6.75
Lab Maintenance	54.09	101.52
R & D Other Expenses	192.97	161.32
Depreciation	31.61	43.82
	1,035.45	**1,105.75**

(All amounts in ₹ lakhs, unless otherwise stated)

Note 23: Finance costs

Particulars	31 March 2022	31 March 2021
Interest Expense		
On Borrowings	479.66	170.01
On Inter Company Loan	112.16	697.91
On Income taxes	-	22.01
On Lease Liability	21.68	20.50
On MSME	9.60	3.94
	623.10	**914.37**

Note 24: Depreciation and amortisation expense

Particulars	31 March 2022	31 March 2021
Depreciation of property, plant and equipment (Refer Note 3)	3,754.80	3,039.74
Amortisation of intangible assets (Refer Note 4)	39.10	38.51
Depreciation of Right of Use Asset (Refer Note 5)	115.82	85.33
	3,909.71	**3,163.58**

Note 25: Other expenses

Particulars	31 March 2022	31 March 2021
Rent	0.61	34.79
Rates & Taxes	33.43	93.52
Insurance	711.18	722.67
Bank Charges	229.65	252.12
Communication Charges	74.48	66.99
Travelling & Conveyance	686.99	639.85
Printing & Stationery	35.67	35.61
Vehicle Maintenance	19.78	27.86
Professional Charges	353.83	435.63
Payments to Auditors (Refer note 25 (a) below)	31.18	30.70
Security Charges	274.66	247.15
Donations	-	1.00
Repairs & Maintenance - others	161.68	116.92
Loss on sale of Property, Plant and equipment	20.17	-
Corporate Social Responsibility (Refer note 25 (b) below)	617.22	515.08
Sales Promotion	188.33	183.69
Clearing & Forwarding	1,633.33	707.13
Commission on Sales	158.65	161.68
General Expenses	479.44	345.10
	5,710.25	**4,617.50**

(All amounts in ₹ lakhs, unless otherwise stated)

Note 25(a): Details of payments to auditors

Particulars	31 March 2022	31 March 2021
Payment to auditors		
As auditor:		
(i) Stat Auditor Fees	20.00	20.00
(ii) Tax audit fees	5.00	5.00
(iii) Other services	5.00	5.00
(iv) Re-imbursement of out -of- pocket expenses	1.18	0.70
	31.18	**30.70**

Note 25(b): Corporate social responsibility expenditure

Particulars	31 March 2022	31 March 2021
Amount required to be spent as per section 135 of the Act	617.22	515.08
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	617.22	515.08

Nature of CSR Activities

Promoting education and skill development initiatives, community development initiatives, covid-19 relief and rehabilitation, national heritage and development programs and other social and research/ development projects.

Note 26: Income tax expense

This note provides an analysis of the company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax positions.

Particulars	31 March 2022	31 March 2021
(a) Income tax expense		
Current tax		
Current tax on profits for the year	15,763.03	10,153.76
Adjustments for current tax of prior periods	-	17.75
Total current tax expense	**15,763.03**	**10,171.50**
Deferred tax		
Decrease(increase) in deferred tax assets	-	-
Increase(decrease) in deferred tax liabilities	671.91	361.72
Total Deferred tax expense/(benefit)	**671.91**	**361.72**
Income tax expense	**16,434.94**	**10,533.23**
Income tax expense is attributable to:		
Profit from operations	**16,434.94**	**10,533.23**

(All amounts in ₹ lakhs, unless otherwise stated)

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	31 March 2022	31 March 2021
Profit from operations before income tax expenses	72,244.82	41,397.92
Tax at the Indian tax rate of 25.168%	**18,182.58**	**10,419.03**
Computed expected tax expense:		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
CSR Expenditure	155.34	129.64
Profit on sale of asset	(0.02)	(0.84)
Interest on Income tax	154.85	22.01
Interest on MSMED	2.42	0.99
Income tax paid at special rate	-	-
Royalty	(18.74)	(31.74)
Dividend tax	1,676.21	-
80m deduction of dividend upstreaming	(3,795.80)	-
Impact of WDV change	-	(24.06)
Prior year taxes	-	17.75
Others	78.10	0.46
Income tax expenses	**16,434.94**	**10,533.23**

Financial instruments and risk management

Note 27: Fair value measurements

Region	31 March 2022		31 March 2021	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Investments				
-Equity Investment	-	11,867.29	-	24,564.73
-Mutual funds	48,122.24	-	18,059.38	-
Trade Receivables	-	23,637.23	-	10,238.21
Loans	-	25.58	-	27.98
Security deposits	-	539.21	-	495.18
Cash and Cash equivalents	-	3,021.05	-	709.14
Bank Balances	-	59.23	-	42.61
Fixed Deposits with Banks and Interest thereon	-	214.97	-	204.49
Total Financial Assets	**48,122.24**	**39,364.55**	**18,059.38**	**36,282.34**
Financial Liabilities				
Borrowings	-	9,557.34	-	14,122.84
Unpaid dividends	-	59.23	-	42.61
Trade Payables	-	10,590.06	-	8,293.14
Capital creditors	-	153.48	-	987.49
Liability for expenses	-	1,913.31	-	1,492.65
Lease liability	-	155.38	-	180.72
Total Financial Liabilities	**-**	**22,428.80**	**-**	**25,119.45**

(All amounts in ₹ lakhs, unless otherwise stated)

(i) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels

Level 1: Level 1 hierarchy includes Quoted prices taken from market.

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

Level 3: Inputs are not based on observable market data (unobservable inputs).

Financial assets measured at fair value	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2022					
Financial assets					
Equity Investment	6(a)(i)	-	-	11,867.29	11,867.29
Investment in mutual funds	6(a)(ii)	-	48,122.24	-	48,122.24
Trade Receivables	6(d)	-	-	23,637.23	23,637.23
Loans	6(b)	-	-	25.58	25.58
Security deposits	6(c)	-	-	539.21	539.21
Fixed Deposits with Banks and Interest thereon	6(e)(ii)	-	-	214.97	214.97
Cash and Cash equivalents	6(e)(i)	-	-	3,021.05	3,021.05
Bank Balances	6(e)(ii)	-	-	59.23	59.23
Total Financial Assets		**-**	**48,122.24**	**39,364.55**	**87,486.79**

Financial liabilities measured Fair Value	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2022					
Financial Liabilities					
Borrowings	13(b)	-	-	9,557.34	9,557.34
Unpaid dividends	13(d)	-	-	59.23	59.23
Trade Payables	13(c)	-	-	10,590.06	10,590.06
Capital creditors	13(d)	-	-	153.48	153.48
Liability for expenses	13(d)	-	-	1,913.31	1,913.31
Lease liability	5(b)	-	-	155.38	155.38
Total Financial Liabilities		**-**	**-**	**22,428.80**	**22,428.80**

Financial assets measured at fair value	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2021					
Financial assets					
Equity Investment	6(a)(i)	-	-	24,564.73	24,564.73
Investment in mutual funds	6(a)(ii)	-	18,059.38	-	18,059.38
Trade Receivables	6(d)	-	-	10,238.21	10,238.21
Loans	6(b)	-	-	27.98	27.98
Security deposits	6(c)	-	-	495.18	495.18
Fixed Deposits with Banks and Interest thereon	6(e)(ii)	-	-	204.49	204.49
Cash and Cash equivalents	6(e)(i)	-	-	709.14	709.14
Bank Balances	6(e)(ii)	-	-	42.61	42.61
Total Financial Assets		**-**	**18,059.38**	**36,282.34**	**54,341.72**

(All amounts in ₹ lakhs, unless otherwise stated)

Financial liabilities measured at Fair Value	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2021					
Financial Liabilities					
Borrowings	13(b)	-	-	14,122.84	14,122.84
Unpaid dividends	13(d)	-	-	42.61	42.61
Trade Payables	13(c)	-	-	8,293.14	8,293.14
Capital creditors	13(d)	-	-	987.49	987.49
Liability for expenses	13(d)	-	-	1,492.65	1,492.65
Lease liability	5(b)	-	-	180.72	180.72
Total Financial Liabilities		**-**	**-**	**25,119.45**	**25,119.45**

Note 28: Financial Risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the board of directors on its activities.

Risk	Exposure arising from	Measurement	Management Comment
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost	Ageing analysis	Diversification of bank deposits and monitoring of credit limits of customers
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupees	Cash flow forecasting Sensitivity analysis	All USD related Import commitment are covered by snapping from the export USD thru EEFC account
Market risk - interest risk	Long-term borrowings at variable rates	Sensitivity analysis	Interest rates were Libor plus rate of interest fixed for the full term of the loan
Market risk - security prices	Investments in Mutual funds	Sensitivity analysis	Portfolio diversification

The company's risk management is carried out by the management. Company treasury identifies, evaluates and hedges financial risk in close cooperation with the company's operating units. The management provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, and investment of excess liquidity.

(A) Credit Risk Management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

(All amounts in ₹ lakhs, unless otherwise stated)

i) Financial instruments and cash deposits

For banks and financial institutions, only high rated banks/ institutions are accepted. Other Financial assets (excluding Bank deposits) majorly constitute deposits given to State electricity departments for supply of power, which the company considers to have negligible credit exposure. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

ii) Expected credit loss for trade receivables under simplified approach

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables

Year ended 31 March 2022

Ageing	0-30 days	31-60 days	61-90 days	91-120 days	More than 120 days	Total
Gross carrying amount	22,220.77	1,329.59	21.75	0.43	64.68	23,637.23
Expected loss rate	0%	0%	0%	0%	0%	0%
Expected credit losses (loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	22,220.77	1,329.59	21.75	0.43	64.68	23,637.23

Year ended 31 March 2021

Ageing	0-30 days	31-60 days	61-90 days	91-120 days	More than 120 days	Total
Gross carrying amount	5,614.37	3,849.82	287.15	408.84	78.04	10,238
Expected loss rate	0%	0%	0%	0%	0%	0%
Expected credit losses(loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables(net of impairment)	5,614.37	3,849.82	287.15	408.84	78.04	10,238.21

(B) Liquidity Risk:

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to dynamic nature of the underlying business, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position(comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the company in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(All amounts in ₹ lakhs, unless otherwise stated)

The table below summarises the maturity profile of the Company financial liabilities based on contractual undiscounted payments.

Year ended March 31, 2022	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	4,713.31	2,000.00	2,844.04	9,557.34
(ii) Trade payables	-	10,590.06	-	10,590.06
(iii) Other financial liabilities	59.23	2,066.78	-	2,126.02
	4,772.54	14,656.85	2,844.04	22,273.42

Year ended March 31, 2021	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	4,418.94	6,144.82	3,559.09	14,122.84
(ii) Trade payables	-	8,293.14	-	8,293.14
(iii) Other financial liabilities	42.61	2,480.15	-	2,522.75
	4,461.54	16,918.10	3,559.09	24,938.73

C) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk and interest rate risk.

(i) Foreign exchange risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, GBP and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (₹). The risk is measured through a forecast of highly probable foreign forecast transactions.

The company's risk management policy is to hedge part of forecasted foreign currency sales for the subsequent months. As per the risk management policy, foreign exchange forward contracts are taken to hedge part of the forecasted sales by taking consultancy from external treasury management forms. The imports were hedged naturally by payment through EEFC account.

(a) Foreign currency risk exposure:

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:

Particulars	As at March 31, 2022			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	642.27	-	-	-
Trade receivables (Net)	23,607.75	-	-	-
Financial Liabilities				
Borrowings	9,557.34	-	-	-
Trade payables (Net)	3,716.77	-	-	-
Other financial liabilities	19.43	-	-	-

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at March 31, 2021			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	386.61	-	-	-
Trade receivables	9,880.42	-	-	-
Financial Liabilities				
Borrowings	9,978.02	-	-	-
Trade payables(Net)	1,674.64	-	-	-
Other financial liabilities	13.34	-	-	-

D) Market risk - interest risk

(ii) Cash flow and fair value interest rate risk

The company's main interest rate risk arises from long-term borrowings with variable rates, which expose the company to cashflow interest rate risk.

(a) Interest rate risk exposure

The exposure of the company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	31 March 2022	31 March 2021
Variable rate borrowings	9,557.34	9,978.02
Fixed rate borrowings	-	-
Total borrowings	**9,557.34**	**9,978.02**

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of increase/decrease in the fair value of cash flow hedges related to the borrowings if any

Particulars	Impact on Profit after tax		Impact on Other components of equity	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Interest rates-increase by 100 basis points	87.89	168.04	-	-
Interest rates-decrease by 100 basis points	7.57	59.06	-	-

Note 29: Capital Management

(a) Risk management

The Company's objective when managing capital are to:

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts

(All amounts in ₹ lakhs, unless otherwise stated)

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio: - Total debt divided by total equity (as shown in the balance sheet)

Particulars	31 March 2022	31 March 2021
Total debt	9,557.34	14,122.84
Total Equity	152,069.32	106,518.33
Total debt to equity ratio	6.28%	13.26%

(b) Dividends distributions made and proposed (on equity instruments)

Particulars	31 March 2022	31 March 2021
(i) Cash dividends on Equity shares declared and paid		
Final dividend for the FY 2020-21: ₹1 per fully paid share	2,545.65	
Interim dividend for the FY 2021-22 of ₹3.00 (FY 2020-21 - ₹1.00) per fully paid share	7,636.95	2,545.65
Total	**10,182.60**	**2,545.65**

Proposed dividend on Equity shares

Particulars	31 March 2022	31 March 2021
Final dividend for the FY 2021-22 -Nil (FY 2020-21 - ₹1.00) per fully paid share	-	2,545.65
Total	**-**	**2,545.65**

Note 30: Segment Information

Business Segment

Segments have been identified and reported taking into account the nature of products, the differing risk and returns, the organisation structure, and the internal financial reporting scheme.The company has identified the following segments as its reportable segments:

I. Manufacturing (CRAMS) - Bulk Drugs & Intermediates under contract services products are developed and produced on an exclusive basis under contract Manufacturing services

As the Company has identified single operating segment i.e. Pharmaceuticals Manufacturing & Services. Therefore analysis business segment is not required.

Geographical Segment

The Company has identified the following geographical reportable segments:

(a) India-The company sells Bulk Drugs and Intermediates, Fine Chemicals & Services.

(b) USA -The company sells Intermediates & Services

(c) Europe-The company sells Bulk Drugs and Intermediates

(d) Others -The company sells Bulk Drugs, Intermediates & Services

Particulars	Revenue for the year ended		Value of Non Current Assets (Except Financial Instrument) as at		Additions to Non current (Except Financial Instrument) during the year	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
INDIA	4,429.25	4,307.77	57,174.89	54,343.03	16,173.28	21,245.56
U S A	5,853.28	7,175.40	4.44	4.18	2.35	-
EUROPE	110,480.23	82,702.18	-	-	-	-
OTHERS	11,259.43	6,786.50	-	-	-	-
	132,022.21	**100,971.86**	**57,179.33**	**54,347.21**	**16,175.63**	**21,245.56**

(All amounts in ₹ lakhs, unless otherwise stated)

Note 31: Related Party Transactions

(a) Trustee Company	:	Jasti Property and Equity Holdings Private Limited (In its capacity as sole trustee of Jasti Family Trust)	
(b) Subsidiaries	:	Suven Pharma Inc.,	
(c) Associates	:	Rising Pharma Holding Inc.,	
(d) Key Management personnel(KMP)	:	Mr. Venkateswarlu Jasti	Managing Director
		Mr. D. G. Prasad	Independent Director
		Dr. V Sambasiva Rao	Independent Director
		Ms. Deepanwita Chattopadhyay	Independent Director
		Mr. J. V. Ramudu	Non-executive Director
		Dr. Jerry Jeyasingh	Non-executive Director
		Mr. P.Subbarao	CFO
(e) Relative of Key Management personnel	:	Mrs. Sudha Rani Jasti	
	:	Mrs. Kalyani Jasti	
	:	Mrs. Madhavi Jasti	
	:	Mrs. Sirisha Jasti	
(f) Companies under the control of Key Managerial Personnel	:	Suven Life Sciences Limited	
		Suven Neurosciences Inc.,	

(a) Trustee Company

Name	Type	Place of Incorporation	Ownership Interest	
			31 March 2022	31 March 2021
Jasti Property and Equity Holdings Private Limited	Trustee Company	India	0.60	60.00%

Particulars	31 March 2022	31 March 2021
Dividend Paid	4,581.90	-

(b) Subsidiaries

Particulars	31 March 2022	31 March 2021
Suven Pharma Inc.,		
Investment		
Opening	24,557.68	24,557.68
Return on Investment in subsidiary	(12,697.44)	-
Balance outstanding	**11,860.24**	**24,557.68**
Dividend Received	**11,752.46**	**-**

(c) Associates

Particulars	31 March 2022	31 March 2021
Rendering of services, purchases and other transactions		
Rising Pharma Holding Inc.,		
Sale of products & Service Income	38.76	184.24

(All amounts in ₹ lakhs, unless otherwise stated)

(d) Key Management Personnel compensation

Particulars	31 March 2022	31 March 2021
Mr. Venkateswarlu Jasti		
Short term employee benefits	1,287.06	869.28
Post-employment benefits	-	-
Long term employee benefits	-	-
Termination benefits	-	-
Dividend Paid	0.06	-
Total Compensation	1,287.12	869.28
Balance outstanding	721.24	415.74
Mr. P.Subba Rao		
Dividend Paid	3.58	-

(e) Relative of Key Management Personnel compensation

Particulars	31 March 2022	31 March 2021
Mrs Kalyani Jasti		
Short term employee benefits	316.98	257.54
Post-employment benefits	-	-
Long term employee benefits	-	-
Termination benefits	-	-
Dividend Paid	0.06	-
Total Compensation	**317.04**	**257.54**
Mrs. Sudha Rani Jasti		
Dividend Paid	0.06	-
Mrs. Madhavi Jasti		
Dividend Paid	0.06	-
Mrs. Sirisha Jasti		
Dividend Paid	0.06	-

(f) Companies under the Control of Key Managerial Personnel

Particulars	31 March 2022	31 March 2021
(i) Loan taken and repayment thereof		
Suven Life Sciences Limited		
Loan taken during the year	-	-
Repayment of Loan	4,032.66	9,180.43
Interest on Loan	112.16	697.91
Balance Outstanding Loan at the year end	**-**	**4,144.82**

Particulars	31 March 2022	31 March 2021
(ii) Rendering Services, purchases and other transactions		
Suven Life Sciences Limited		
(a) Rental Income	109.78	104.87
(b) Sales	126.22	14.71
(c) Service Charges paid	-	-
Service charges paid during the period(Towards Testing and Analysis charges)	514.87	248.46

(All amounts in ₹ lakhs, unless otherwise stated)

Note 32: Contingent Liabilities and contingent assets

Particulars	31 March 2022	31 March 2021
a) APIIC-JN Pharmacity,Parawada- Restoration fee & Delay condonation fee	606.69	606.69
	606.69	**606.69**

Note 33: Commitments

Particulars	31 March 2022	31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of Payments(including advances)	2,331.12	2,217.63
	2,331.12	**2,217.63**

Note 34: Earnings per share

Particulars	31 March 2022	31 March 2021
Profit After Tax (PAT)	55,809.88	30,864.70
Weighted average number of equity shares* for Basic EPS	2,545.65	2,545.65
Add: Dilution Effect	-	-
Weighted average number of equity shares* for Diluted EPS	2,545.65	2,545.65
Basic Earnings Per share	21.92	12.12
Diluted Earnings Per share	21.92	12.12

Note:

The Board has allotted the Bonus shares at 1:1 ratio in it's Board meeting held on 29th September, 2020. Accordingly the number of shares increased from 12,72,82,478 to 25,45,64,956. In order to maintain uniformity and comparability the EPS of previous periods have been restated.

Note 35: Scheme of Arrangement(Demerger)

The National Company Law Tribunal, Hyderabad Bench vide its order dated January 06th, 2020 has approved the scheme of arrangement for demerger of CRAMS undertaking of Suven Life Sciences Limited to the Company with effect from October 01st, 2018 (the appointed date). Pursuant to the Scheme, all the assets, liabilities, income and expenses of the CRAMS undertaking have been transferred to the Resulting Company i.e., Suven Pharmaceuticals Limited with effect from the appointed date.

Note 36: Covid impact on the business and going concern assumption of company and its subsidiary:

The COVID-19 continuous to impact the business and research operations in India and our Wholly Owned Subsidiary, Suven Pharma, Inc., USA. Apart from the above the shortage or non- availability of vessels leading to delay in shipments, increase in transportation and distribution costs and timely non availability of materials with increase in materials costs are impacting our operations and profitability.

(All amounts in ₹ lakhs, unless otherwise stated)

Note 37 : Ratios

Particulars	Numerator	Denominator	31st March 2022	31st March 2021	Variance	Reasons
Current Ratio	Current assets	Current liabilities	5.31	2.57	106%	Change is due to repayment of loans.
Debt-Equity Ratio	Total Debt	Shareholders Equity	0.06	0.13	-53%	Change is due to repayment of loans.
Debt Service Coverage ratio	Earnings available for debt service	Debt Service	0.08	0.03	150%	Change is due to decrease in debt and increase in EBIDTA
Return on Equity	Net Profits after taxes	Average Shareholder's Equity	0.43	0.33	29%	Change is due to increase in Revenue and profits
Trade receivables turover ratio	Revenue	Average Trade Receivable	7.79	9.20	-15%	Change is due to decrease of average trade receivables
Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	4.84	6.60	-27%	Change is due to decrease of average trade payables
Net capital turnover ratio	Revenue	Working Capital	1.47	2.93	-50%	Change is due to increase in net working capital
Net Profit Ratio	Net Profit	Revenue	0.42	0.31	38%	Due to increase in turnover as well as product mix
Return on capital employed	Earning before interest and taxes	Capital Employed	0.45	0.36	25%	Change is due to increase in assets and increase in EBIDTA
Return on Investment	Income generated from investments	Time weighted average investments	3.99	4.21	-5%	Change is due to market fluctuation

Note 38 : Other statutory information

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

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vi) 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:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vii) 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 Group shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(viii) The Company does not have any such 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

The accompanying notes form an integral part of the financial statements

Note 39 : Previous year figures have been regrouped and reclassified wherever considered necessary to conform to this year's classifications.

As per our report of even date

for **KARVY & CO.**
Chartered Accountants
(Firm Reg. No.001757S)

Ajay Kumar Kosaraju
Partner
Membership No. 021989

Place : Hyderabad
Date : 09 May 2022

For and on behalf of the Board of Directors of
Suven Pharmaceuticals Limited

Venkateswarlu Jasti
Managing Director
DIN: 00278028

D.G.Prasad
Director
DIN: 00160408

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

Independent Auditor's Report

To the Members,
Suven Pharmaceuticals Limited

Report on the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **Suven Pharmaceuticals Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (the Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2022, the consolidated profit, including other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules made 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 audit opinion on the consolidated Ind AS 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 consolidated Ind AS financial statements for the financial year ended 31st March, 2022. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No	Key Audit Matters	Auditor's Response
1.	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard). The application of the revenue accounting standard involves certain key judgments relating to identification of the contract with a customer, identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue -recognized when a performance obligation is satisfied. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer Notes 2V and 16 to the Consolidated Ind AS Financial Statements.	**Principal Audit Procedures** Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures: - Read, analyzed and identified the distinct performance obligations in these contracts. - Compared these performance obligations with that identified and recorded by the Company. - Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.

S. No	Key Audit Matters	Auditor's Response
		- Tested Samples in respect of revenue recorded upon transfer of control/rights of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services, were tested using a combination of Master Service Agreements and Sales invoices including customer acceptances, subsequent commercial invoicing and historical trend of collections and disputes. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. We reviewed the collation of information and the logic of the report generated from the IT system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.
2.	Identification and disclosures of Related Parties: (as described in Note-32 of the Consolidated Ind AS financial statements) - The Company has related party transactions which include, amongst others, sale and purchase of goods/ services to its subsidiaries and other related parties and lending and borrowing to its subsidiaries and other related parties. - We focused on identification and disclosure of related parties in accordance with relevant accounting standards as a key audit matter.	Our audit procedures amongst others included the following: - Evaluated the design and tested the operating effectiveness of controls over identification and disclosure of related party transactions. - Obtained a list of related parties from the Company's Management and traced the related parties to declarations given by directors, where applicable, and to Note 32 of the Consolidated Ind AS financial statements. - Read minutes of the meetings of the Board of Directors and Audit Committee - Tested material creditors/debtors, loan outstanding/ loans taken to evaluate existence of any related party relationships; tested transactions based on declarations of related party transactions given to the Board of Directors and Audit Committee. - Evaluated the disclosures in the Consolidated Ind AS financial statements for compliance with Ind AS 24.
4	**Inventory:** As at 31 March 2022, the Company held inventories of ₹28341.73 Lakhs as disclosed in Note 8 to the Consolidated financial statements. Inventories mainly consist of raw and packing material, work-in-progress, stock-in-trade, finished goods and stores, spares and consumables.	(a) Reviewed the management's process for ensuring that there was no movement of stock during the physical verification of inventory; (b) Recounted a sample of inventory items at each location to confirm management count; Based on the audit procedures performed, the management's assertion on existence of inventories was determined to be appropriate in the context of the Consolidated financial statements taken as a whol.

Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure's to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other ccomprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Consolidated Ind AS Financial Statements

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

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

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

- Obtain an understanding of internal financial controls 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 and its subsidiary company have 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements.

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS 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 consolidated Ind AS 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.

Other Matters

We did not audit the financial statements / financial information of Suven Pharma, Inc wholly owned subsidiary, whose financial statements / financial information reflect total assets of ₹2,469.94 Lakhs as at 31st March, 2022, total revenue of ₹(9,540.77) Lakhs, total comprehensive loss of ₹(10,429.39) Lakhs and Net cash flows of ₹1,426.24 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements.

We did not audit the financial statements of Suven USA branch included in the standalone Ind AS financial statements of the Company whose financial statements reflect total assets of ₹158.72 Lakhs as at 31st March, 2022 and total revenue- Nil and Net loss of ₹(833.96) Lakhs for the year ended on that date.

These Ind AS financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and branch and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and branch, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

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 Act, we give in the "Annexure-A", a statement on the matters specified in paragraph 3(xxi) of the order.

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 of the aforesaid consolidated Ind AS financial Statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.

    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financials statements.

    d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

    e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31st March, 2022 from being appointed as a Director of that company 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 Group and the operating effectiveness of such controls, refer to our separate report in "Annexure-B" which is based on the auditor's report of the Holding Company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

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

        In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group incorporated in India, to its directors during the year is in accordance with the provisions of 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary and branch as noted in the 'Other matter' paragraph:

        i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group in its consolidated Ind AS financial statements- Refer Note 33 to the consolidated Ind AS financial statements;

        ii. The Group did not have any material foreseeable losses 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 Group incorporated in India.

iv. a) The management of the Holding Company which is a company incorporated in India, has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Holding Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The managements of the Holding Company which is a company incorporated in India, has represented to us 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 Holding Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other person or entity 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; and

c) Based on the audit procedures that has 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 (a) and (b) contain any material misstatement.

v. a) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

b) The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

For **KARVY & CO.**
Chartered Accountants
ICAI Firm Regn. No.001757S

Ajay Kumar Kosaraju
Partner
Membership No.021989
UDIN: 22021989AKDFTP5957

Place: Hyderabad
Date: May 9th, 2022

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Consolidated Ind AS financial statements for the year ended 31st March, 2022, we report that:

According to the information and explanations given to us and based on our examination of the records of the Company, there are no qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) report of the Holding Company included in the Consolidated Financial Statements. Reporting under this clause is not applicable for the wholly owned subsidiary company (located outside India) included in the consolidated financial statements since CARO 2020 is not applicable to it.

For **KARVY & CO.**
Chartered Accountants
ICAI Firm Regn. No.001757S

Ajay Kumar Kosaraju
Partner
Membership No.021989
UDIN: 22021989AKDFTP5957

Place: Hyderabad
Date: May 9th, 2022

Annexure - B to the Independent Auditors' Report

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

In conjunction with our audit of the consolidated Ind AS financial statements of Suven Pharmaceuticals Limited as of and for the year ended 31st March, 2022, we have audited the internal financial controls over financial reporting of Suven Pharmaceuticals Limited (hereinafter referred to as the "Holding Company") which is the only company in the Group incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, which is a company incorporated in India are 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 the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company which is a Company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company which is a company incorporated in India.

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 Ind AS 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company;

and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company, which is a company incorporated in India, 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 31stMarch, 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.

For **KARVY & CO.**
Chartered Accountants
ICAI Firm Regn. No.001757S

Ajay Kumar Kosaraju
Partner
Membership No.021989
UDIN: 22021989AKDFTP5957

Place: Hyderabad
Date: May 9th, 2022

CONSOLIDATED **BALANCE SHEET**

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	53,055.19	43,706.51
Capital work-in-progress	3	2,999.38	9,614.91
Other Intangible assets	4	223.64	241.75
Intangible assets under development	4	-	17.30
Right of Use assets	5(a)	140.56	167.53
Financial assets			
(i) Investments	6(a)(i)	11,709.66	36,119.41
(ii) Loans	6 (b)	6.95	6.20
(iii) Other financial assets	6 (c)	1,269.59	495.18
Other non-current assets	7	760.56	599.21
Total Non-current assets		**70,165.53**	**90,969.00**
Current assets			
Inventories	8	28,341.73	20,108.04
Financial assets			
(i) Investments	6(a)(ii)	48,122.24	18,059.38
(ii) Trade receivables	6(d)	23,637.23	10,238.21
(iii) Cash and cash equivalents	6(e)(i)	4,456.38	718.23
(iv) Bank balances other than (iii) above	6(e)(ii)	274.20	247.10
(v) Loans	6 (b)	18.63	21.78
Current tax asset(net)	14	-	224.67
Other current assets	9	7,942.80	6,861.11
Total Current assets		**112,793.20**	**56,478.52**
TOTAL ASSETS		**182,958.73**	**147,447.51**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10(a)	2,545.65	2,545.65
Other equity	10(b)	150,172.39	115,534.18
Total Equity		**152,718.04**	**118,079.83**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	5 (b)	46.29	73.90
(ii) Borrowings	13(a)	2,844.04	3,559.09
Provisions	11	889.45	664.60
Deferred tax liabilities (net)	12	5,431.51	3,093.29
Total Non-current liabilities		**9,211.29**	**7,390.88**
Current liabilities			
Financial liabilities			
(i) Lease liabilities	5 (b)	109.09	106.82
(ii) Borrowings	13(b)	6,713.31	10,563.76
(iii) Trade payables			
(a) Total outstanding dues to Micro and Small Enterprises	13(c)	200.20	996.24
(b) Total outstanding dues to creditors other than Micro and Small Enterprises	13(c)	10,389.87	7,296.89
(iv) Other financial liabilities	13(d)	2,255.27	2,524.00
Current Tax Liabilities(net)	14	364.22	-
Provisions	11	407.53	260.72
Other current liabilities	15	589.93	226.36
Total Current liabilities		**21,029.40**	**21,974.80**
TOTAL LIABILITIES		**30,240.69**	**29,365.68**
TOTAL EQUITY AND LIABILITIES		**182,958.73**	**147,445.51**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date

for **KARVY & CO.**
Chartered Accountants
(Firm Reg. No.001757S)

Ajay Kumar Kosaraju
Partner
Membership No. 021989

Place : Hyderabad
Date : 09 May 2022

For and on behalf of the Board of Directors of
Suven Pharmaceuticals Limited

Venkateswarlu Jasti
Managing Director
DIN: 00278028

D.G.Prasad
Director
DIN: 00160408

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

CONSOLIDATED STATEMENT OF **PROFIT & LOSS**

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	16	132,022.21	100,971.86
Other income	17	9,238.03	1,423.70
Total Income		**141,260.24**	**102,395.55**
Expenses			
Cost of materials consumed	18	45,945.64	31,031.51
Changes in Inventories of work-in-progress and finished goods	19	(6,035.21)	(837.30)
Manufacturing expenses	20	17,318.86	13,378.94
Employee benefits expense	21	10,048.39	7,623.30
Research & Development expenses	22	1,035.45	1,105.75
Finance costs	23	623.10	914.37
Depreciation and amortization expense	24	3,909.71	3,163.58
Other expenses	25	5,766.55	4,621.61
Total Expenses		**78,612.49**	**61,001.75**
Profit/(Loss) before tax		**62,647.75**	**41,393.81**
Add: Share of Profit/(Loss) of Associates		4111.23	5373.60
Profit/(Loss) before tax		**66,758.98**	**46,767.41**
Tax expense			
Current tax	26	19,040.47	10,153.76
Deferred tax	26	2,338.03	361.72
Prior year tax		-	17.75
Profit/(Loss) for the year		**45,380.49**	**36,234.18**
Other Comprehensive Income			
Items that will not be reclassified to statement of profit or loss			
Remeasurements gains (losses) on defined benefit plans		(101.94)	(111.85)
Income tax relating to items that will not be reclassified to statement of profit or loss			
Re-measurement gains (losses) on defined benefit plans		25.66	28.15
Other Comprehensive Income /(Loss) for the year, net of taxes		**(76.29)**	**(83.70)**
Total Comprehensive Income for the year		**45,304.20**	**36,150.48**
Earnings per Equity share (Par value of ₹1 each)			
Basic	35	17.83	14.23
Diluted	35	17.83	14.23
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date

for **KARVY & CO.**
Chartered Accountants
(Firm Reg. No.001757S)

Ajay Kumar Kosaraju
Partner
Membership No. 021989

Place : Hyderabad
Date : 09 May 2022

For and on behalf of the Board of Directors of
Suven Pharmaceuticals Limited

Venkateswarlu Jasti
Managing Director
DIN: 00278028

D.G.Prasad
Director
DIN: 00160408

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

CONSOLIDATED STATEMENT OF **CHANGES IN EQUITY**

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

a. Equity share capital

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Number of Shares	Amount	Number of Shares	Amount
Opening Balance	254,564,956	2,545.65	127,282,478	1272.82
Add: Issue of Bonus Shares	-	-	127,282,478	1272.82
	254,564,956	**2,545.65**	**254,564,956**	**2545.65**

b. Other Equity

Particulars	Note	Reserves & surplus				
		Securities Premium	General reserve	Retained earnings	Exchange Difference on transalating the financial statements of foreign operations	Total Equity
Balance at 01 April, 2020		**12,230.21**	**7,927.67**	**61,544.44**	**1,501.14**	**83,203.45**
Profit for the year	10(b)	-	-	36,234.18	-	36,234.18
Other comprehensive income	10(b)	-	-	(111.85)	-	(111.85)
Income tax relating to items of other comprehensive income		-	-	28.15	-	28.15
Issue of Bonus Shares		(1,272.82)	-	-	-	(1,272.82)
Transfer to General Reserve	10(b)	-	-	(1,500.00)	-	(1,500.00)
Transfer from Retained Earnings	10(b)	-	1,500.00	-	-	1,500.00
Total comprehensive income for the year		**(1,272.82)**	**1,500.00**	**34,650.48**	**-**	**34,877.65**
Foreign Exchange transalation reserve		-	-	-	(0.27)	(0.27)
Dividend paid	10(b)	-	-	(2,545.65)	-	(2,545.65)
Tax on distributed profit		-	-	-	-	-
Balance at 31 March, 2021		**10,957.38**	**9,427.67**	**93,649.26**	**1,500.87**	**1,15,535.18**
Balance at 01 April, 2021		**10,957.38**	**9,427.67**	**93,649.26**	**1,500.87**	**1,15,535.18**
Profit for the period	10(b)	-	-	45,380.49	-	45,380.49
Other comprehensive income	10(b)	-	-	(101.94)	-	(101.94)
Income tax relating to items of other comprehensive income		-	-	25.66	-	25.66
Issue of Bonus Shares		-	-	-	-	-
Transfer to General Reserve		-	-	(1,500.00)	-	(1,500.00)
Transfer from Retained Earnings		-	1,500.00	0	-	1,500.00
Total comprehensive income for the year		**-**	**1,500.00**	**43,804.20**	**-**	**45,304.20**
Foreign Exchange transalation reserve		-	-	-	(484.40)	(484.40)
Dividend paid		-	-	(10,182.60)	-	(10,182.60)
Tax on distributed profit		-	-	-	-	-
Balance at 31 March, 2022		**10,957.38**	**10,927.67**	**1,27,270.86**	**1,016.47**	**1,50,172.39**

Refer note 10(b) for nature and purpose of reserves

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

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date

for **KARVY & CO.**
Chartered Accountants
(Firm Reg. No.001757S)

Ajay Kumar Kosaraju
Partner
Membership No. 021989

Place : Hyderabad
Date : 09 May 2022

For and on behalf of the Board of Directors of
Suven Pharmaceuticals Limited

Venkateswarlu Jasti
Managing Director
DIN: 00278028

D.G.Prasad
Director
DIN: 00160408

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

CONSOLIDATED **STATEMENT OF CASH FLOW**

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flow from operating activities			
Profit before tax		66,758.98	46,767.41
Adjustments :			
Depreciation and amortisation expense		3,825.50	3,122.07
Interest Income		(6.86)	(26.79)
Finance Cost		623.10	914.37
Gain on sale of Current Investment		(820.31)	(332.77)
Debit balances writtenoff		-	72.16
Effects of foreign exchange rates (Unrealized)		442.01	(97.56)
Loss/(Profit) on disposal of Property,plant & equipment		(0.06)	(3.36)
Operating profit before working capital changes		**70,822.36**	**50,415.54**
Adjustments for (Increase)/decrease in operating assets			
Trade Receivables		(13,608.80)	1,336.08
Inventories		(8,233.69)	(2,620.82)
Other non current assets		26.97	(78.95)
Other current assets		(1,083.41)	(1,269.55)
Adjustments for Increase/(decrease) in operating liabilities			
Trade Payables		2,320.35	1,194.52
Long term provisions		224.85	(166.86)
Short term provision		44.86	(102.78)
Other financial liabilities		548.66	655.53
Other current liabilities		363.60	(164.48)
Cash generated from operating activities		51,425.75	49,198.23
Income taxes paid (net of refunds)		(18,425.73)	(10,943.58)
Net Cash flows from operating activities (Refer Note 1)	**(A)**	**33,000.02**	**38,254.65**

CONSOLIDATED **STATEMENT OF CASH FLOW (Contd.)**

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
B. Cash flow from Investing activities			
Payments for Purchase of property, plant and equipment		(7,518.67)	(11,084.60)
Proceeds from sale of Property, plant & equipment		0.06	3.36
Changes in Investments		24,409.74	(5,373.60)
Foreign currency translation reserve		(484.40)	(0.27)
Fixed deposits/margin money-placed/matured		(774.41)	(20.31)
Sale/(purchase) of mutual funds		(29,242.55)	(14,659.28)
Bank balances not considered as cash and cash equivalents		(10.47)	(5.12)
Net cash flow from /(used in) investing activities	**(B)**	**(13,620.69)**	**(31,139.82)**
C. Cash flows from financing activities			
(Repayment)/Proceeds from long term borrowings		(959.73)	(5,472.65)
(Repayment)/Proceeds from short term borrowings		(3,859.71)	1,230.17
Other non current financial assets		(0.75)	(0.20)
Other current financial assets		3.15	(1.39)
Changes In Lease Liability		(25.34)	89.12
Finance Cost		(623.10)	(892.36)
Interest received		6.86	26.79
Dividends paid to equity holders (including dividend distribution tax)		(10,182.60)	(2,545.65)
Net cash flow from /(used In) financing activities	**(C)**	**(15,641.21)**	**(7,566.17)**
Net increase/(decrease) in cash and cash equivalents	**(A+B+C)**	**3,738.11**	**(451.33)**
Cash and cash equivalents as at the beginning of the year (Refer Note 6(e)(i))		718.23	1,169.53
Effect of exchange differences on restatement on foreign currency cash & cash equivalents		0.04	0.03
Cash and cash equivalents at the end of the year		**4,456.38**	**718.23**
Cash and cash equivalents (Refer Note 6(e)(i))		4,456.38	718.23
Balances per statement of cash flows		**4,456.38**	**718.23**

This is the Cash Flow Statement referred to in our report of even date

Note 1 -The above statement of cash flow has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS-7) "Statement of Cash Flows"

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date

for **KARVY & CO.**
Chartered Accountants
(Firm Reg. No.001757S)

Ajay Kumar Kosaraju
Partner
Membership No. 021989

Place : Hyderabad
Date : 09 May 2022

For and on behalf of the Board of Directors of
Suven Pharmaceuticals Limited

Venkateswarlu Jasti
Managing Director
DIN: 00278028

D.G.Prasad
Director
DIN: 00160408

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

1. Corporate Information

Suven Pharmaceuticals Limited (SPL) is a bio-pharmaceutical company, incorporated on 6th November, 2018 with the object of being engaged in the business of development and manufacturing of New Chemical Entity (NCE) based Intermediates, Active Pharmaceutical Ingredients (API), Specialty Chemicals and formulated drugs under contract research and manufacturing services for global pharmaceutical, biotechnology and chemical companies. Suven Pharma Inc., a Delaware Company, is a WOS (wholly owned subsidiary) of SPL, is a SPV (Special Purpose Vehicle) created on 9th March 2019, for undertaking various business opportunities in Pharma Industry.

2. Significant accounting policies

a) Basis of preparation of Financial Statements

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the Group are consolidated on line-by-line basis. Intra-group transactions, balances and any unrealised gains arising from intra-group transactions, are eliminated. Unrealised losses are eliminated, but only to the extent that there is no evidence of impairment. All temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions are recognised as per Ind AS 12, Income Taxes. For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

(ii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in statement of profit or loss.

(iii) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

These consolidated financial statements comprise the Consolidated Balance Sheets as at 31 March 2022 and 31 March 2021, the Consolidated Statements of Profit and Loss, Statements of Changes in Equity and the Consolidated Statements of Cash Flows for the year ended 31 March 2022 and for the year ended 31 March 2021, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements" or "Financial Statements").

These consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in these consolidated financial statements.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. The consolidated statement of cash flows have been prepared under indirect method.

(iv) Basis of measurement

The financial statements have been prepared on a historical cost and on accrual basis, except for the following items in the balance sheet:

- Certain financial assets are measured either at fair value or at amortised cost depending on the classification
- Employee defined benefit assets/(liability) are recognised 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

- Share-based payments which are measured at fair value of the options
- Right-of-use assets are recognised at the present value of lease payments that are not paid at that date. This amount is adjusted for any lease payments made at or before the commencement date, lease incentives received and initial direct costs, incurred, if any.

b) Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, Presentation of Financial Statements.

An asset is treated as current when:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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.

c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Executive Officer has been identified as the Chief Operating Decision Maker. Refer note 31 for the segment information presented.

d) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for Buildings and Facility charges. The Company assesses whether a contract contains a lease at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low-value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised

ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

The Company as Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating lease

e) Foreign currency translation

(i) Functional and presentation currency

Items included in the Consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated financial statements are presented in Indian rupee (₹), which is Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. 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 recognised in the statement of profit and loss in the period in which they arise. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

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 determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

f) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above (Refer note 27).

g) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates after taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company derives revenues primarily from manufacture and sale of Active Pharma Ingredients (API) including intermediates and Contract Research services (together called as "Pharmaceuticals")

The Company earns revenue primarily from sale of New Chemical Entity (NCE) based Intermediates, Active Pharmaceutical Ingredients (API) Specialty chemicals and formulated drugs under contract research and manufacturing services.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, we apply the following five step approach:

(1) Identify the contract with a customer,

(2) Identify the performance obligations in the contract,

(3) Determine the transaction price,

(4) Allocate the transaction price to the performance obligations in the contract, and

(5) Recognize revenues when a performance obligation is satisfied.

Sale of products: The Company recognises revenue for supply of goods to customers against orders received. The majority of contracts that company enters into relate to sales orders containing single performance obligations for the delivery of pharmaceutical products as per Ind AS 115. Product revenue is recognised when control of the goods is passed to the customer. The point at which control passes is determined based on the terms and conditions by each customer arrangement, but generally occurs on delivery to the customer. Revenue is not recognised until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Sale of services: Revenue from contract research operations is recognised based on services performed till date as a percentage of total services. The agreed milestones are specified in the contracts with customers which determine the total services to be performed.

Interest income: For all debt financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the Statement of Profit and Loss.

Export Incentives: Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds

h) Government grants

Government grants are recognised at fair value as and when there is a reasonable assurance that grant will be received and all attached conditions will be complied with. When the grant is related to an expense item, it is recognised as income on systematic basis over the period of related costs, for which it is intended to compensate, are expensed. when the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related assets.

The benefit of Government loan at a lower market rate of interest is treated as Government grant, measured as the difference between proceeds received and the fair value of loan based on prevailing market interest rates.

i) Income tax

Income tax comprises of current and deferred income tax. Income tax expense is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity in which case it is recognised in other comprehensive income. Current income tax for current year and prior periods is recognised at the amount expected to be paid or recovered from the tax authorities, using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when:

- taxable temporary differences arising on the initial recognition of goodwill;
- temporary differences arising 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 or loss at the time of transaction; and
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future

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 realised

Deferred income tax assets and liabilities are measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or substantive enactment date. A deferred income tax assets is recognised to the extent it is probable that future taxable income will be available against which the deductible temporary timing differences and tax losses can be utilised. The Company offsets income-tax assets and liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Dividend Distribution Tax:

Tax on Dividends declared by the Company are recognised as an appropriation of Profit. Dividend Distribution Tax is not applicable from April 1, 2020."

j) Impairment of assets

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

k) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts, if any, as they are considered an integral part of the Company's cash management

l) Trade receivables

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

m) Inventories

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials comprise of cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first-in-first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

n) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognised in the statement of profit and loss, and reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

o) Equity

Ordinary shares are classified as equity share capital. Incremental costs directly attributable to the issuance of new ordinary shares, share options and buyback are recognized as a deduction from equity, net of any tax effects.

Retained earnings

Retained earnings represent the amount of accumulated earnings of the Company

Securities premium

The amount received in excess of the par value of equity shares has been classified as securities premium.

p) Provisions, Contingent liabilities, Contingent assets and commitments

Provision

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities

Contingent liabilities are disclosed, unless the possibility of outflow of resources is remote, when there is

- A possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or
- A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or reliable estimate of the amount cannot be made

Contingent Assets

A contingent asset is disclosed, where an inflow of economic benefits is probable.

Commitments

- Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date (Refer Note 33 & 34).

q) Investments and other financial assets

i) Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer Note 28 details how the Company determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) Income recognition

Interest income

Interest income from the debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

Royalty

Royalty revenue is recognized on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably). Royalty arrangements that are based on production, sales and other measures are recognized by reference to the underlying arrangement.

r) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised 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, and derivative financial instruments.

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 amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

s) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

t) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

u) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Capital Work-in-Progress represents Property, Plant and Equipment that are not ready for their intended use as at the balance sheet date.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Capital Work-in-Progress represents Property, Plant and Equipment that are not ready for their intended use as at the balance sheet date. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. On transition to Ind AS, the Company elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as at 1st April, 2015 ("transition date") measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Depreciation methods, estimated useful lives and residual value

Depreciation on Property, Plant & Equipment is provided on straight-line basis at the rates arrived at based on the useful lives prescribed in Schedule II of the Companies Act, 2013. The company follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed off during the period. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. 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.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in Statement of profit or loss when the assets is derecognised.

Estimated useful life :

- Factory buildings	25 - 30 years
- Roads	3 - 10 years
- Machinery	8 - 20 years
- Furniture, fittings and equipment	3 - 10 years
- Vehicles	8 - 10 years

v) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Estimated useful lives by major class of finite life intangible assets are as follows:

Estimated useful life :

Software	3 - 10 years

(i) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use

- Management intends to complete the software and use or sell it
- There is an ability to use or sell the software
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available and;
- The expenditure attributable to the software during its development can be reliably measured

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

(ii) Amortization methods and periods

Intangible assets with finite useful live are amortized over their respective individual estimated useful lives (3-10 years in case of computer software's) on a straight line basis.

(iii) Research and development

Research expenditure and development expenditure that do not meet the criteria in (i) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in the subsequent period.

Capital work in Progress and Intangible assets under development

Projects under commissioning and other CWIP/ intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost

Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefit associated with these will flow to the Company and the cost of the item can be measured reliably.

Advances given to acquire property, plant and equipment are recorded as non-current assets and subsequently transferred to CWIP on acquisition of related assets

w) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

x) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/ (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of financial statements for issue, not to demand payment as consequence of the breach.

y) Borrowing costs

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. Other borrowings costs are expensed in the period in which they are incurred.

z) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity; and

(b) Defined contribution plans such as provident fund.

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the current in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

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.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Bonus plans

The group recognizes a liability and an expense for bonuses. The group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(v) Compensated absences

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

aa) Research and Development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate :

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development.

The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use.

ab) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised 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 recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option

- **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- 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 recognise 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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Investment 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, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Investments in units of mutual funds

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

ac) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

ad) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

ae) Earning per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

af) Cash flow statement

Cash flows are reported using the Indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, financing activities of the company are segregated.

ag) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

ah) Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to the significance of their nature or amount.

ai) Recent Accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

aj) Critical estimates and Judgements

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

The areas involving critical estimates or judgements are:

1. Estimation of current tax expense and payable

2. Estimated Useful life of Depreciable assets / intangible assets
3. Estimation of defined benefit obligation
4. Recognition of revenue
5. Recognition of deferred tax assets for carried forward losses
6. Recoverability of advances/receivable
7. Evaluation of indicators for Impairment of assets
8. Valuation of inventories
9. Determination of cost for right-of-use assets and lease term
10. Contingencies
11. Financial instruments
12. Fair value measurement of financial instruments
13. Share based payments
14. Depreciation on property, plant, equipment, and amortization of intangible assets

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 3: Property, plant and equipment

Particulars	Land - Free Hold	Buildings - Office at Factory	Buildings - Factory (including roads)	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment's	Laboratory Equipment's	ETP Works	EDP Equipment's	Total	Capital work-in-progress
Gross carrying amount												
At 01 April, 2020	1504.64	31.20	12233.28	25745.56	455.45	121.93	182.82	3090.15	1525.68	307.32	45198.03	10156.15
Exchange differences				-								
Additions	-	-	1849.73	8350.75	38.65	67.45	29.77	1130.83	93.99	51.51	11612.67	11004.65
Assets damaged due to fire accident	-	-	-	186.31	23.12	-	2.619	229.93	-	20.51	462.49	
Transfers	-	-	-	-	-	-	-	-	-	-	-	11545.88
Disposals	-	-	-	-	-	19.24	-	-	-	-	19.24	-
Balance as at 31st March, 2021	**1504.64**	**31.20**	**14083.01**	**33909.99**	**470.98**	**170.15**	**209.97**	**3991.05**	**1619.67**	**338.33**	**56328.98**	**9614.91**
Accumulated depreciation												
Upto 01 April, 2020	-	3.75	1981.61	5499.73	254.86	63.85	139.92	1402.79	300.83	244.51	9891.83	-
Charge for the year	-	0.75	529.16	1988.04	44.95	19.04	21.72	340.70	98.88	40.33	3083.56	-
				118.31	13.47		2.15	179.90		19.86	333.68	
Disposals	-	-	-	-	-	19.24	-	-	-	-	19.24	-
Exchange difference	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2021	**-**	**4.49**	**2510.76**	**7369.46**	**286.34**	**63.65**	**159.49**	**1563.59**	**399.71**	**264.98**	**12622.47**	**-**
Gross carrying amount												
At 01 April, 2021	1504.64	31.20	14083.01	33909.99	470.98	170.15	209.97	3991.05	1619.67	338.33	56328.98	9614.91
Exchange difference				-							-	
Additions	-	-	4020.25	8154.24	355.31	0.93	33.47	363.95	197.42	29.69	13155.26	6539.73
Assets damaged due to fire accident	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	13155.26
Disposals	-	-	-	380.84	5.98	4.98	17.30	88.08	112.56	34.84	644.59	-
Balance as at 31st March, 2022	**1504.64**	**31.20**	**18103.26**	**41683.39**	**820.31**	**166.09**	**226.14**	**4266.91**	**1704.53**	**333.18**	**68839.65**	**2999.38**
Accumulated depreciation												
Upto 1st April, 2021	-	4.49	2510.76	7369.46	286.34	63.65	159.49	1563.59	399.71	264.98	12622.47	-
Charge for the year	-	0.75	620.28	2517.63	53.78	21.11	21.80	415.33	108.38	27.34	3786.41	-
Assets damaged due to fire accident				-	-	-	-	-		-	-	
Disposals	-	-	-	362.18	5.98	4.98	16.86	87.02	112.56	34.84	624.41	-
Exchange difference	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2022	**-**	**5.24**	**3131.05**	**9524.91**	**334.15**	**79.78**	**164.43**	**1891.90**	**395.53**	**257.48**	**15784.46**	**-**
Net Book Value as at 31st March, 2022	**1504.64**	**25.96**	**14972.21**	**32158.48**	**486.16**	**86.31**	**61.71**	**2375.02**	**1309.01**	**75.70**	**53055.19**	**2999.38**
Net Book Value as at 31st March, 2021	**1504.64**	**26.70**	**11572.25**	**26540.54**	**184.63**	**106.50**	**50.48**	**2427.46**	**1219.96**	**73.34**	**43706.51**	**9614.91**

Notes:

Refer Note 13 (b) for information on property, plant and equipment pledged as security by the Company

Refer Note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(All amounts in ₹ lakhs, unless otherwise stated)

The below listed free hold lands were transferred in accordance with Scheme of Arrangement (Demerger) by the Order of Hon'ble NCLT Bench, Hyderabad

Details as on 31st March, 2022

Description of item of property	Gross Carrying value	Title deed held in name of	Wheather title deed holder is a promoter, director or relative/Employee of promoter/director	Property held since which date	Reason for not been held in the name of the company
Land Free hold	1,113.47	SUVEN LIFE SCIENCES	None	06th Janunary 2020	Mutation pending
Land Free hold	143.76	SUVEN NISHTAA PHARMA PVTLIMITED	None	06th Janunary 2020	
Land Free hold	17.58	SUVEN SYNTHESIS LIMITED	None	06th Janunary 2020	

Details as on 31st March, 2021

Description of item of property	Gross Carrying value	Title deed held in name of	Wheather title deed holder is a promoter, director or relative/Employee of promoter/director	Property held since which date	Reason for not been held in the name of the company
Land Free hold	1,113.47	SUVEN LIFE SCIENCES	None	06th Janunary 2020	Mutation pending
Land Free hold	143.76	SUVEN NISHTAA PHARMA PVTLIMITED	None	06th Janunary 2020	
Land Free hold	17.58	SUVEN SYNTHESIS LIMITED	None	06th Janunary 2020	

Capital Work-in-progress ageing

Amount in Capital Work-In-Progress for a period of

Particulars	Less than 1 year	Between 1-2 years	2-3 years	More than 3 years	Total
Balance as at March 31, 2022					
Projects in progress	2,999.38	-	-	-	2,999.38
Projects temporarily suspended	-	-	-	-	-
Total	**2,999.38**	**-**	**-**	**-**	**2,999.38**
Balance as at March 31, 2021					
Projects in progress	9,614.91	-	-	-	9,614.91
Projects temporarily suspended	-	-	-	-	-
Total	**9,614.91**	**-**	**-**	**-**	**9,614.91**

(All amounts in ₹ lakhs, unless otherwise stated)

Note 4: Intangible assets

Particulars	Software	Total	Intangible assets under development
Gross carrying amount			
At 01 April, 2020	379.05	379.05	14.38
Additions	0.67	0.67	2.93
Disposals	-	-	-
Balance as at 31st March, 2021	**379.71**	**379.71**	**17.30**
Accumulated amortisation			
Upto 01 April, 2020	99.45	99.45	-
Charge for the year	38.51	38.51	-
Balance as at 31st March, 2021	**137.97**	**137.97**	**-**
Gross carrying amount			
At 1st April, 2021	379.71	379.71	17.30
Additions	20.99	20.99	3.68
Transfers	-	-	-20.99
Balance as at 31st March, 2022	**400.70**	**400.70**	**-**
Accumulated amortisation			
Upto 1st April, 2021	137.97	137.97	-
Charge for the year	39.10	39.10	-
Balance as at 31st March, 2022	**177.06**	**177.06**	**-**
Net Book Value as at 31st March, 2022	**223.64**	**223.64**	**-**
Net Book Value as at 31st March, 2021	**241.75**	**241.75**	**17.30**

Intangible assets under development ageing

Amount in Intangible assets under development for a period of

Particulars	Less than 1 year	Between 1-2 years	2-3 years	More than 3 years	Total
Balance as at March 31, 2022					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**
Balance as at March 31, 2021					
Projects in progress	17.30	-	-	-	17.30
Projects temporarily suspended	-	-	-	-	-
Total	**17.30**	**-**	**-**	**-**	**17.30**

(All amounts in ₹ lakhs, unless otherwise stated)

Note 5: Leases

Note 5(a): Right of Use Assets

Particulars	31 March 2022	31 March 2021
Opening Balance	167.53	88.58
Addition on account of transition to IndAS 116	-	-
Addition	88.85	164.27
Less Depreciation expense	115.82	85.33
Closing Balance	**140.56**	**167.53**

Note 5(b): Lease Liabilities

Particulars	31 March 2022	31 March 2021
Opening Balance	180.72	91.59
Addition on account of transition to IndAS 116	-	-
Addition	88.85	164.27
Add: Accretion of interest	21.68	20.50
Less: Payments	135.86	95.65
Closing Balance	**155.38**	**180.72**

Maturity analysis of lease liabilities is as follows (Undiscounted Basis)

Particulars	31 March 2022	31 March 2021
Within one year	88.59	40.41
After one year but not more than three years	3.75	64.16

The following are the amounts recognised in statement of profit and loss:

Particulars	31 March 2022	31 March 2021
Depreciation expense on right-of-use assets	115.82	85.33
Interest expense on lease liabilities	21.68	20.50
Expense relating to short-term leases and low-value assets (included in other expenses)	0.61	34.79
Total amount recognised in statement of profit and loss	**138.11**	**140.62**

Note 6: Financial assets

6 (a) (i) Non-current investments

Particulars	Face Value	31 March 2022		31 March 2021	
		Shares	Amount	Shares	Amount
Investment carried at FVTPL					
Unquoted Equity Instruments - (Fully paid up)					
a) In Associate Companies					
- Paid in capital					
Rising Pharma holding Inc. At par value USD 0.0001					
Cost of acquisition		250,025	25,917.50	250,025	25,917.50
Add/(Less) : Share of Profits/(Losses)		-	14,306.09	-	10,194.86
Add/(Less) : Dividend received		-	(3,642.50)	-	-
		250,025	36,581.09	-	-
Less : Sale of Investment		(250,025)	(36,581.09)	-	-
Closing balance		**-**	**-**	**-**	**36,112.36**

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Face Value	31 March 2022		31 March 2021	
		Shares	Amount	Shares	Amount
b) Raisin Aggregator, L.P			11,702.62		-
Investment carried at cost					
Jeedimetla Effluent Treatment Ltd	100	1,000	6.00	1,000	6.00
Patancheru Envirotech Pvt Ltd	10	10,487	1.05	10,487	1.05
Total Investments carried at cost			**7.05**		**7.05**
Total Non-Current investments			**11,709.66**		**36,119.41**
Aggregate amount of quoted investments & market value thereof			-		-
Aggregate value of unquoted investments			11,709.66		36,119.41
Aggregate amount of impairment in value of Investment in unquoted equity investments			**-**		**-**

The Group has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with companies (Restriction on number of Layers) Rules, 2017.

6 (a) (ii) Current investments carried at Fair value through Profit & Loss

Particulars	31 March 2022		31 March 2021	
	Units	Amount	Units	Amount
Investment in Mutual Funds- Unquoted (Fully paid up)				
Nippon India low duration Fund-Growth	212,366	6729.42	71,569	2092.47
Nippon India Liquid Fund-Growth	43,460	2263.42	10,034	501.45
Nippon India Overnight Fund-Growth	3,067,581	3500.70	-	-
IDFC Overnight Fund-Growth	308,715	3500.16	-	-
IDFC Cash Fund-Growth	267,356	6873.58	-	-
SBI Magnum Low Duration Fund	136,275.00	3964.66	84,309	2318.82
TATA Liquid Fund - Growth	104,519	3512.29	57,126	2096.46
SBI Overnight Fund-Growth	101,121.95	3500.19	-	-
TATA Floating rate - Growth	19,935,904	2050.83	-	-
TATA Money market - Growth	148,412	5677.28	-	-
TATA Overnight Fund - Growth	312,112	3500.15	-	-
PNB BONDS - 8.98%	104,519	1046.45	-	-
BHARAT BOND FOF	17,155,627	2003.11	-	-
IDFC Low Duration Fund	-	-	1,922,169	581.35
IDFC Floating Rate Fund	-	-	9,999,500	1003.23
HDFC Short Term Debt Fund-Growth	-	-	16,907,505	4153.70
SBI Liquid Fund -Growth	-	-	165,836	5311.90
Total Current Investments	**-**	**48122.24**	**-**	**18059.38**
Aggregate amount of quoted investments & market value thereof	-	-	-	-
Aggregate value of quoted investments	-	48,122.24	-	18,059.38
Aggregate amount of impairment in value of Investment in unquoted investments	-	-	-	-

(All amounts in ₹ lakhs, unless otherwise stated)

6(b) Loans

Particulars	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loan to employees	18.63	6.95	21.78	6.20
Total loans	**18.63**	**6.95**	**21.78**	**6.20**

6(c) Other financial assets

Particulars	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Security Deposits	-	539.16	-	479.34
Interest accrued on deposit	-	0.05	-	15.84
Raisin Escrow	-	730.38	-	-
Total Other financial assets	**-**	**1,269.59**	**-**	**495.18**

6(d) Trade receivables

Particulars	31 March 2022	31 March 2021
(i) Trade receivables- considered good-Unsecured*	23,637.23	10,238.21
Less: Loss Allowance for doubtful receivables	-	-
Trade receivables- considered good-Unsecured	23,637.23	10,238.21
(ii) Trade receivables- Cedit Impaired-Unsecured	-	-
Less: Loss Allowance for doubtful receivables	-	-
Trade receivables- Credit Impaired-Unsecured	**-**	**-**

*No Trade receivables are due from directors or other officers of the company either severally or jointly with any other person. Refer note-31 for dues from related parties.

Ageing for trade receivables - current outstanding as at March 31, 2022 is as follows :

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables- considered good	17489.03	6148.20	-	-	-	-	23637.23
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
Total	**17489.03**	**6148.20**	**-**	**-**	**-**	**-**	**23637.23**
Less: Allowance for expected credit loss	-	-	-	-	-	-	-
Balance at the end of the year	**17489.03**	**6148.20**	**-**	**-**	**-**	**-**	**23637.23**

Ageing for trade receivables - current outstanding as at March 31,2021 is as follows :

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables- considered good	-	10,238.21	-	-	-	-	10,238.21
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
Total	**-**	**10,238.21**	**-**	**-**	**-**	**-**	**10,238.21**
Less: Allowance for expected credit loss		-	-	-	-	-	-
Balance at the end of the year	**-**	**10,238.21**	**-**	**-**	**-**	**-**	**10,238.21**

6(e) (i) Cash and cash equivalents

Particulars	31 March 2022	31 March 2021
Balances with banks		
-in current accounts	3,922.19	629.76
-in EEFC account	490.72	77.48
-in Cash Credit account	34.65	1.70
-Deposits with maturity of less than three months	-	-
Cash on hand	8.82	9.29
Total cash and cash equivalents	**4,456.38**	**718.23**

6(e) (ii) Bank balances other than cash and cash equivalents

Particulars	31 March 2022	31 March 2021
Earmarked balances with banks:		
In unclaimed dividend accounts*	59.23	42.61
Deposits -LC & BG**	214.97	204.49
Total Other bank balances	**274.20**	**247.10**

*There are no amount due for payment to the Investor Education Protection Fund under sec 125 of Comapanies act 2013, as the year end.

**Margin Money deposits with carrying amount of ₹214.96 Lakhs (March 2021 - ₹204.49 Lakhs) are subject to first charge against bank guarantees obtained.

Note 7: Other non-current assets

Particulars	31 March 2022	31 March 2021
Capital advances	760.56	599.21
Total other non-current assets	**760.56**	**599.21**

(All amounts in ₹ lakhs, unless otherwise stated)

Note 8: Inventories (Valued at lower of cost or Net Realisable Value)

Particulars	31 March 2022	31 March 2021
Raw materials	7,182.71	5,127.73
Work-in-progress	13,175.05	9,820.06
Finished goods	5,992.39	3,312.17
Stores and spares	1,736.33	1,547.85
Packing materials	255.25	300.23
Total inventories	**28,341.73**	**20,108.04**

Note 9: Other current assets

Particulars	31 March 2022	31 March 2021
Unsecured, considered good		
MEIS receivable*	-	435.19
MEIS licenses on hand	145.63	1.52
Insurance claim receivable	128.80	128.80
Duty drawback receivable	172.75	177.97
GST Receivable	4498.83	4420.21
Pre paid expenses	639.99	439.68
Advances to Material Suppliers	1659.93	1163.86
Advances to service providers	190.24	61.46
Forward contracts receivable	0.14	-
Others advances	506.48	32.41
Total other current assets	**7942.80**	**6861.11**

* Incentive in the form of duty credit scrip upon sale of exports under merchandise Exports from india scheme under Foreign Trade Policy of India.

Note 10: Equity share capital and other equity

10(a) Equity share capital

Particulars	31 March 2022	31 March 2021
(a). Equity Share Capital		
Authorised Capital		
400,000,000 Equity shares of ₹1/- each	4000.00	4000.00
(400,000,000 Equity shares of ₹1 /- each)		
	4000.00	**4000.00**
Issued, Subscribed and fully paid up		
25,45,64,956 Equity shares of ₹1/- each	2,545.65	2,545.65
(March 31,2021:25,45,64,956 Equity shares of ₹1/- each)		
	2,545.65	**2,545.65**

10(a).1 Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	31 March 2022		31 March 2021	
	Number	Amount	Number	Amount
Issue of equity share capital	2,545.65	2,545.65	1,272.82	1,272.82
Add: Issue of bonus shares*	-	-	1,272.82	1,272.82
Outstanding at the end of the year	**2,545.65**	**2,545.65**	**2,545.65**	**2,545.65**

NOTE:

*The Board has allotted the bonus shares at 1:1 ratio in it's Board Meeting held on 29th Sept, 2020. Accordingly the number of shares increased from 12,72,82,478 to 25,45,64,956. The paid-up capital on account of Bonus issue of ₹12,72,82,478 has been appropriated from Share Premium account.

(All amounts in ₹ lakhs, unless otherwise stated)

10 (a).2 Terms/ rights attached to equity shares

Equity shares have a par value of ₹1. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportions to the number of equity shares held by the shareholders

10 (a).3 Details of shares held by the promoter at the end of the year 31st March 2022

Name of the Promoter	No. of shares			% holding of equity shares	% change during the year
	31st March 2022	Change	31st March 2021		
Jasti Property and Equity Holdings Private Limited	152,730,000	-	152,730,000	59.9965%	-
Venkateswarlu Jasti	2,000	-	2,000	0.0008%	-
Sudha Rani Jasti	2,000	-	2,000	0.0008%	-
Kalyani Jasti	2,000	-	2,000	0.0008%	-
Madhavi Jasti	2,000	-	2,000	0.0008%	-
Sirisha Jasti	2,000	-	2,000	0.0008%	-

Details of shares held by the promoter at the end of the year 31st March 2021

Name of the Promoter	No. of shares			% holding of equity shares	% change during the year
	31st March 2021	Change	31st March 2020		
Jasti Property and Equity Holdings Private Limited	152,730,000	76,365,000	76,365,000	59.9965%	-
Venkateswarlu Jasti	2,000	1,000	1,000	0.0008%	-
Sudha Rani Jasti	2,000	1,000	1,000	0.0008%	-
Kalyani Jasti	2,000	1,000	1,000	0.0008%	-
Madhavi Jasti	2,000	1,000	1,000	0.0008%	-
Sirisha Jasti	2,000	1,000	1,000	0.0008%	-

10 (a).4 Shares of the Company held by Trustee company

Promoter's Name	31 March 2022	31 March 2021
Jasti Property and Equity Holdings Private Limited		
15,27,30,000 Equity shares of ₹1/- each (Previous year: 15,27,30,000)	1,527.30	1,527.30

10(a).5 Details of shareholders holding more than 5% shares in the Company

Particulars	31 March 2022		31 March 2021	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Jasti Property and Equity Holdings Private Limited	152,730,000	60%	152,730,000	60%

10(b) Other equity

Particulars	31 March 2022	31 March 2021
Securities premium	10,957.38	10,957.38
General reserve	10,927.67	9,427.67
Retained earnings	1,27,270.86	93,649.26
Foreign Exchange Translation Reserve	1,016.47	1,500.87
Total other equity	**1,50,172.39**	**1,15,535.18**

(All amounts in ₹ lakhs, unless otherwise stated)

(i) Securities premium

Particulars	31 March 2022	31 March 2021
Opening balance	10,957.38	12,230.21
Add: On issue of shares	-	-
Less: Issue of Bonus Shares	-	(1,272.82)
Closing Balance	**10,957.38**	**10,957.38**

(ii) General Reserve

Particulars	31 March 2022	31 March 2021
Opening balance	9,427.67	7,927.67
Transferred from Retained Earnings	1,500.00	1,500.00
Closing Balance	**10,927.67**	**9,427.67**

(iii) Retained earnings

Particulars	31 March 2022	31 March 2021
Opening balance	93,649.26	61,544.44
Net profit for the year	45,380.49	36,234.18
Transferred to General reserve	(1,500.00)	(1,500.00)
Dividend paid - Refer note no.30	(10,182.60)	(2,545.65)
Other Comprehensive Income		
- Remeasurements of post employment benefit obligation, net of tax	(76.29)	(83.70)
Closing balance	**1,27,270.86**	**93,649.26**

(iv) Foreign Exchange Translation Reserve

Particulars	31 March 2022	31 March 2021
Opening balance	1,500.87	1,501.14
Exchange differences on translating the financial statement of foreign operations	(484.40)	(0.27)
Closing Balance	**1,016.47**	**1,500.87**

Nature and purpose of reserves

Securities premium reserve:

The amount received in excess of face value of the equity shares is recognised in securities premium reserve. The reserve is utilised in accordance with the provisions of companies Act 2013.

General Reserve:

General reserve is used from time to time to transfer the profits from retained earnings for appropriation purpose.

Retained Earnings:

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to share holders

Other Comprehensive Income:

Difference between the interest income on plan assets and the return actually achieved, any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and subsequently not reclassified into statement of profit and loss.

(All amounts in ₹ lakhs, unless otherwise stated)

Note 11: Provisions

Particulars	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Provision for Employee benefits				
-Leave obligations	260.10	778.53	148.68	448.87
-Gratuity	147.43	110.92	112.04	215.73
	407.53	**889.45**	**260.72**	**664.60**

Employee Benefit Plans
(i) Defined Contribution plans

Particulars	31 March 2022	31 March 2021
Provident Fund	51,071,184	37,669,024
State Defined Contribution Plans		
Employees State Insurance	959,321	1,318,201

(ii) Defined Benefit plan

Gratuity

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

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present Value of obligation	Fair Value of Plan Assets	Net Amount
01-Apr-20	1204.49	665.52	538.98
Current service cost	163.02	-	163.02
Interest expense/(income)	78.99	56.02	22.97
Total amount recognized in profit or loss	**1446.50**	**721.54**	**724.97**
Remeasurements	-	-	-
- Experience adjustments	121.37	-	121.37
- Financials assumptions	(12.62)	-	(12.62)
Return on plan assets (excluding Interest Income)		(3.10)	3.10
Experience (gains)/loss	-	-	-
Total amount recognized in other comprehensive income	**1555.26**	**718.44**	**836.82**
Employer contributions	-	325.00	-325.00
Benefit payments	(89.16)	(10.86)	(78.30)
Others	-	105.75	(105.75)
Interest adjustment	-	-	-
31-Mar-21	**1466.10**	**1138.33**	**327.77**
01-Apr-21	1466.10	1138.33	327.77
Current service cost	191.25	-	191.25
Interest expense/(income)	30.13	71.65	-41.52
Total amount recognized in profit or loss	**1687.48**	**1209.98**	**477.50**

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Present Value of obligation	Fair Value of Plan Assets	Net Amount
Remeasurements			
- Experience adjustments	442.06	-	442.06
- Financials assumptions	(60.08)	-	(60.08)
Return on plan assets (excluding Interest Income)	-	222.43	(222.43)
Experience (gains)/loss	-	-	-
Total amount recognized in other comprehensive income	**2069.46**	**1432.41**	**637.05**
Employer contributions	-	1339.29	(1339.29)
Benefit payments	(392.74)	(215.00)	(177.74)
Others	-	(1138.33)	1138.33
Interest adjustment	-	-	-
31-Mar-22	**1676.72**	**1418.37**	**258.35**

Reconciliation of Liability

Particulars	31 March 2022	31 March 2021
Present value of obligation as at the beginning of the period	1466.10	1204.49
Interest cost	30.13	78.99
Past service cost - (Vested Benefits)	-	-
Current service cost	191.25	163.02
Benefits paid	(392.74)	(89.16)
Increase / (Decrease) due to effect of any business combination / divesture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Financial Assumptions	(60.08)	(12.62)
Actuarial (gain)/loss on obligation	442.06	121.37
Present value of obligation as at the end of the period	**1676.72**	**1466.10**

Reconciliation of Plan Assets

Particulars	31 March 2022	31 March 2021
Fair value at beginning	1138.33	665.52
Interest income	71.65	56.02
Employers contribution	1339.29	325.00
Employer Direct Benefit Payments	177.74	78.30
Benefit Payments from Plan Assets	(215.00)	(10.86)
Benefit Payments from Employer	(177.74)	(78.30)
Return on plan assets	222.43	(3.10)
Adjustment to Opening Balance, Other Expenses & Increase/Decrease due to Plan Combination	(1138.33)	105.75
Fair value at the End	**1418.37**	**1138.33**

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	31 March 2022	31 March 2021
Discount rate	6.91%	7.33%
Salary growth rate	9.00%	9.00%
Attrition rate	6.50%	6.50%
Retirement age	58 Years	58 Years

(iv) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Discount rate	1%	1%	1,547.28	1,349.40	1,826.02	1,601.06
Salary growth rate	1%	1%	1,813.27	1,590.32	1,552.19	1,354.58
Attrition rate	1%	1%	1,662.62	1,450.42	1,692.56	1,483.79

Expected cash flows over the next (valued on undiscounted basis):	Amount (₹)
1 year	147.43
2 to 5 Years	571.76
6 to 10 years	753.97

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(v) Best estimate of Contribution during the next year

The recommended contribution is minimum of net liability (Defined Benefit obligation -Fund balance as at valuation date) =₹258.35 lakhs or 8.33% of the wage bill

Discontinuance Liability

Amount payable upon discontinuance of all employment is ₹1462.34 lakhs

(vi) Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Interest Rate: A decrease in bond yields will increase plan liabilities, although this will be partially off-set by an increase in the value of the plan's bond holdings.

Investment Risk: If actual return on plan assets us below this rate, it will create a plan deficit

Salary Risk: Higher than expected increase in salaries increases the defined benefit obligations

Demographic Risk: The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plans liability.

Other Long term benefit plans

The Compensated Absences (Leave Obligations): The Company provides for accumulation of compensated absences in respect of certain categories of employees. These employees can carry forward a portion of the unuilised compensated absences and utilise them in future periods or receive cash in lieu there of as company policy.

Actuarial valuation for compensated absences is done as at the year end and provision is made as per company policy wit corresponding (gain) / Charge to the statement of profit and loss amounting to ₹975.74 lakhs (March 31, 2021 : ₹324.63 lakhs)

Note 12: Deferred tax assets /(liabilities)

The balances comprises temporary differences attributable to :

Particulars	31 March 2022	31 March 2021
Gratuity & leave Encashment	138.28	232.41
Demerger expenses	5.48	10.95
Ind AS 116	3.73	3.32
Others-MAT credit	-	-
Total Deferred tax assets	**147.49**	**246.68**
Set-off of deferred tax liabilities pursuant to set-off provisions		
- Depreciation	3,793.02	3,298.15
- Unrealised capital gains on MF	94.01	41.82
- Unrealised capital gains on SPI	1,691.96	
Total Deferred tax Liabilities	**5,579.00**	**3,339.97**
Total deferred tax assets/(Liabilities) (net)	**(5,431.51)**	**(3,093.29)**

13(a) Non-Current borrowings

Particulars	31 March 2022	31 March 2021
Secured		
FCNR(B) Term Loan from State Bank of India	2,844.04	3,559.09
Terms of repayment: The term loan is repayable in 20 equal quarterly installments starting from June 2021. (refer note a(ii) below note 13(b))		
Total Non-Current Borrowings	**2,844.04**	**3,559.09**

13(b) Current borrowings

Particulars	31 March 2022	31 March 2021
Secured		
Working Capital Loans from State Bank of India (refer note (i) below)	3,772.78	3,481.48
Working Capital Loans from Bank of Bahrain & Kuwait (refer note (i) below)	940.52	937.46
FCNR(B) Term Loan from State Bank of India (refer note (ii) below)	2,000.00	2,000.00
Unsecured		
Loan from related party (refer note (b) below)	-	4,144.82
Total Current Borrowings	**6,713.31**	**10,563.76**

(All amounts in ₹ lakhs, unless otherwise stated)

Notes:

a. Details of Current Borrowings

(i) Rate of Interest, Nature of Security and Terms of repayment of working capital loan

The loan is secured by hypothecation on stocks, Receivables and Other current assets of the company and second charge on fixed assets at Pashamylaram and FDC units of the company and interest rate 7.80% p.a with monthly rest charged by state bank of India and 7.55 % by Bank of Bahrain & Kuwait

(ii) Rate of Interest, Nature of security and Terms of repayment of Term Loan:

The loan is secured by Mortgage of land and building and plant and machinery embedded to earth, Hypothecation of moveable fixed assets like furniture, computers etc. Situated at Pashamylaram unit and FDC Block. Interest rate being 1.30% of MCLR-6M(6.95%) present effective rate being 8.25%.p.a with monthly rests. Interest will be reset every six months. FCNR(B)-6MLIBOR/SOFAR+200bps (for a period of 1 year)

b. Loan from related party represents loan taken from Suven Life Sciences Limited at the approved rate of Interest @8% per annum.

13(c) Trade payables

Particulars	31 March 2022	31 March 2021
Dues to micro enterprises and small enterprises (Refer Note below)	200.20	996.24
Dues to creditors other than micro enterprises and small enterprises	10,389.87	7,296.89
Total trade payables	**10,590.06**	**8,293.14**

Trade payables ageing schedule for the year ended as on March 31, 2022

Particulars	Not Due	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	-	200.20	-	-	-	200.20
(ii) Others	8,746.78	1,643.09	-	-	-	10,389.87
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

Trade payables ageing schedule for the year ended as on March 31, 2021

Particulars	Not Due	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	-	996.24	-	-	-	996.24
(ii) Others	-	7,296.89	-	-	-	7,296.89
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

Dues to micro and small enterprises:

With the promulgation of the Micro, Small and Medium Enterprises Development Act, 2006, the Company is required to identify Micro, Small and Medium Suppliers and pay them interest on overdue beyond the specified period irrespective of the terms with the suppliers. The Company has circulated letter to all suppliers seeking their status. Response from few suppliers has been received and is still awaited from other suppliers. In view of this, the liability of interest calculated and the required disclosures made, in the below table, to the extent of information available with the Company.

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	31 March 2022	31 March 2021
Principal amount remaining unpaid to any supplier as at the end of the accounting year	190.59	992.30
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	9.60	3.94
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	7.88	1.11
The amount of interest accrued and remaining unpaid at the end of the accounting year	1.73	2.84
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to small enterprises	-	-

(Refer Note 28 for the company's liquidity risk management process)

13(d) Other Financial liabilities

Particulars	31 March 2022	31 March 2021
Current		
Liabilities for expenses	2,042.56	1,493.91
Payable for Capital Goods	153.48	987.49
Unpaid dividend on equity shares*	59.23	42.61
Total other current financial liabilities	**2,255.27**	**2,524.00**

* As at 31st March 2022, there has been no amount due and outstanding to be transferred to IEPF (Investor Education and Protection Fund).

Note 14: Current tax asset (net)

Particulars	31 March 2022	31 March 2021
Prepaid Income taxes	13,722.60	10,400.44
Less: Provision for income tax	14,086.82	10,175.77
Total Current tax Asset / (liability)	**(364.22)**	**224.67**

Note 15: Other current liabilities

Particulars	31 March 2022	31 March 2021
Advance from customers	380.02	0.72
Statutory liabilities	209.91	225.64
Total other current liabilities	**589.93**	**226.36**

Note 16: Revenue from operations

Particulars	31 March 2022	31 March 2021
Sale of Products	1,25,336.83	94,933.39
Sale of Services	5,364.25	4,612.99
	1,30,701.07	**99,546.38**

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	31 March 2022	31 March 2021
Other Operating Income		
Export Incentives (MEIS)*	391.55	694.90
Duty Drawback Received	929.58	730.57
	1,321.13	**1,425.47**
	1,32,022.21	**1,00,971.86**

*Incentive in the form of duty credit scrip upon sale of exports under Merchandise Exports from India Scheme under Foreign Trade Policy of India

(a) Reconcilation of revenue from sale of products with contracted price

Particulars	31 March 2022	31 March 2021
Contracted price	125,426.65	94,933.39
Less:		
i) Sales returns	89.82	-
ii) Discounts and rebates	-	-
Revenue from Contracts with Customers	**125,336.83**	**94,933.39**

(b) Disagregation of Revenue based on location of customer

Region	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Related Party	Non Related Party	Related Party	Non Related Party
USA	-	5,853.28	184.24	6,991.16
Europe	-	110,480.23	-	82,702.18
India	514.87	3,914.38	248.46	4,059.31
Rest of the world	-	11,259.43	-	6,786.50
Total	**514.87**	**131,507.34**	**432.70**	**100,539.15**

Details of Deferred Revenue

Particulars	31 March 2022	31 March 2021
Balance at the begining	778.37	1,409.45
Add: Increase due to invoicing during the year	980.07	778.37
Less: Revenue recognised during the year	778.37	1,409.45
Balance at the end of the year	**980.07**	**778.37**
Expected revenue recognition from remaining performance obligations		
-with in one year (Current)	980.07	778.37
-more than one year (Non Current)	**-**	**-**

Changes in Contract liability	31 March 2022	31 March 2021
Balance at the end of the year	380.02	0.72

(All amounts in ₹ lakhs, unless otherwise stated)

Note 17: Other income

Particulars	31 March 2022	31 March 2021
Interest income		
On fixed deposits	6.81	9.32
Others	0.05	17.46
Liabilities no longer required written back	37.30	-
Gain on Investment-Suven Pharma Inc.,	1,080.42	-
Facility Charges	109.78	104.87
Foreign Exchange Gain (Net)	1,642.08	955.92
Gain on Financial Assets	820.31	332.77
Forward Contracts Gain	0.14	-
Gain on sale of Investment-Rising Pharma Holding Inc.,	5,541.07	-
Net gain on sale of Property,Plant and equipment	0.06	3.36
	9,238.03	**1,423.70**

Note 18: Cost of materials consumed

Particulars	31 March 2022	31 March 2021
Raw Materials		
Raw Material at the beginning of the year	5,127.73	3,451.56
Purchases during the year	47,495.41	32,269.44
Less: Raw Material at the end of the year	7,182.71	5,127.73
	45,440.43	**30,593.27**
Packing Materials		
Packing Material at the beginning of the year	300.23	185.88
Purchases during the year	460.24	552.59
Less: Packing Material at the end of the year	255.25	300.23
	505.21	438.24
	45,945.64	**31,031.51**

Note 19: Changes in inventories of work-in-progress and finished goods

Particulars	31 March 2022	31 March 2021
Opening Balance:		
Work-in-progress	9,820.06	7,656.34
Finished Goods	3,312.17	4,638.59
Total opening balance	**13,132.23**	**12,294.93**
Closing Balance:		
Work-in-progress	13,175.05	9,820.06
Finished Goods	5,992.39	3,312.17
Total closing balance	**19,167.44**	**13,132.23**
	(6,035.21)	**(837.30)**

(All amounts in ₹ lakhs, unless otherwise stated)

Note 20: Manufacturing expenses

Particulars	31 March 2022	31 March 2021
Power & Fuel	5,955.32	4,419.62
Consumable Stores	244.98	175.32
Factory Upkeep Expenses	4,003.79	3,320.33
Environment Management Expenses	3,019.76	1,698.67
Safety Expenses	173.10	172.98
Quality Control Expenses	1,720.70	1,552.78
Repairs & Maintenance:	-	-
Buildings	148.74	150.02
Plant & Machinery	2,052.47	1,889.21
	17,318.86	**13,378.94**

Note 21: Employee benefits expense

Particulars	31 March 2022	31 March 2021
Salaries & Wages	9,054.39	6,777.43
Contribution to Provident & other funds	520.57	418.34
Gratuity Expense	221.38	185.99
Staff Welfare Expenses	252.04	241.54
	10,048.39	**7,623.30**

Note 22: Research & Development expenses

Particulars	31 March 2022	31 March 2021
R & D Salaries	746.60	792.26
R & D Materials	0.04	0.07
Patent Related Expenses	10.14	6.75
Lab Maintenance	54.09	101.52
R & D Other Expenses	192.97	161.32
Depreciation	31.61	43.82
	1,035.45	**1,105.75**

Note 23: Finance costs

Particulars	31 March 2022	31 March 2021
Interest Expense		
On Borrowings	479.66	170.01
On Inter Company Loan	112.16	697.91
On Income taxes	-	22.01
On Lease Liability	21.68	20.50
On MSME	9.60	3.94
	623.10	**914.37**

(All amounts in ₹ lakhs, unless otherwise stated)

Note 24: Depreciation and amortisation expense

Particulars	31 March 2022	31 March 2021
Depreciation of property, plant and equipment (Refer Note 3)	3,754.80	3,039.74
Depreciation of Right of Use Asset (Refer Note 5)	115.82	85.33
Amortisation of intangible assets (Refer Note 4)	39.10	38.51
	3,909.71	**3,163.58**

Note 25: Other expenses

Particulars	31 March 2022	31 March 2021
Rent	0.61	34.79
Rates & Taxes	33.43	93.52
Insurance	711.18	722.67
Bank Charges	229.65	252.16
Communication Charges	74.48	66.99
Travelling & Conveyance	686.99	639.85
Printing & Stationery	35.67	35.61
Vehicle Maintenance	19.78	27.86
Professional Charges	409.29	438.22
Payments to Auditors (Refer note 25 (a) below)	31.92	31.44
Security Charges	274.66	247.15
Donations	-	1.00
Repairs & Maintenance - others	161.68	116.92
Loss on sale of Property,Plant and equipment	20.17	-
Corporate Social Responsibility(Refer note 25 (b) below)	617.22	515.08
Sales Promotion	188.33	183.69
Clearing & Forwarding	1,633.33	707.13
Commission on Sales	158.65	161.68
General Expenses	479.53	345.85
	5,766.55	**4,621.61**

Note 25(a): Details of payments to auditors

Particulars	31 March 2022	31 March 2021
Payment to auditors		
As auditor:		
(i) Stat Auditor Fees	20.74	20.74
(ii) Tax audit fees	5.00	5.00
(iii) Other services	5.00	5.00
(iv) Re-imbursement of out -of- pocket expenses	1.18	0.70
	31.92	**31.44**

(All amounts in ₹ lakhs, unless otherwise stated)

Note 25(b): Corporate social responsibility expenditure

Particulars	31 March 2022	31 March 2021
Amount required to be spent as per section 135 of the Act	617.22	515.08
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	617.22	515.08

Nature of CSR Activities

Promoting education and skill development initiatives, community development initiatives, Covid-19 releif and rehabilations, National heritage and development programmes and other social and research/development projects

Note 26: Income tax expense

This note provides an analysis of the company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax positions.

Particulars	31 March 2022	31 March 2021
(a) Income tax expense		
Current tax		
Current tax on profits for the year	19,040.47	10,153.76
Adjustments for current tax of prior periods	-	17.75
Total current tax expense	**19,040.47**	**10,171.50**
Deferred tax		
Decrease (increase) in deferred tax assets	-	-
Increase (decrease) in deferred tax liabilities	2,338.03	361.72
Total Deferred tax expense/(benefit)	**2,338.03**	**361.72**
Income tax expense	**21,378.50**	**10,533.23**
Income tax expense is attributable to:		
Profit from operations	**21,378.50**	**10,533.23**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	31 March 2022	31 March 2021
Profit from operations before income tax expenses	62,647.75	41,393.81
Tax at the Indian tax rate of 25.168%	**15,767.19**	**10,417.99**
Computed expected tax expense:		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
CSR Expenditure	155.34	129.64
Loss on sale of asset	5.06	(0.84)
Interest on Income tax	154.85	22.01
Interest on MSMED	2.42	0.99
Overseas tax	3,646.12	0.00
Income tax paid at special rate		
Royalty	(18.74)	(31.74)
Dividend tax	1,676.21	0.00
Impact of WDV change	0.00	(24.06)
Prior year taxes	0.00	17.75
Others	(9.94)	1.49
Income tax expenses	**21,378.50**	**10,533.23**

(All amounts in ₹ lakhs, unless otherwise stated)

Financial instruments and risk management

Note 27: Fair value measurements

Region	31 March 2022		31 March 2021	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Investments				
-Equity Investment	-	11,709.66	-	36,119.41
-Mutual funds	48,122.24	-	18,059.38	-
Trade Receivables	-	23,637.23	-	10,238.21
Loans	-	25.58	-	27.98
Security deposits	-	539.21	-	495.18
Cash and Cash equivalents	-	4,456.38	-	718.23
Bank Balances	-	59.23	-	42.61
Raisin Escrow	-	730.38	-	-
Fixed Deposits with Banks and Interest thereon	-	214.97	-	204.49
Total Financial Assets	**48,122.24**	**41,372.63**	**18,059.38**	**47,846.10**
Financial Liabilities				
Borrowings	-	9,557.34	-	14,122.84
Unpaid dividends	-	59.23	-	42.61
Trade Payables	-	10,590.06	-	8,293.14
Capital creditors	-	153.48	-	987.49
Liability for expenses	-	2,042.56	-	1,493.91
Lease liability	-	155.38	-	180.72
Total Financial Liabilities	**-**	**22,558.05**	**-**	**25,120.70**

(i) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level 1: Level 1 hierarchy includes Quoted prices taken from market.

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

Level 3: Inputs are not based on observable market data (unobservable inputs).

Financial assets measured at fair value	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2022					
Financial assets					
Equity Investment	6(a)(i)	-	-	11,709.66	11,709.66
Investment in mutual funds	6(a)(ii)	-	48,122.24	-	48,122.24
Trade Receivables	6(d)	-	-	23,637.23	23,637.23
Loans	6(b)	-	-	25.58	25.58
Security deposits	6(c)	-	-	539.21	539.21
Fixed Deposits with Banks and Interest thereon	6(e)(ii)	-	-	214.97	214.97
Cash and Cash equivalents	6(e)(i)	-	-	4,456.38	4,456.38
Bank Balances	6(e)(ii)	-	-	59.23	59.23
Raisin Escrow	6(c)	-	-	730.38	730.38
Total Financial Assets		**-**	**48,122.24**	**41,372.63**	**89,494.87**

(All amounts in ₹ lakhs, unless otherwise stated)

Financial liabilities measured Fair Value	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2022					
Financial Liabilities					
Borrowings	13(b)	-	-	9,557.34	9,557.34
Unpaid dividends	13(d)	-	-	59.23	59.23
Trade Payables	13(c)	-	-	10,590.06	10,590.06
Capital creditors	13(d)	-	-	153.48	153.48
Liability for expenses	13(d)	-	-	2,042.56	2,042.56
Lease liabilities	5(b)	-	-	155.38	155.38
Total Financial Liabilities		**-**	**-**	**22,558.05**	**22,558.05**

Financial assets measured at fair value	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2021					
Financial assets					
Equity Investment	6(a)(i)	-	-	36,119.41	36,119.41
Investment in mutual funds	6(a)(ii)	-	18,059.38	-	18,059.38
Trade Receivables	6(d)	-	-	10,238.21	10,238.21
Loans	6(b)	-	-	27.98	27.98
Security deposits	6(c)	-	-	495.18	495.18
Fixed Deposits with Banks and Interest thereon	6(e)(ii)	-	-	204.49	204.49
Cash and Cash equivalents	6(e)(i)	-	-	718.23	718.23
Bank Balances	6(e)(ii)	-	-	42.61	42.61
Total Financial Assets		**-**	**18,059.38**	**47,846.10**	**65,905.48**

Financial liabilities measured at Fair Value	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2021					
Financial Liabilities					
Borrowings	13(b)	-	-	14,122.84	14,122.84
Unpaid dividends	13(d)	-	-	42.61	42.61
Trade Payables	13(c)	-	-	8,293.14	8,293.14
Capital creditors	13(d)	-	-	987.49	987.49
Liability for expenses	13(d)	-	-	1,493.91	1,493.91
Lease liabilities	5(b)	-	-	180.72	180.72
Total Financial Liabilities		**-**	**-**	**25,120.70**	**25,120.70**

Note 28: Financial Risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the board of directors on its activities.

(All amounts in ₹ lakhs, unless otherwise stated)

Risk	Exposure arising from	Measurement	Management Comment
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost	Ageing analysis	Diversification of bank deposits and monitoring of credit limits of customers
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupees	Cash flow forecasting Sensitivity analysis	All USD related Import commitment are covered by snapping from the export USD thru EEFC account
Market risk - interest risk	Long-term borrowings at variable rates	Sensitivity analysis	Interest rates were Libor plus rate of interest fixed for the full term of the loan
Market risk - security prices	Investments in Mutual funds	Sensitivity analysis	Portfolio diversification

The company's risk management is carried out by the management. Company treasury identifies, evaluates and hedges financial risk in close cooperation with the company's operating units. The management provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, and investment of excess liquidity.

(A) Credit Risk Management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

i) Financial instruments and cash deposits

For banks and financial institutions, only high rated banks/ institutions are accepted. Other Financial assets (excluding Bank deposits) majorly constitute deposits given to State electricity departments for supply of power, which the company considers to have negligible credit exposure. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

ii) Expected credit loss for trade receivables under simplified approach

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables

Year ended 31 March 2022

Ageing	0-30 days	31-60 days	61-90 days	91-120 days	More than 120 days	Total
Gross carrying amount	22,220.77	1,329.59	21.75	0.43	64.68	23,637.23
Expected loss rate	0%	0%	0%	0%	0%	0%
Expected credit losses (loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	**22,220.77**	**1,329.59**	**21.75**	**0.43**	**64.68**	**23,637.23**

(All amounts in ₹ lakhs, unless otherwise stated)

Ageing	**0-30 days**	**31-60 days**	**61-90 days**	**91-120 days**	**More than 120 days**	**Total**
Gross carrying amount	5,614.37	3,849.82	287.15	408.84	78.04	10,238.21
Expected loss rate	0%	0%	0%	0%	0%	0%
Expected credit losses (loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	**5,614.37**	**3,849.82**	**287.15**	**408.84**	**78.04**	**10,238.21**

(B) Liquidity Risk:

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to dynamic nature of the underlying business, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the company in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The table below summarises the maturity profile of the Company financial liabilities based on contractual undiscounted payments.

Year ended March 31, 2022	**On Demand**	**in next 12 months**	**>1 year**	**Total**
(i) Borrowings	4,713.31	2,000.00	2,844.04	9,557.34
(ii) Trade payables	-	10,590.06	-	10,590.06
(iii) Other financial liabilities	59.23	2,196.04	-	2,255.27
	4,772.54	**14,786.10**	**2,844.04**	**22,402.68**

Year ended March 31, 2021	**On Demand**	**in next 12 months**	**>1 year**	**Total**
(i) Borrowings	4,418.94	6,144.82	3,559.09	14,122.84
(ii) Trade payables	-	8,293.14	-	8,293.14
(iii) Other financial liabilities	42.61	2,481.40	-	2,524.00
	4,461.54	**16,919.36**	**3,559.09**	**24,939.99**

C) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk and interest rate risk.

(i) Foreign exchange risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, GBP and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign forecast transactions.

(All amounts in ₹ lakhs, unless otherwise stated)

The company's risk management policy is to hedge part of forecasted foreign currency sales for the subsequent months. As per the risk management policy, foreign exchange forward contracts are taken to hedge part of the forecasted sales by taking consultancy from external treasury management forms. The imports were hedged naturally by payment through EEFC account.

(a) Foreign currency risk exposure:

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:

Particulars	As at March 31, 2022			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	642.27	-	-	-
Trade receivables (Net)	23,607.75	-	-	-
Financial Liabilities				
Borrowings	9,557.34	-	-	-
Trade payables (Net)	3,716.77	-	-	-
Other financial liabilities	19.43	-	-	-

Particulars	As at March 31, 2021			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	395.69	-	-	-
Trade receivables	9,880.42	-	-	-
Financial Liabilities				
Borrowings	9,978.02	-	-	-
Trade payables (Net)	1,674.64	-	-	-
Other financial liabilities	13.34	-	-	-

D) Market risk - interest risk

(ii) Cash flow and fair value interest rate risk

The company's main interest rate risk arises from long-term borrowings with variable rates, which expose the company to cashflow interest rate risk.

(a) Interest rate risk exposure

The exposure of the company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	31 March 2022	31 March 2021
Variable rate borrowings	9,557.34	9,978.02
Fixed rate borrowings	-	-
Total borrowings	**9,557.34**	**9,978.02**

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of increase/decrease in the fair value of cash flow hedges related to the borrowings if any

Particulars	Impact on Profit after tax		Impact on Other components of equity	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Interest rates-increase by 100 basis points	87.89	168.04	-	-
Interest rates-decrease by 100 basis points	7.57	59.06	-	-

(All amounts in ₹ lakhs, unless otherwise stated)

Note 29: Capital Management

(a) Risk management

The Company's objective when managing capital are to:

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio: -Total debt divided by total equity (as shown in the balance sheet)

Particulars	31 March 2022	31 March 2021
Total debt	9,557.34	14,122.84
Total Equity	1,52,718.04	1,18,079.83
Total debt to equity ratio	6.26%	11.96%

Note 30: Dividends distributions made and proposed (on equity instruments)

Particulars	31 March 2022	31 March 2021
(i) Cash dividends on Equity shares declared and paid		
Final dividend for the FY 2020-21: ₹1 per fully paid share	2,545.65	-
Interim dividend for the FY 2021-22 of ₹3.00 (FY 2020-21 - ₹1.00) per fully paid share	7,636.95	2,545.65
Total	**10,182.60**	**2,545.65**

Proposed dividend on Equity shares

Particulars	31 March 2022	31 March 2021
Final dividend for the FY 2021-22 -Nil (FY 2020-21 - ₹1.00) per fully paid share	-	2,545.65
Total	**-**	**2,545.65**

Note 31: Segment Information

Business Segment

Segments have been identified and reported taking into account the nature of products, the differing risk and returns, the organisation structure, and the internal financial reporting scheme.The company has identified the following segments as its reportable segments:

I. Manufacturing (CRAMS) - Bulk Drugs & Intermediates under contract services products are developed and produced on an exclusive basis under contract Manufacturing services

As the Company has identified single operating segment i.e. Pharmaceuticals Manufacturing & Services. Therefore analysis business segment is not required.

Geographical Segment

The Company has identified the following geographical reportable segments:

(a) India-The company sells Bulk Drugs and Intermediates, Fine Chemicals & Services.

(b) USA -The company sells Intermediates & Services

(c) Europe-The company sells Bulk Drugs and Intermediates

(d) Others -The company sells Bulk Drugs, Intermediates & Services

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Revenue for the year ended		Value of Non Current Assets (Except Financial Instrument) as at		Additions to Non current (Except Financial Instrument) during the year	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
INDIA	4,429.25	4,307.77	57,174.88	54,343.03	16,173.28	21,245.56
U S A	5,853.28	7,175.40	4.44	4.18	2.35	-
EUROPE	1,10,480.23	82,702.18	-	-	-	-
OTHERS	11,259.43	6,786.50	-	-	-	-
	1,32,022.21	**1,00,971.86**	**57,179.33**	**54,347.21**	**16,175.63**	**21,245.56**

Note 32: Related Party Transactions

(a) Trustee Company	:	Jasti Property and Equity Holdings Private Limited (In its capacity as sole trustee of Jasti Family Trust)	
(b) Subsidiaries	:	Suven Pharma Inc.,	
(c) Associates	:	Rising Pharma Holding Inc.,	
(d) Key Management personnel (KMP)	:	Mr. Venkateswarlu Jasti	Managing Director
		Mr. D. G. Prasad	Independent Director
		Dr. V Sambasiva Rao	Independent Director
		Ms. Deepanwita Chattopadhyay	Independent Director
		Mr. J. V. Ramudu	Non-executive Director
		Dr. Jerry Jeyasingh	Non-executive Director
		Mr. P. Subbarao	CFO
(e) Relative of Key Management personnel	:	Mrs. Sudha Rani Jasti	
	:	Mrs. Kalyani Jasti	
	:	Mrs. Madhavi Jasti	
	:	Mrs. Sirisha Jasti	
(f) Companies under the control of Key Managerial Personnel	:	Suven Life Sciences Limited	
		Suven Neurosciences Inc.,	

(a) Trustee Company

Name	Type	Place of Incorporation	Ownership Interest	
			31 March 2022	31 March 2021
Jasti Property and Equity Holdings Private Limited	Trustee Company	India	60.00%	60.00%

Particulars	31 March 2022	31 March 2021
Dividend Paid	4,581.90	-

(All amounts in ₹ lakhs, unless otherwise stated)

(b) Subsidiaries

Particulars	31 March 2022	31 March 2021
Suven Pharma Inc.,		
Opening	24,557.68	24,557.68
Return on Investment in subsidiary	(12,697.44)	-
Balance outstanding	**11,860.24**	**24,557.68**
Dividend Received	**11752.46**	**-**

(c) Associates

Particulars	31 March 2022	31 March 2021
Rendering of services, purchases and other transactions		
Rising Pharma Holding Inc.,		
Sale of products & Service Income	38.76	184.24

(d) Key Management Personnel compensation

Particulars	31 March 2022	31 March 2021
Mr. Venkateswarlu Jasti		
Short term employee benefits	1287.06	869.28
Post-employment benefits	-	-
Long term employee benefits	-	-
Termination benefits	-	-
Dividend Paid	0.06	-
Total Compensation	1,287.12	869.28
Balance outstanding	721.24	415.74
Mr. P.Subba Rao		
Dividend Paid	3.58	-

(e) Relative of Key Management Personnel compensation

Particulars	31 March 2022	31 March 2021
Mrs Kalyani Jasti		
Short term employee benefits	316.98	257.54
Post-employment benefits	-	-
Long term employee benefits	-	-
Termination benefits	-	-
Dividend Paid	0.06	-
Total Compensation	**317.04**	**257.54**
Mrs. Sudha Rani Jasti		
Dividend Paid	0.06	-
Mrs. Madhavi Jasti		
Dividend Paid	0.06	-
Mrs. Sirisha Jasti		
Dividend Paid	0.06	-

(All amounts in ₹ lakhs, unless otherwise stated)

(f) Companies under the Control of Key Managerial Personnel

Particulars	31 March 2022	31 March 2021
(i) Loan taken and repayment thereof		
Suven Life Sciences Limited		
Loan taken during the year	-	-
Repayment of Loan	4,032.66	9,180.43
Interest on Loan	112.16	697.91
Balance Outstanding Loan at the year end	**-**	**4,144.82**

Particulars	31 March 2022	31 March 2021
(ii) Rendering Services, purchases and other transactions		
Suven Life Sciences Limited		
(a) Rental Income	109.78	104.87
(b) Sales	126.22	14.71
(c) Service Charges paid		
Service charges paid during the period (Towards Testing and Analysis charges)	514.87	248.46

Note 33: Contingent Liabilities and contingent assets

Particulars	31 March 2022	31 March 2021
a) APIIC-JN Pharmacity, Parawada- Restoration fee & Delay condonation fee	606.69	606.69
	606.69	**606.69**

Note 34: Commitments

Particulars	31 March 2022	31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of Payments(including advances)	2,331.12	2,217.63
	2,331.12	**2,217.63**

Note 35: Earnings per share

Particulars	31 March 2022	31 March 2021
Profit After Tax (PAT)	45,380.49	36,234.18
Weighted average number of equity shares for Basic EPS	254,564,956	254,564,956
Add: Dilution Effect	-	-
Weighted average number of equity shares for Diluted EPS	254,564,956	254,564,956
Basic Earnings Per share	17.83	14.23
Diluted Earnings Per share	17.83	14.23

Note:

The Board has allotted the Bonus shares at 1:1 ratio in it's Board meeting held on 29th September, 2020. Accordingly the number of shares increased from 12,72,82,478 to 25,45,64,956 .In order to maintain uniformity and comparabiity the EPS of previous periods have been restated.

(All amounts in ₹ lakhs, unless otherwise stated)

Note 36: Scheme of Arrangement(Demerger)

The National Company Law Tribunal, Hyderabad Bench vide its order dated January 06th, 2020 has approved the scheme of arrangement for demerger of CRAMS undertaking of Suven Life Sciences Limited to the Company with effect from October 01st, 2018 (the appointed date). Pursuant to the Scheme, all the assets, liabilities, income and expenses of the CRAMS undertaking have been transferred to the Resulting Company i.e., Suven Pharmaceuticals Limited with effect from the appointed date.

Note 37: Covid impact on the business and going concern assumption of the company and its subsidiary:

The COVID-19 continuous to impact the business and research operations in India and our Wholly Owned Subsidiary, Suven Pharma, Inc., USA. Apart from the above the shortage or non- availability of vessels leading to delay in shipments, increase in transportation and distribution costs and timely non availability of materials with increase in materials costs are impacting our operations and profitability.

Note 38 : Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary/Associates

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other Comprehensive Income		Share in total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
31 March 2022								
Parent								
Suven Pharmaceuticals Ltd.	99.58%	1,52,069.32	122.98%	55,809.88	100.00%	(76.29)	123.02%	55,733.59
Subsidiaries:								
Suven Pharma Inc.	0.42%	648.72	(22.98)%	(10,429.39)	-	-	(23.02)%	(10,429.39)
TOTAL	**100.00%**	**1,52,718.04**	**100.00%**	**45,380.49**	**100.00%**	**(76.29)**	**100.00%**	**45,304.20**
31 March 2021								
Parent								
Suven Pharmaceuticals Ltd.	90.21%	106,518.33	85.18%	30,864.69	100.00%	(83.70)	85.15%	30,780.99
Subsidiaries:								
Suven Pharma Inc. (Including its Associates Rising Pharma Holding, Inc.)	9.79%	11,562.50	14.82%	5,369.49	0.00%	-	14.85%	5,369.49
TOTAL	**100.00%**	**118,080.83**	**100.00%**	**36,234.18**	**100.00%**	**(83.70)**	**100.00%**	**36,150.48**

Note 39 : Other statutory information

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

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(All amounts in ₹ lakhs, unless otherwise stated)

(v) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vi) 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:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vii) 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 Group shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(viii) The Company does not have any such 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

Note 40: Previous year figures have been regrouped and reclassified wherever considered necessary to conform to this year's classifications

Statement pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act 2013 read with rule 5 of Companies (Accounts) Rules,2014 in the prescribed Form AOC-1 relating to subsidiary companies.

FORM AOC -1

PART A : SUBSIDIARIES INFORMATION

Name of the subsidiary	:	Suven Pharma Inc.,
Reporting currency	:	USD
Exchange rate as on the last date of the relevant financial year in the case of Foreign subsidiaries	:	₹75.20
Date of Incorporation	:	09th March 2019

Particulars	31-Mar-22
Share capital	17,000,000
Reserves & surplus	(124,061)
Total assets	19,297,768
Total Current liabilities	2,421,829
Turnover / Total Income	27,358,974
Profit/(loss) before taxation	27,282,949
Provision for Taxation	7,173,735
Profit/ (loss) after taxation	20,109,214
Proposed dividend	-
% of share holding	100%

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

PART B : ASSOCIATES AND JOINT VENTURES

Name of the Associate	:	Rising Pharma Holding, Inc., USA
Reporting currency	:	USD

Particulars			31-Mar-22
1.	Latest audited Balance Sheet Date *		
2.	Shares of associates held by the company on the year end		-
	Number of shares		-
	Amount of investment in Associates		-
	Extent of holding %		0%
3.	Description of how there is significant influence		Not Applicable
4.	Reason why the associate/ joint venture is not consolidated		Not Applicable
5.	Net worth attributable to Shareholding as per latest Audited Balance Sheet		-
6.	Profit/ (Loss) for the year		
	i.	Considered in Consolidation	4,111.23
	ii.	Not Considered in Consolidation	-

*The Group has divested it's entire stake (25%) in M/sRising pharma Holding Inc, on 13th Dec,2021 to Raisin Acquisition Co.Inc.,

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date

for **KARVY & CO.**
Chartered Accountants
(Firm Reg. No.001757S)

Ajay Kumar Kosaraju
Partner
Membership No. 021989

Place : Hyderabad
Date : 09 May 2022

For and on behalf of the Board of Directors of
Suven Pharmaceuticals Limited

Venkateswarlu Jasti
Managing Director
DIN: 00278028

D.G.Prasad
Director
DIN: 00160408

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

Notice of Annual General Meeting

NOTICE is hereby given that the Fourth Annual General Meeting of the Members of SUVEN PHARMACEUTICALS LIMITED will be held on Thursday, the 18th day of August, 2022 at 11:30 a.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following businesses:

ORDINARY BUSINESS

ITEM NO. 1 – Adoption of financial statements

To receive, consider and adopt the audited standalone and consolidated Balance Sheet as at 31st March, 2022, Statement of Profit & Loss for the year ended 31st March, 2022, Statement of Cash flows for the year ended 31st March 2022 and together with the Reports of the Board of Directors and the Auditor's Report thereon.

"RESOLVED THAT the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

ITEM NO. 2 – To approve and ratify the already paid 1st Interim Dividend on Equity Shares @ ₹3.00 per equity share for the financial year 2021-22

ITEM NO. 3 – To approve and ratify the 2nd Interim Dividend on Equity Shares @ ₹2.00 per equity share for the financial year 2021-22

ITEM NO. 4 – To Appoint Dr. Jerry Jeyasingh as a director liable to retire by rotation

To appoint a director in place of Dr. Jerry Jeyasingh, (DIN: 08589727) who retires by rotation, and being eligible, offers himself for re-appointment.

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Dr. Jerry Jeyasingh, (DIN: 08589727), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Hyderabad, May 9, 2022

by order of the Board of Directors

Registered Office
8-2-334, SDE Serene Chambers
3rd Floor, Road No.5, Avenue 7
Banjara Hills, Hyderabad – 500034
CIN: L24299TG2018PLC128171

K. Hanumantha Rao
Company Secretary
Membership No. A11599

NOTES FOR MEMBERS' ATTENTION:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated January 13, 2021, December 14, 2021 and 5 May 2022 read together with circulars dated 5 May 2020 read with circulars dated 8 April 2020 and 13 April 2020 (collectively referred to as 'MCA Circulars') and SEBI circular dated 12 May 2020 and 13 May 2022 permitted the holding of the Annual General Meeting ('AGM') through VC/OAVM facility, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and MCA Circulars, the AGM of the Company is being conducted through VC/OAVM, hereinafter called as 'e-AGM'. The deemed venue for the AGM shall be the Registered Office of the Company.

2. The relevant details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of directors seeking appointment/re-appointment at this AGM are also annexed.

3. Since the AGM will be held through VC/ OAVM, the Route Map of the venue of the Meeting is not annexed hereto.

4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

5. In terms of Section 152 of the Companies Act, 2013, Dr. Jerry Jeyasingh, (DIN: 08589727), Director, retire by rotation at the meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company commends his re-appointment. Brief profile of Director, names of companies in which he holds directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are given at the end of the notes.

6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

7. Members attending the AGM through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.

8. Pursuant to provisions of the Companies Act, 2013 as amended the ordinary business pertaining to ratification of auditor's appointment from the conclusion of this AGM till the conclusion of next AGM is not placed before the AGM. The remuneration of the auditors during their tenure of office will continue to be fixed by the Board of Directors of your company on mutually agreed terms. The disclosure relating to auditors' remuneration for the year 2021-22 is given in the notes to the accounts.

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:

9.1. For shares held in electronic form: Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.

9.2. For shares held in physical form: SEBI vide its Circular dated 3rd November, 2021 has mandated registration of PAN, KYC details and Nomination, by holders of physical securities. Members holding shares in physical form can submit their PAN, KYC details (i.e. postal address with pin code, email address, mobile number, bank account details) and Nomination details by holders through duly filled and signed Form ISR-1 to the Company/ KFin Technologies Limited, at Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032 or by email to einward.ris@kfintech.com from their registered email id. It may be noted that any service request or compliant can be processed only after the folio is KYC compliant.

10. The Company has notified that the Register of Members and the Share Transfer Books of the Company will remain closed from August 16, 2022 to August 18, 2022 (both days inclusive) for the purpose of AGM of the Company.

11. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Tuesday,

August 11, 2022 through email on investorservices@suvenpharm.com. The same will be replied by the Company suitably.

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.

    All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to investorservices@suvenpharm.com

13. Members holding shares in physical mode desirous of making nomination are advised to submit Nomination Form (SH-13) to RTA or to the Company in respect of their shareholding in the Company and those Members holding shares in electronic mode may contact their respective DPs for availing the nomination facility as provided under Section 72 of the Act.

14. Pursuant to Regulation 40 of Listing Regulations, as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, vide its Circular dated 25th January, 2022, has clarified that listed companies, with immediate effect, shall issue the securities only in demat mode while processing investor service requests pertaining to issuance of duplicate shares, exchange of shares, endorsement, sub-division/consolidation of share certificates, etc. In view of this as also 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 demat mode. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at https://www.suvenpharm.com/index.php/investors/corporate-info/share-registry-services and on the website of the Company's Registrar and Transfer Agents, KFin Technologies Limited at https://ris.kfintech.com/clientservices/isc/default.aspx#isc_download_hrd. It may be noted that any service request can be processed only after the folio is KYC Compliant.

15. **To support the "Green Initiative", Members who have not registered their e-mail addresses so far are requested to register same with their DPs in case the shares are held by them in electronic form and with Kfin Tech in case the shares are held by them in physical form for receiving all communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode.**

16. Unclaimed Dividends/ Transfer to Investor Education and Protection Fund:

    Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

17. **Dispatch of Notice and Annual Report through electronic mode**

17.1. In compliance with the General Circular No. 14/2020 dated 8th April 2020; General Circular No.17/2020 dated 13th April 2020; General Circular No. 20/2020 5th May 2020; General Circular No. 02/2021 dated 13th January, 2021; General Circular No. 21/2021 dated 14th December, 2021 and General Circular No. 2/2022 dated 05th May, 2022 issued by the MCA and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May 2020; Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January 2021 and Circular No. SEBI/HO/ CFD/CMD2/CIR/P/2022/62 dated 13th May 2022 issued by SEBI ("MCA and SEBI Circulars"), the Notice of AGM along with the Annual Report 2021-22 is being sent by electronic mode to those Members whose e-mail address is registered with the Company /Depositories, unless any Member has requested for a physical copy of the same. The Company shall send a physical copy of the Annual Report 2021-22 to those Members who request the same at investorservices@suvenpharm.com mentioning their Folio No. / DP ID and Client ID. Members may note that Notice and Annual Report 2021-22 will also be available on the Company's website www.suvenpharm.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of the Company's Registrar and Transfer Agent KFinTech at https://evoting.kfintech.com

17.2. Members who have still not registered their email ID are requested to update the same at the earliest. For receiving all communication (including Annual Report) from Company electronically:

a) Members holding shares in physical mode and who have not registered/updated their email ID with the Company are requested to register/update their email ID with KFinTech by sending requests at einward.ris@kfintech.com, with details of folio number and attaching a self-attested copy of PAN card or by logging onto https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx

b) Members holding shares in dematerialised mode are requested to register/update their email ID with their respective Depository Participant.

18. **Information and Instructions for joining the AGM through VC/OAVM and e-voting are as follows:**

PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM:

(I). The Company will provide VC/OAVM facility to its Members for participating at the AGM.

a) Members will be able to attend the AGM through VC/OAVM or view the live webcast at https://emeetings.kfintech.com by using their e-voting login credentials.

Members are requested to follow the procedure given below:

(i). Launch internet browser (chrome/firefox/safari) by typing the URL: https://emeetings.kfintech.com

(ii). Enter the login credentials (i.e., User ID and password for e-voting).

(iii). After logging in, click on "Video Conference" option

(iv). Then click on camera icon appearing against AGM event of Suven Pharmaceuticals Limited, to attend the Meeting.

b) Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the E-voting instructions.

c) Members may join the AGM through Laptops, Smartphones, Tablets or iPads for better experience. Further, Members will be required to use internet with a good speed to avoid any disturbance during the AGM. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Mozilla Firefox.

Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches. Members will be required to grant access to the web-cam to enable two-way video conferencing.

d) Facility to join the Meeting will be opened fifteen minutes before the scheduled time of the AGM and will be kept open throughout the proceedings of the AGM.

e) Members will be allowed to participate in the AGM through VC/OAVM on first come, first served basis. Large Members (i.e. Members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, etc. will not be subject to the aforesaid restriction of first-come-first-serve basis.

f) Members who would like to express their views or ask questions during the AGM may register themselves as speakers by logging on to https://emeetings.kfintech.com and clicking on the 'Speaker Registration' option available on the screen after login. The Speaker Registration will be open during Saturday, August 13, 2022 to Monday, August 15, 2022. Only those members who are registered as speakers will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

g) Alternatively, members may also visit https://emeetings.kfintech.com and click on the tab 'Post Your Queries' and post their queries/views/questions in the window provided, by mentioning their name, demat account number/folio number, email ID and mobile number. The window will be closed on Monday, August 15, 2022 (5.00 p.m. IST).

h) Facility to join the meeting shall be opened fifteen minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.

i) Members who need assistance before or during the AGM, can contact KFinTech on emeetings@kfintech.com or call on toll free numbers 1800-309-4001. Kindly quote your name, DP ID-Client ID / Folio no. and E-voting Event Number in all your communications.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT THE AGM:

(II). Pursuant to the provisions of Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing to its members the facility to exercise their right to vote on the resolutions proposed to be passed in the Fourth Annual General Meeting (AGM) by electronic means ("e-voting") and the business may be transacted through e-voting facility. The members may cast their votes remotely, using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting")

Further, the facility for voting through electronic voting system will also be made available at the Meeting ("Insta Poll") and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll.

(III). The Company has engaged the services of KFin Tech as the agency to provide e-voting facility. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions given below.

(IV). The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting: at 9:00 a.m. on Sunday, August 14, 2022

End of remote e-voting: at 5:00 p.m. on Wednesday, August 17, 2022

(V). The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFinTech upon expiry of the aforesaid period. During the e-voting period, shareholders of the company, holding shares either in physical form or in dematerialised form, as on the cut-off date being **Thursday, August 11, 2022** only shall be entitled to avail the facility of remote e-voting/Insta Poll.

(VI). The members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

Information and instructions relating to e-voting are as under:

i. The members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.

ii. A member can opt for only single mode of voting per EVEN, i.e., through remote e-voting or voting at the Meeting (Insta Poll). If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".

iii. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., **Thursday, August 11, 2022** only shall be entitled to avail the facility of remote e-voting or for participation at the AGM and voting through Insta Poll. A person who is not a member as on the cutoff date, should treat the Notice for information purpose only.

iv. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date may obtain the User ID and password from KFinTech in the manner as mentioned below:

(a) If the mobile number of the member is registered against Folio No./DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
Example for NSDL: MYEPWD
<SPACE> IN12345612345678
Example for CDSL: MYEPWD
<SPACE> 1402345612345678
Example for Physical: MYEPWD
<SPACE> XXXX1234567890

(b) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

(c) Member may call on KFinTech's toll-free numbers 1800-309-4001 (from 9:00 a.m. to 6:00 p.m.)

(d) Member may send an e-mail request to evoting@kfintech.com If the member is already registered with KFinTech's e-voting platform, then he can use his existing password for logging in.

v. The Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the members holding shares as on the cutoff date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.

Procedure and instructions relating to e-voting:

A. In case a Member receives an e-mail from KFinTech [for Members whose e-mail IDs are registered with the Company/Depository Participant(s)]:

i). Launch internet browser by typing the URL: https://evoting.kfintech.com.

ii). Enter the login credentials (i.e. User ID and password) which are mentioned in the e-mail received from KFinTech.

The E-Voting Event Number + Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with KFinTech for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit https://evoting.kfintech.com or contact Karvy at toll-free number 1800-309-4001 (from 9:00 a.m. to 6:00 p.m.) for your existing password.

iii). After entering these details appropriately, click on "LOGIN".

iv). You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential**.

v). You need to login again with the new credentials.

vi). On successful login, the system will prompt you to select the E-Voting event for Suven Pharmaceuticals Limited.

vii). On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under either 'FOR'/'AGAINST' or alternatively, you may partially enter any number under 'FOR'/'AGAINST', but the total number under 'FOR'/'AGAINST' taken together should not exceed your total shareholding as mentioned therein. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.

viii). Members holding shares under multiple folios/demat accounts are requested to vote separately for each of their folios/demat accounts.

ix). Voting has to be done for each item of this AGM Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as 'ABSTAINED'.

x). You may then cast your vote by selecting an appropriate option and click on 'SUBMIT'.

xi). A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote.

xii). Corporate/Institutional Members (i.e. other than Individuals, HUFs, NRIs, etc.) are also required to send legible scanned certified true copy (in PDF Format) of the Board Resolution/Power of Attorney/Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail id: prenukaacs@gmail.com with a copy marked to shobha.anand@kfintech.com. It is also requested to upload the same in the e-voting module in their login page. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

(B) In case of a Member whose e-mail address is not registered/updated with the Company/KFinTech/ Depository Participant(s), please follow the following steps to generate your login credentials:

(a) Members holding shares in physical mode, who have not registered/updated their e-mail address with the Company, are requested to register/ update the same by clicking on https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx or by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at einward.ris@kfintech.com

(b) Members holding shares in dematerialised mode who have not registered their e-mail addresses with heir Depository Participant(s) are requested to register/update their email addresses with the Depository Participant(s) with whom they maintain their demat accounts.

(c) After due verification, the Company/KFinTech will forward your login credentials to your registered email address.

(d) Follow the instructions at (A). (i) to (xii) to cast your vote.

(e) In case of any query pertaining to e-voting, members may please visit to the "Help and FAQ's" sections available at KFinTech website https://evoting.kfintech.com or contact KFinTech as per the details given under below:

Members are requested to note the following contact details for addressing e-voting grievances:
Mrs. C. Shobha Ananda, AVP,
KFin Technologies Limited
Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad 500 032
Phone No.: +91 40 6716 1700 /1565
Toll-free No.: 1800-309-4001
E-mail: evoting@kfintech.com

The instructions for remote e-voting are as under for Individual Shareholders holding shares in demat mode:

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

Procedure to login through websites of Depositories	
National Securities Depository Limited ("NSDL")	**Central Depository Services (India) Limited ("CDSL")**
1. User already registered for IDeAS e-Services facility of NSDL may follow the following procedure: i). URL: https://eservices.nsdl.com ii). Click on the "Beneficial Owner" icon under 'IDeAS' section. iii). On the new page, enter existing User ID and Password. Post successful authentication, click on "Access to e-Voting". iv). Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.	**1. Existing user who have opted for Easi / Easiest of CDSL may follow the following procedure:** i). URL: https://web.cdslindia.com/myeasi/home/login Or home/ login Or URL: www.cdslindia.com ii). Click on New System Myeasi iii). Login with user id and password iv). Option will be made available to reach e-Voting page without any further authentication. v). Click on e-Voting service provider name to cast your vote.

<table>
<tr><th colspan="2">Procedure to login through websites of Depositories</th></tr>
<tr><th>National Securities Depository Limited ("NSDL")</th><th>Central Depository Services (India) Limited ("CDSL")</th></tr>
<tr><td>2. User not registered for IDeAS e-Services facility of NSDL may follow the following procedure:
i). To register click on link : https://eservices.nsdl.com (Select "Register Online for IDeAS") or https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
ii). Proceed with completing the required fields
iii). Post registration is completed, follow the process as stated in point no.1 above</td><td>2. User not registered for Easi/Easiest
i). Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
ii). Proceed with completing the required fields.
iii). Post registration is completed, follow the process as stated in point no.1 above</td></tr>
<tr><td>3. First time users can visit the e-Voting website directly and follow the process below:
i). URL:https://www.evoting.nsdl.com/
ii). Click on the icon "Login" which is available under 'Shareholder/ Member' section.
iii). Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
iv). Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.
v). Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</td><td>3. First time users can visit the e-Voting website directly and follow the process below:
i). URL: www.cdslindia.com
ii). Provide demat Account Number and PAN No.
iii). System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.
iv). After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress.
v). Click on company name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</td></tr>
</table>

Procedure to login through their demat accounts / Website of Depository Participant

Individual shareholders holding shares of the Company in Demat mode can access e-Voting facility provided by the Company using login credentials of their demat accounts (online accounts) through their demat accounts/websites of Depository Participants registered with NSDL/CDSL. An option for "e-Voting" will be available once they have successfully logged-in through their respective logins. Click on the option "e-Voting" and they will be redirected to e-Voting modules of NSDL/CDSL (as may be applicable). Click on the e-Voting link available against Suven Pharmaceuticals Limited or select e-Voting service provider "KFinTech" and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication.

Members who are unable to retrieve User ID / Password are advised to use "Forgot User ID" / "Forgot Password" options available on the websites of Depositories / Depository Participants.

National Securities Depository Limited ("NSDL")	Central Depository Services (India) Limited ("CDSL")
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 22-23058542/43.

(VII). The voting rights of Members/beneficial owners (in case of electronic shareholding) shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or e-voting at the AGM through Insta Poll and a person who is not a Member as on the cut-off date should treat this AGM Notice for information purpose only.

Facility to cast vote through Insta Poll will be made available on the Video Conferencing screen and will be activated once the Insta Poll is announced at the Meeting.

(VIII). Any person who acquires shares of the company and becomes a member of the company after the sending of the AGM Notice and holds shares as on the cut-off date, i.e. August 11, 2022, may obtain the login Id and password by sending a request at evoting@kfintech.com. However, if you are already registered with "KFinTech" for remote e-voting then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you may reset your password by using "Forgot User Details/ Password" option available on http://evoting.kfintech.com.

(IX). The Board of Directors of the Company has appointed, Smt. D. Renuka, a Practicing Company Secretary (Membership No. A11963), as Scrutinizer to scrutinize the remote e-voting and Insta Poll process for AGM in a fair and transparent manner and she has communicated her willingness to be appointed and will be available for the said purpose.

(X). The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinise the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman or any person authorised by the Chairman after completion of the scrutiny of the votes cast through remote evoting before/during the AGM. The results of e-voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutiniser's Report, will be placed on the website of the Company: www.suvenpharm.com and on the website of KFinTech at: https://evoting.kfintech.com. The result will simultaneously be communicated to the Stock Exchanges.

(XI). Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of meeting, i.e. August 18, 2022.

ANNEXURE TO NOTICE OF AGM

Additional information on director recommended for appointment/re-appointment at the Annual General Meeting as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable secretarial standards

Resolution No.	4
Name of the Director	Dr. Jerry Jeyasingh
Director Identification Number (DIN)	08589727
Age	46 years
Date of Appointment at current designation/ Date of first appointment on the Board	06/11/2019
Qualifications	Medical Doctor from Sri Ramachandra Medical College and Research Institute in Chennai.
Experience (including expertise in specific functional area)/Brief Resume.	Dr. Jerry Jeyasingh, joined KMC Group in Dubai, helped establish KMC Group into a leading corporate healthcare provider in Dubai with a chain of Medical Centers, Pharmacies and Medical Labs. His main aim was to make Healthcare accessible to all sections of society, especially focusing on the underserved industrial workers and contract laborers. Dr. Jeyasingh also played a key role in assisting the Dubai Health Authority in initiating and conducting the pilot study for the compulsory health care program in Dubai which eventually led to the implementation of mandatory health insurance plan that is currently adopted by the Dubai Government. Dr. Jeyasingh has been closely involved in conducting numerous free health camps in industrial areas in various parts of Dubai over the last decade, helping raise awareness of health and safety among immigrant workers. He has also been involved with various charities in Dubai and India, supporting and promoting basic healthcare for all. Dr. Jeyasingh is also sports enthusiast, member of the local running club, plays for the local cricket and football teams as well. He is an avid traveler, having a special interest in trekking and mountain climbing. He has travelled extensively in the mountainous jungles of Borneo and the many islands in the South China Sea.
Terms and conditions of appointment / re-appointment	Re-appointment in terms of Section 152(6) of the Companies Act, 2013.
Remuneration proposed to be paid	Nil
Names of listed entities in which the person also holds the directorship in other Companies	Nil
Chairmanship/ Membership of Committees in other companies in which position of Director is held	Member of Stakeholders Relationship Committee
Shareholding in the Company	Nil
Relationship with Other Directors, Manager and other Key Managerial Personnel of the company.	Except Dr. Jerry Jeyasingh, Shri. Venkateswarlu Jasti and their relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are in anyway concerned or interested, financially or otherwise in the passing of the Resolution at Item No. 4 of the Notice.
The number of Meetings of the Board attended/held during the FY 2021-22 i.e, upto 31st March, 2022	4 out of 6 meetings

Corporate Information

BOARD OF DIRECTORS
Shri J. V. Ramudu - Chairman
(Non-Executive, Non-Independent Director)
Shri Venkateswarlu Jasti
(Managing Director)
Shri D. G. Prasad
(Independent Director)
Dr. S. Chandrasekhar (upto 18-Jan-2022)
(Independent Director)
Smt. Deepanwita Chattopadhyay
(Independent Director)
Dr. Jerry Jeyasingh
(Non-Executive, Non-Independent Director)
Dr. V. Sambasiva Rao (w.e.f. 23-Jul-2021)
(Independent Director)

CHIEF FINANCIAL OFFICER
CMA P. Subba Rao

COMPANY SECRETARY
CS K. Hanumantha Rao

STATUTORY AUDITORS
Karvy & Co.,
Chartered Accountants
Road No.2, Bhooma Plaza
Avenue -7, Banjara Hills
Hyderabad- 500034

INTERNAL AUDITORS
Vemulapalli & Co.,
Chartered Accountants
H. No. 14-1-90/435, Sai Dwarakamai
1st Floor, Gayatri Nagar Colony, Allapur
Borabanda, Hyderabad – 500038

BANKERS
State Bank of India
Bank of Bahrain & Kuwait

MANUFACTURING FACILITIES
Unit – 1:
Dasaigudem (V), Suryapet (M)
Suryapet Dist. Telangana – 508 213
Unit – 2:
Plot No.18, Phase III, IDA
Jeedimetla, Hyderabad, Telangana – 500 055
Unit – 3:
Plot No(s). 262- 264 & 269 – 271, IDA,
Pashamylaram, Sanga Reddy Dist.
Telangana – 502 307

AUDIT COMMITTEE
Shri D. G. Prasad – Chairman
Dr. V. Sambasiva Rao
Shri J. V. Ramudu

NOMINATION AND REMUNERATION COMMITTEE
Shri D. G. Prasad – Chairman
Smt. Deepanwita Chattopadhyay
Dr. V. Sambasiva Rao
Shri J. V. Ramudu

STAKEHOLDERS' RELATIONSHIP COMMITTEE
Shri J. V. Ramudu – Chairman
Dr. Jerry Jeyasingh
Smt. Deepanwita Chattopadhyay

RISK MANAGEMENT COMMITTEE
Shri Venkateswarlu Jasti – Chairman
Shri D. G. Prasad
Smt. Deepanwita Chattopadhyay
Shri V Sunder
Shri P. Subba Rao

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Shri J. V. Ramudu – Chairman
Smt. Deepanwita Chattopadhyay
Dr. V. Sambasiva Rao
Shri Venkateswarlu Jasti

SECRETARIAL AUDITORS
DVM & Associates LLP
Company Secretaries
6/3/154-159, Flat No. 303, 3rd Floor,
Royal Majestic, Prem Nagar Colony
Hyderabad – 500004

REGISTRARS & SHARE TRANSFER AGENTS
KFin Technologies Limited
Selenium, Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500032

Unit – 4:
Plot No(s). 65 – 67, JN Pharmacity,
Parwada, Visakhapatnam,
Andhra Pradesh – 531 019
Formulation Development Centre
Plot No(s). 265 to 268, IDA
Pashamylaram, Sanga Reddy Dist.
Telangana – 502 307

REGISTERED OFFICE
8-2-334 I SDE Serene Chambers I 3rd Floor I Road No.5 I Avenue 7 I Banjara Hills
Hyderabad – 500034 I Telangana I India I CIN: L24299TG2018PLC128171
Tel: +91 40 2354 9414/ 3311/ 3315 Fax: +91 40 2354 1152 Email: info@suvenpharm.com Website: www.suvenpharm.com

SUVEN PHARMA

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Telangana

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